

# Economy and Enterprise Overview and Scrutiny Committee

6 October 2011



## Increasing the Employment Opportunities of Young People (18 – 24)

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### Report of Lorraine O'Donnell, Assistant Chief Executive

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#### Purpose of the Report

- 1 To present a proposed Terms of Reference and Project Plan in order to initiate a Scrutiny Review focusing on Increasing the Employment Opportunities of Young People (18-24). The focus will include an examination of how Durham County Council and its Partners can further develop support for and engagement with employers in County Durham to this end.

#### Background

- 2 Members will recall that at the meeting of the Economy and Enterprise Overview and Scrutiny Committee held on the 4 April 2011, a refresh of the Work Programme for 2011-2013 was considered within the context of the "Altogether Wealthier" priority theme of the Council Plan 2011-2014. At the meeting, Members were informed that there was a need to identify potential topics for focused review work to be undertaken by the Committee.
- 3 It was highlighted to Members that the refresh had identified within the current Committee Work Programme (2009-2011) the following gaps:
  - Increased numbers of people in employment with a focus on young people.
  - Improved retail, business and residential offer in Durham City and its immediate locality.

In addition, Members were reminded that in relation to quarterly performance reports they had frequently expressed their concerns about RED PI 7, the number of 18-24 year olds claiming JobSeekers' Allowance (JSA), which continued to increase on a quarterly basis (Quarter 2 - 4390, Quarter 4 – 4770).

- 4 Members, at the meeting of the Economy and Enterprise Overview and Scrutiny Committee on the 2 June 2011, considered a presentation by Ken Jarrold, Independent Chair of the County Durham Economic Partnership on the work of the Partnership, highlighting areas of focus which included issues in relation to unemployment and young people.
- 5 At a further meeting of the Committee on the 15 July, 2011, Members considered a report and presentation focusing on the County Durham Economic Assessment (CDEA) which also highlighted young people as a priority within the "People" baseline topic report. It was therefore agreed by the Committee that young people and unemployment within County Durham would be the area for focused Scrutiny Review by the Economy and Enterprise Overview and Scrutiny Committee.
- 6 A Special Meeting of the Economy and Enterprise Overview and Scrutiny Committee was held on the 8 September 2011 where Members received a report providing information on the national policy context, points of policy which will impact upon the design and delivery of support in County Durham, local policy priorities, resource availability and Partners/ Services currently involved in the delivery of support. In addition a presentation was provided which provided Members with further information in relation to unemployment trends, the current position relating to those Not in Employment, Education or Training (NEETs), previous job creation schemes, the current approach to apprenticeships, DCC involvement with apprenticeships, challenges and opportunities.
- 7 Having considered the report and presentation, it was agreed by Members that the Scrutiny Review would focus on how Durham County Council and Partners can further develop Partnership working to Increase the Employment Opportunities of Young People (18-24) by improving how we support/engage with employers in County Durham.
- 8 Undertaking this review is timely as July 2011 figures show the JSA claimant count for County Durham has risen by 864 persons in July, at a time when it would be expected to be falling. The underlying trend in the overall JSA count is reflected also by the underlying trend in youth unemployment (18-24 year olds), the change on the previous month's trend figures of an increase of 144 persons. In relation to the "national picture" latest figures for the three months to July 2011 show that the number of people unemployed in the UK rose by 80,000 to 2.51 Million, the largest increase in nearly two years, the jobless rate now stands at 7.9%. Youth unemployment also rose sharply by 78,000 to 973,000 with the total number claiming JSA rising by 20,300 in August to 1.58 Million.

## **Current position**

- 9 Attached for Members' consideration are the Terms of Reference and Project Plan. The Terms of Reference details the Review's background, purpose, objectives, focus, reporting arrangements and timescale. In summary, the review will provide Members with information on various interventions, funding, current schemes to support young people, case studies and examples of best practice, current engagement with employers including a mapping exercise and issues/barriers experienced by employers in relation to employing young people.
- 10 In addition it is intended that Members will visit some of the projects within County Durham which currently provide support to young people, increasing their employment opportunities.
- 11 The Working Group meetings and visits are to take place between October and December 2011 with a Report scheduled to be presented to the Committee in February 2012 and Cabinet in March 2012.

## **Recommendation**

- 12 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note the information contained within this report and agree to the proposed Terms of Reference and associated Project Plan (attached as Appendix 2).

## **Background Papers**

- Economy and Enterprise Overview and Scrutiny Report – Young people and Unemployment.
- Monthly Economic Update – July 2011.

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## **Appendix 1: Implications**

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**Finance** – A number of the various funding streams, Single Programme, Working Neighbourhoods (WNF), Local Enterprise Growth Initiative (LEGI) have been abolished. In addition Job Creation Schemes such as Future Jobs Fund (FJF) no longer exist. The Authority, working in partnership, has to access the new funding currently available from Government and any new Job Creation Schemes.

**Staffing** – None.

**Risk** – The Authority, working in partnership, has to access the alternative funding and any new job creation schemes as quickly as possible to ensure that support into employment and job creation continues to be provided.

**Equality and Diversity** – Equality and Diversity Issues will be addressed within the individual initiatives and schemes which provide employment support and job creation.

**Accommodation** – None.

**Crime and Disorder** – None.

**Human Rights** – None.

**Consultation** – None.

**Procurement** – The Authority has developed a Targeted Recruitment and Training (TRT) approach which involves targeting developers in early discussions to secure local employment opportunities and training opportunities from forthcoming developments.

**Disability Issues** – Disability issues will be addressed within any individual initiatives and schemes which provide employment support and job creation opportunities.

**Legal Implications** – None.