
YOUTH EMPLOYMENT

SUMMARY REPORT

Purpose of the Report

1. To inform scrutiny of the current situation regarding youth employment and give an update on the Youth Employment Initiative.

Summary

2. Participation in education and training up to 18 is rising, as are apprenticeship numbers. In addition a new Youth Employment Initiative is now in place to support young people into employment. However, youth employment remains an issue and the claimant count for the 18-24 year old group is almost double the national average.
3. The Youth Employment Initiative is progressing young people into education, employment and training but the impact of the youth claimant count has not been realised yet.
4. Nationally employers are still taking on young people at the same rate, however there are some concerns about work readiness particularly around attitude and life experience.
5. There are complex factors that impact on youth participation and employment sometimes beyond the control of the council's influence but where possible initiatives are put in place to encourage and support young people into education, employment or training.

Recommendation

6. It is recommended that Children and Young People Scrutiny note the content of the report and the fact that young people are being supported to participate in education and training or enter employment.

Suzanne Joyner
Director of Children and Adult Services

Background Papers

Paul Richardson : Extension 6015

S17 Crime and Disorder	Increased engagement in education, employment and training could have a positive impact on crime and disorder.
Health and Well Being	Increased engagement in education, employment and training could have a positive impact on health and well-being.
Carbon Impact	There are no issues this report needs to address.
Diversity	There are no issues this report needs to address.
Wards Affected	This report does not impact on a particular ward, but Darlington as a whole. However, it is more likely to be applicable to the most deprived wards.
Groups Affected	16 to 24 year olds.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	Relevant to the education and skills outcomes of the sustainable community strategy.
Efficiency	This report does not identify any efficiency savings.
Impact on Looked After Children and Care Leavers	Youth unemployment can have a greater impact on Care Leavers due to some of the barriers they have faced, which may include low attainment levels or social issues.

MAIN REPORT

Participation

7. Young people are required to continue in education and training until at least their 18th birthday. Darlington has been successful in increasing the participation of 16 and 17 year olds over the last few years and, based on data from August 2017, 92.30% of Year 12 young people and 90.06% of Year 13 young people are in learning. This is an increase of 2.28% and 3.41% respectively compared with August 2016. This data is from a snapshot at the very start of the academic year and may change once the final data from providers is received.
8. Overall the number of young people who are NEET and those not known have both decreased and the number of NEET available to the labour market has now fallen below 100. These figures reflect the new requirements for the tracking of young people by local authorities, introduced from September 2016. These new requirements only require local authorities to track those young people who were covered by the raising of the participation age changes.

	Year 12**	Year 13**
NEET (available to the labour market)	49 (63)	48 (53)
NEET (not available to the labour market)	11 (6)	12 (21)
Not known	13 (28)	3 (28)
NEET + Not Known %	6.39%	5.18%
In Learning %	92.30% (90.02%)	90.06% (86.65%)

** previous years data in brackets()

9. Both the Darlington in-learning percentage and the combined NEET and not known figure are better than in the other four Tees Valley local authorities.

School Leaver Destinations

10. The DfE produces school-level destination data for key stage 4 leavers, albeit somewhat lagged. The latest data for 2014/15 shows that 93% of Darlington school leavers progressed into a sustained education, employment or training destination (North East average 92%, England average 94%). However, individual Darlington school data varies from 96% to below 84%, with two out of eight schools below 90%.

Youth Unemployment

11. The August 2017 benefit claimant count showed that 6.9% of Darlington 18 to 24 year olds were claiming unemployment benefits compared to 4.8% in the North-East and 2.8%, this equates to 530 young people. This is up 0.4% from August 2016 (+40 young people). However, it has improved significantly from August 2013 when it stood at 10.9%.
12. The Tees Valley Youth Employment Initiative (YEI) aims to support 16-29 year olds into employment and training. The programme started in mid-2016 and runs until

the end of July 2018. There are three main delivery partners in Darlington, the Council, Morrison Trust and the Citizen's Advice Bureau. Since the start of the programme until June 2017 there have been 303 Darlington residents start on the programme, of which 113 have already progressed into education, employment and training. All three of the main providers are delivering above profile.

13. The Youth Employment Initiative supports both the unemployed (benefit claimants) and the inactive, with the split being approximately 2/3rds unemployed and 1/3rd inactive. Participants on YEI can continue to claim benefits whilst on the programme.

Apprenticeships

14. Apprenticeship starts for under 19s in Darlington rose from 310 in 2014/15 to 350 in 2015/16 and there were 280 starts from August 2016 to April 2017. For the 19-24 age group numbers rose from 380 to 430 with the 2016/17 part year figure standing at 330.
15. The system for apprenticeship funding changed in May 2017 with large employers (with a pay bill of more than £3 million) getting charged a levy in exchange for more control over apprenticeship funding. Non-levy employers with more than 50 employees are now expected to pay a 10% contribution towards the training costs. These changes have the potential to cause a fluctuation in apprenticeship numbers which will hopefully be positive.
16. The government has also introduced an employer incentive of £1,000 for those taking on 16-18 year old apprentices, or 19-24 year old care leavers or 19-24 year olds with an Education, Health and Care Plan. This will hopefully stimulate apprenticeship growth for these groups.

Employment

17. The 2016/17 employment data for Darlington shows that 75.0% of the working age population (16-64 year olds – data is not available by specific age bands), compared with 74.2% in Great Britain and only 69.8% in the North East. However the percentage of 16-64 year olds on out of work benefits is 3.6% which is above the North East average of 3.2% and the national average of 1.9%. The 18-24 year old claimant count at 6.9% is almost double that of the all age claimant count of 3.6%.

Employer Perspective

18. The national 2016 Employer Perspectives Survey indicates that the percentage of surveyed employers taking on someone under 25 years in the last year (66%) has not changed over the last three years. The report goes on to point out that young people are more likely to be employed in the hospitality and retail sectors or in other low level jobs. Employers also reported that where they felt education leavers were poorly prepared for employment '*this was commonly due to having a poor attitude or a perceived lack of working world or life experience*'. This perception declined as young people became more qualified.

19. In conjunction with Darlington's Foundation for Jobs initiative, schools are working to give pupils experience and knowledge of working life. TVCA are also looking to develop a more joined up offer of careers support across the Tees Valley. However, it should be noted that there is no longer a statutory requirement on schools to provide work experience.

Conclusion

20. Participation in education and training up to 18 is rising, as are apprenticeship numbers. In addition a new Youth Employment Initiative is now in place to support young people into employment. However, youth employment remains an issue and the claimant count for the 18-24 year old group is almost double the national average.
21. The Youth Employment Initiative is progressing young people into education, employment and training but the impact of the youth claimant count has not been realised yet.
22. Employers are still taking on young people at the same rate, however, there are some concerns about work readiness particularly around attitude and life experience.
23. There are complex factors that impact on youth participation and employment sometimes beyond the control of the council's influence but where possible initiatives are put in place to encourage and support young people into education, employment or training.

Going Forward

24. Youth unemployment has been identified as a key priority in the Children and Young People's Plan, the Sustainable Community Strategy and the Tees Valley Combined Authority's Education, Employment and Skills Strategic Action plan.
25. We will continue to maximise the funding opportunities available to support young people into employment, including YEI delivery in the Darlington area.
26. We are ensuring schools maximise the opportunities for developing work skills in young people through Darlington Foundation for Jobs and other initiatives.
27. We are working with the Combined Authority to develop better labour market information for schools.
28. We will continue to promote apprenticeship training with employers.
29. We will continue to monitor participation and youth employment and take action as necessary.

