

European Structural and Investment Funds Programme 2014-2020: Routeways 2 and WYCA Gainshare Programme to support unemployed and underemployed Leeds residents

Date: 3 September 2021

Report of: Head of Employment and Skills

Report to: Director of City Development

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

At the end of February 2021, the Department for Work and Pensions (DWP) as the Managing Authority for European Social Funding (ESF) issued the call for the Routeways for Young People Programme as part of the wider ESIF 2014-2020 programme. The call was for the sustainable integration into the labour market of young people, particularly those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities.

In April 2021 the Employment and Skills Service submitted a collaborative bid to deliver a £5.9m programme to support disadvantaged young people (15-24) in Leeds, Bradford and Kirklees. The Council, acting as the lead partner, submitted the bid and will need to enter legal contract with DWP. City of Bradford Metropolitan District Council, Kirklees Council and C&K Careers will act as delivery partners and incur expenditure as well as bringing their own matched funding to deliver the program in their districts. The Council will need to enter into Service Level Agreements (SLA) with each of the delivery partners.

The programme would start as soon as confirmation is received from DWP and run until 31 December 2023. More than 3400 young people will be supported across the three Local Authority areas, of which at least 1300 are anticipated to transition from not in education, employment or training (NEET) to in education, employment or training (EET). In Leeds over 1600 young people will be supported, of which at least 600 will become EET.

In November 2020 the West Yorkshire Combined Authority (WYCA), through the Economic Recovery Framework, approved funding in excess of £12m to extend and enhance two existing programmes (Re)boot and Employment Hub (Ehub) known collectively as Gainshare funding. (Re)Boot will be delivered mainly through WYCA, colleges and other providers to retrain West Yorkshire residents in new and/or growth sectors.

The Ehub element will facilitate access to advice and support, across West Yorkshire, delivered through the region's local authorities, to enable individuals to access training, retraining and/or

employment, particularly in new opportunities being created to support the COVID-19 recovery efforts. Leeds City Council's allocation is £2.06m and needs to be delivered by 31 March 2023.

Including how it contributes to the city's and council's ambitions

- The programmes will contribute to the delivery of the Best Council Plan 2020-25 priorities of Inclusive Growth, Child-Friendly City, Age-Friendly Leeds, and Safe, Strong Communities.
- They will also support the Leeds Best City Ambition: Strong Economy and a Compassionate City as well as contributing to the city's Economic Recovery Framework as we support those hardest hit by covid-19..
- Targeted support will contribute to the achievement of Best Council Plan outcomes to ensure that all residents can do well at all levels of learning, have the skills they need for life and to earn enough to support themselves and their families.

Recommendations

The Director of City Development is asked to:

- a) Subject to a successful bid outcome, the Director of City Development will agree to enter into a formal contract with DWP as part of the Routeways for Young People Programme and enter into a Service Level Agreement (SLA) with City of Bradford Metropolitan District Council, Kirklees Council and C&K Careers as programme Delivery Partners.
- b) Approve total expenditure of up to £2.1m by the Council, inclusive of £1.05m maximum match funding to deliver the Routeways for Young People Programme between 2021 and end 2023.
- c) Agree to enter into a formal contract with WYCA to accept the £2.06m Gainshare funding.
- d) Note that the Head of Employment and Skills will be responsible for the implementation, anticipated to commence in September 2021 and end in December 2023

Why is the proposal being put forward?

- 1 The Council offers a range of employment support services and skills programmes to residents with 80% of those supported into work residing in the most disadvantaged communities with the highest out-of-work benefit claimant rates. These programmes will enable the Council to extend its reach and target those at most disadvantage in the local labour market who have been hit particularly hard by Covid-19. The programmes will be aligned with other local and national programmes currently being procured to provide a coherent local offer and avoid duplication to make best use of resources as we look to support the city's economic recovery.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 2 The programmes will provide a targeted but flexible programme of activity enabling unemployed and underemployed residents to move closer to the labour market, improve skills, complete and for those underemployed progress into improved labour market status'. The programmes will be managed by Employment and Skills and delivered through a cohort of key workers based across the City.
- 3 The Routeways (ESIF) programme will concentrate on 15-24-year-old residents who are deemed to be NEET or at risk of becoming NEET.
- 4 Both programmes will provide tailored one-to-one support to participants. The programmes will be accessible to all who meet the eligibility criteria. Provision will be built around the following activities:
 - o Personalised one to one support / key worker model to meet individual need with a minimum of weekly contact;
 - o Initial assessment to establish participant's level of capability, skills and aptitude and to identify any specific barriers;
 - o IAG and signposting to relevant support agencies e.g. housing, drug and alcohol support, benefits and debt advice;
 - o Access to training and basic skills support including ESOL;
 - o Raising confidence and changing mindset;
 - o CV support and interview techniques;
 - o Brokering opportunities with employers and work experience.

This list is not exhaustive, and each participant will work towards achieving goals set out in an Individual Learning Plan (ILP) tailored to their strengths and abilities.

What consultation and engagement has taken place?

- 5 The Leeds City Region ESIF Strategy was subject to wide consultation across the city region during its development in 2013/14. Smaller stakeholder sounding groups continue to be used to develop programmes under each thematic objective prior to release. Leading up to the launch of calls for proposals, regional information sessions were held, generally led by the West Yorkshire Combined Authority (WYCA) and the relevant Managing Authority.
- 6 Implementation of the strategy is monitored by the Leeds City Region Enterprise Partnership Board, the Leeds City Region Chief Executives' and the Leaders' Board meetings. A Council cross-directorate ESIF officers' group has been engaged in the development of local programmes since 2014.

- 7 The Deputy Leader and Executive Member for Economy, Culture and Education has been consulted on the issues in this report.

What are the resource implications?

- 8 In the current financial climate of reduced resources, the ESIF programme is a significant source of external funding which contributes 50% towards the costs of Council priority projects and programmes.
- 9 The commitment from the Council is taken from existing staff resource and as such, no additional costs will be incurred to deliver the programme.
- 10 The Gainshare (Ehub 2) programme is 100% grant funded and no costs will be incurred outside of the delivery of the programme. Any new costs (staff and promotional materials) have been factored into the delivery.

What are the legal implications?

- 11 The proposals contained within this report are subject to Call In. There is no access to information or other legal implications relating to these proposals.

What are the key risks and how are they being managed?

- 12 The Employment and Skills Service will lead on the delivery arrangements on behalf of the Council and contract manage CBMDC, Kirklees and C&K Careers. The service has extensive experience and sufficient resources in place to successfully deliver a project of this nature. The service has rigorous and robust contract management and performance procedures in place to reduce and mitigate these risks.
- 13 On the 24 July 2018, HM Treasury announced a commitment to underwrite the UK's full allocation for structural and investment fund projects, such as funding secured through the European Regional Development Fund, until the end of 2020. This guarantee given by the Government was aimed at giving applicants continued confidence to bid for and benefit from funding whatever the outcomes of the Brexit negotiations, and ensure that UK organisations continue to benefit from funding post-Exit.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

Targeted support will contribute to the achievement of Best Council Plan outcomes to ensure that all residents can do well at all levels of learning, have the skills they need for life and to earn enough to support themselves and their families. The programmes will contribute to our inclusive growth ambitions and will support the city's economic recovery.

A key part of the Best Council Plan priority on 'Sustainable Infrastructure' is how we tackle the risks of climate change. Following the council's declaration of a climate emergency in March 2019, due consideration has been given to the climate impact. The delivery of this programme will have no adverse impact on the climate. One of the new roles to be funded through the Gainshare element will focus on creating links with "Green" jobs and training and is aligned with the West Yorkshire Mayoral pledge of creating 1000 new green jobs.

Options, timescales and measuring success

What other options were considered?

- 14 From July 2021 the existing ESIF YEP and Routeways programmes stopped taking new participants. Beyond December 2021 there is no funding for this type of employment support for 15-24 year-olds. If no further funding is secured the programme would stop. Some of the team may perform a limited role in supporting NEET young people, but would not be able to fully support this type of work and in limited locations/geographies that will not as fully support the engagement of disadvantaged communities, thereby limiting the impact on economic inclusion. This funding will be used to increase the support for NEET and or risk of being NEET young people.

How will success be measured?

- 15 These programmes will result in more young people accessing the support they need to gain skills or employment that enables them to be active citizens in their community. This will reduce the demand for expensive state funded specialist provision to resolve employment barriers they will encounter later in life and ultimately contributing to the local economy, increasing sustained employment with progression opportunities thereby supporting our inclusive growth ambitions. In the long term, these programmes will significantly improve the life chances and experiences of our most vulnerable young individuals by connecting them with education and the labour market.

The project will result in:

- fewer young people becoming NEET,
- more young people:
 - being informed about options, including apprenticeships as a career route, beyond compulsory education;
 - benefitting from business advice and/or interventions whilst still in compulsory education;
 - receiving employment support;
 - accessing basic skills support;
- parents/guardians/carers and teachers and more young people, becoming aware of current and future employment opportunities in the city region and the skills and qualifications needed to access those jobs;
- more businesses:
 - becoming aware of apprenticeships and the benefits they bring;
 - looking at apprenticeships as a credible training and progression route for employees;
 - offering apprenticeships

What is the timetable for implementation?

- 16 The Routeways 2 ESIF programme would need to start immediately on contract award from DWP. There is no possibility to extend beyond December 2023 as all ESIF spend delivery must be completed by then.
- 17 The Gainshare Ehub 2 element again will start immediately now that a contract offer has been issued. This programme will run until end March 2023 and although not as timebound as ESIF programmes there is no anticipated extension beyond March 2023.

Appendices

- 18 None.

Background papers

19 None.