

Report To:	EXECUTIVE CABINET
Date:	28 November 2018
Executive Member/ Reporting Officer:	Councillor Gerald P Cooney, Executive Member, Economic Growth, Employment and Housing Richard Hancock, Director of Children's Services
Subject:	EVALUATION AND BUSINESS CASE – TAMESIDE EMPLOYMENT FUND
Report Summary:	<p>The grants and scheme detailed in this report have been successfully implemented and delivered sustainable outcomes for young people and businesses in Tameside.</p> <p>Tameside Council has been supporting local Small to Medium Enterprises (SME) to grow and develop skilled trades, employment of young people aged 16 to 24 years old in apprenticeships and reduction of young residents aged 16-24 years old and not in employment, education or training (NEET).</p> <p>The report provides a summary evaluation and business case to continue the outcomes delivered by the grants in the form of re-branded Tameside Employment Fund beginning in April 2019. The case for continuing the grants is based on the benefits of cost avoidance by targeting outcomes on vulnerable and complex cohorts and supports the delivery of Corporate Parenting. The Employment and Skills team have already secured £100,130 of Greater Manchester Combined Authority (GMCA) funding towards this programme.</p>
Recommendations:	<ol style="list-style-type: none"> 1. That the significant benefits of the grants and schemes for Tameside businesses, providers and young people aged 16-24 years old; particularly looked after children and care leavers, be noted. 2. That Council be recommended to approve an investment of £0.287 million to support continuation of the scheme over the 2 year period 1 April 2019 to 31 March 2021. In addition £0.100 million will be received from the GMCA (section 6 of the report refers). 3. That a celebration event and a marketing strategy be approved for those benefiting from the scheme to further build sustainable relationships.
Policy Implications:	<p>Tameside's business base is primarily comprised of SME's and micro businesses, which require support to grow and create employment opportunities for local residents in turn creating a more prosperous economy. In supporting local SMEs to create apprenticeships we are assisting in raising awareness of the benefits of this pathway, improving productivity and working towards the government's target of 3 million apprenticeships by 2020.</p> <p>The Council's statutory Raising Participation Age duties to ensure all residents remain in education or training until the age of 18 is directly supported by these initiatives along with reduction of NEET and engagement of hard to reach young people, including priority groups looked after children, care leavers, those with an</p>

identified SEND, youth offenders and teenage parents. The proposed Tameside Employment Fund would support the Council to deliver our Corporate Parenting commitment.

Financial Implications:
(Authorised by the Section 151 Officer)

The report provides a summary evaluation and business case to continue the outcomes delivered by the grants. The case for continuing the grants is based on the benefits of savings and cost avoidance by targeting outcomes on vulnerable and complex cohorts.

The report requests a Council investment of £ 0.287 million to support continuation of the scheme over the 2 year period 1 April 2019 to 31 March 2021. In addition £0.100 million will be received from the GMCA (section 6 of the report refers)

The sum requested is not currently included within the Strategic Commission's 5 year medium term financial plan and will therefore be an additional cost pressure if the proposal is approved.

However the evaluation of the young people supported by the existing programme delivered an annual saving of £0.154m within Children's Social Care (section 5.1 of the report refers). This equates to an estimated return on investment of £2.13 for every £1 incurred.

It is essential that continuation of the programme is stringently monitored to ensure savings are delivered within Children's Social Care and associated public services.

The estimated savings expected from continuation of the programme will be included within the Council's Medium Term Planning assumptions and monitored accordingly.

The funding request is for 2 years and has been built into the budget setting assumptions for the 2019/20 and 2020/21 financial year.

Legal Implications:
(Authorised by the Borough Solicitor)

This will be an additional call on the budget for discretionary spend so the Council need to be very clear that any money spent in this area will be able to demonstrate that it has reduced statutory spend that would otherwise have occurred. There needs to be clear performance monitoring for what is essentially an invest to save scheme.

Risk Management:

Supporting young people who are not in education, employment or training into positive employment and careers enables long term economic growth.

Access to Information:

The background papers relating to this report can be inspected by contacting David Berry, Head of Employment and Skills by:



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1. INTRODUCTION

1.1 The Tameside grants and scheme (originally titled Leaders Pledges in 2015) have been highly successful. This report sets out an evaluation and business case for continuing the delivery of outcomes re-branded as the Tameside Employment Fund (TEF) at a cost of £0.287m (the total value of the scheme is £0.387m however these costs could be scaled down or up depending on size of provision agreed). The case for continuing the Tameside Youth Employment Scheme element working with Care Leavers is based on a return on investment (RoI) of £2.13 (See section 5.1). If realised this would provide the Council with a good level of cost avoidance. The RoI is based on an understanding of the costs avoided from the 15 Care Leaver placements supported on this programme. The proposition for the continuation of the scheme is that entering employment contributes to a Care Leavers ability to build and maintain skills and resilience to live independently of expensive placements which are high cost to the Council. Entering employment is not the only factor which builds and maintains independence and cost avoidance cannot be solely and entirely attributable to this event, our proposition and hypothesis argues that this is a significant factor and therefore the proposed Tameside Employment Fund should be supported.

1.2 The headline outcomes are set out below. This summary business case is supported by a full and detailed evaluation available on request. The Youth Employment Scheme (YES) is almost fully allocated and the Business Grant and Trade Grant are now allocated.

- The Business Grant has supported 144 new jobs (including 139 apprentices)
- The Trade Grant has been awarded to 108 apprentices
- The Youth Employment Scheme has created 116 jobs (including 36 vulnerable young people)

1.3 The core reasons to continue to fund the grants and scheme include:-

- Reduction of Not in Employment Education or Training (NEET) including Care Leavers and those with Educational Health Care Plans
- Long term economic impact supporting 155 businesses across key growth sectors
- Reputational positive impact with business community
- Increased apprenticeships
- Directly facilitates female apprentices
- Creates vocational options for 16 and 17 year olds
- System wide outcomes delivered through accessing and sustaining employment including housing/health/offending
- YES is a co-investment with employers generating a potential £0.397m of private sector spend on a salaries to match the Council's past contribution.

1.4 The Grants and scheme are summarised below:-

- *Business Grant for Employers* – £1,500 to support local Small to Medium Enterprises (SMEs) to create apprenticeships for Tameside residents aged 16-24 years old and jobs at the Living Wage. This grant commenced May 2015.
- *Trade Grant* – Up to £1,000 for Tameside resident apprentices or self-employed trades person(s) aged 16-24 years old to purchase tools of the trade. This scheme commenced August 2015.
- *Tameside Youth Employment Scheme* (Tameside YES) – A maximum of 6 months' salary reimbursement to employers, which create opportunities for Tameside resident young people aged 16-24 years old and not in employment, education or training. This grant commenced December 2015.

1.5 Tameside's grants and schemes have successfully targeted the points raised in the Greater Manchester Economic Deep Dive Report and the emerging Vibrant Economy work. They

have specifically sought to address the main barriers for business whilst tackling the lack of qualifications and the often multiple complex needs of our NEET young people. We have supported almost over 150 local businesses in the growth sectors and with continued investment, which is identified as one of the ways in which Local Authorities can drive growth to have a direct and positive impact on the local economy. Schemes and grants such as these play a significant role in encouraging entrepreneurship, creativity and business starts ups by supporting young people to access opportunities in trades that can enable them to gain the skills and experience in the medium term to progress to creating their own enterprise. The emerging Vibrant Economy work places a strong emphasis on prioritising entrepreneurship and start-ups to deliver long term economic growth.

- 1.6 The geographic location of grants and scheme allocation (by individual and business) is consistent with normal patterns across the borough with no area under represented.
- 1.7 Tameside's largest provider of apprenticeships, Tameside College also enjoys the benefits of our grants/schemes (64% of apprentices were enrolled at Tameside College).

2. OUTCOMES

- 2.1 With just over £0.700m, the Council has awarded, created and supported the employment of 368 Tameside young people and businesses. Table 1 below shows an overview of the success of the grants and schemes and who has benefited.

Table 1

SCHEME / GRANT	STARTS/ AWARDED	REMAIN IN EMPLOYMENT	COMPLETED MIN. EMPLOYMENT PERIOD	COST £	APPRENTICESHIPS CREATED/ SUPPORTED	16-18/ 19-24	FEMALE/ MALE
Business Grant	144	92%	92%	0.216m (average cost per award £1,500)	139	91 (63%) /53 (37%)	62 (43%) /82 (57%)
Trade Grant	108	94%	94%	0.103m (average cost per award £953)	105	42 (39%)/66 (61%)	1 (0.9%)/107 (99%)
Youth Employment Scheme	116	56%	60%	0.397m (average cost per award £3,187)	29	40 (34%) /76 (66%)	42 (36%) /74 (64%)
Total of all Grants/ Schemes	368	81%^{ave.}	82%^{ave.}	0.716m (average cost per award £1,945)	273 (74%)	173 (47%)/195 (53%)	105 (29%)/263 (71%)

3. COMPLEX COHORTS

- 3.1 The Youth Employment Scheme has delivered strong outcomes for young people from complex groups including Care Leavers and those reporting they had an Educational Health Care Plan. Table 2 shows that a significant element of NEET complex individuals started YES placements. The sustainment in employment reflects the challenges faced by those groups although these are only slightly below the YES scheme average for sustainment (56%). It should be noted that a significantly higher proportion remain in

employment in the older age range of 19-24 for both complex groups. All Care Leavers had an EHCP plan also. The analysis demonstrates significant outcomes towards Corporate Parenting.

Table 2

Group	Total supported	Remain in employment	Remain in employment 16-18	Remain in employment 19-24	In apprenticeship roles
Looked After Children / Care Leaver	15 (13% of YES cohort)	6 (40%)	3 (25%)	3 (100%)	5 (33%)
Educational Health Care Plan	36 (31% of YES cohort)	19 (53%)	7 (37%)	12 (71%)	8 (22%)

3.2 The Employment and Skills Team identified a gap in support for complex NEET young people to transition to employment. It was clear they required support with the barriers but also the challenges that manifest whilst in employment. To tackle this, we successfully bid for £0.139m GM Commitment funding in 2016 in order to redesign the scheme and commission a Transition to Work Key Worker role within Positive Steps and working closely with our Leaving Care Team. The Care to Success pilot was also commissioned separately by Children’s Services in 2017 to support 11 Care Leavers who were much further away from the labour market.

3.3 The Transition to Work Key Worker supports all Tameside YES participants but has specific focus on our Looked after Children/Care Leavers. The Transition to Work Key Worker has engaged 29 LAC/CL young people and had 20 successful outcomes; a success rate of 69%, which is excellent for this cohort. Overall the Transition to Work Key Worker has achieved 72 outcomes (including 28 YES outcomes). Care to Success supported 11 care leavers with 6 (55%) moving into paid employment.

3.4 The list below shows challenges which relate specifically to the participants in the scheme. Participants have been complex and varied with the majority facing one to all of the challenges detailed below. The incentive of the scheme i.e. removal of the financial risk for a 6 month period, supports employers to work through the challenges.

Challenges:

- Homelessness and poor budget management
- Behavioural challenges and sleeplessness
- Lack of communication skills and low Confidence
- No qualifications / below Level 2 attainment
- Drugs and Alcohol Abuse
- Depression / Anxiety (Mental Health) and Illness / Sickness
- Familial challenges and poor hygiene

4. VIEWS FROM YOUNG PEOPLE AND PROFESSIONALS

4.1 Raising the aspiration of local young people and requiring them to think about the future goals in their careers has provided inspiration to look towards more high profile roles within trades and setting up their own businesses with a view to creating work for others. Michael (not real name), age 20 Level 2 Plastering Apprentice from Audenshaw states:-

“My goals, ambitions and achievements for the short term future of plastering are to become fully qualified at the highest standard, which is receiving my certificates for level 2 & 3 in plastering. Having great skills and knowledge to get me set up on my feet, ready to

face the big world of plastering. Then, leading onto my long term goals and ambitions which would be, being the best at what I do, persisting with this trade and making this career my living and still to enjoy what I'm doing every day. My goal is to have my own business and make that as successful as possible. I also have hopes to have an apprentice in my position then, for him to do it all just like I have done."

- 4.2 Group Testimonial - Phill Brown MBE, Councillor Ged Cooney, Tony Berry Chief Executive Ashton Pioneer Homes, Louise Marshall Brother UK, Jackie Moores Principal Tameside College:-

"Tameside Council's Business Grant, Trade Grant and Youth Employment Scheme have supported so many businesses and local young people. Seeing the calibre of applicants, their aspirations and goals has provided a great sense of pride in that we are directly supporting their careers and businesses. As a panel we support the continuation of all of the grants and schemes to ensure we assist both businesses and young people around skills and employment. We are all heavily invested in apprenticeships and have seen the funding available nationally and from Greater Manchester move away just as the levy came in to place. The fact that we can tackle skills gaps, sector growth, apprenticeship growth, support for Tameside businesses and young residents with these grants/schemes is fantastic."

- 4.3 Georgina (not real name) from Ashton-under-Lyne is 18 and a Care Leaver who has secured an apprenticeship through the Youth Employment Scheme. This extended testimony demonstrates the confidence and independence gained through employment:-

"My social worker told me about Positive Steps and how they could help me find an apprenticeship. I was given an appointment to meet the YES Scheme Adviser (Transition to Work Key Worker) the next day. I was unemployed and needed money. I was struggling to find a job and it was a very difficult time for me as I would be leaving my foster parents soon and would be living on my own. It was welcoming and friendly atmosphere. I felt like I understood the programme after meeting the YES Adviser and thought it would be useful to help me find a job. I've had support to apply for YES vacancies, apprenticeships and traineeships and the Adviser gave me a lift to help me find the place where my interview was because I couldn't find either of them on Google Maps. I have been given help to improve my cv and apply for YES jobs and apprenticeships. I was introduced to a Traineeship provider called QA Apprenticeships where I did an IT course and a 7-week work placement with an employer. I didn't have enough experience to get the job permanently but it gave me an idea what it was like to work in an office and think about other careers that I would like to do so I started applying for apprenticeships in childcare. There was a Childcare apprenticeship available through the YES Scheme so I applied for this next. My Adviser helped me to prepare for my interview and talked me through the job description boosting my confidence. The preparation before helped my nerves. I was given an Asda voucher to buy clothes for my interview and help to choose clothes and shoes so I knew what to wear at my interview. I was unsure what was formal and what was not appropriate. All this support helped me a lot and made me feel more confident at my interview. I have had bus tickets to get to my interviews and work trials. I will also get bus tickets to get to and from my apprenticeship. This really helps as I did not get paid for 4 weeks at the start. It has helped me to be successful at finding a Childcare apprenticeship and helped me become happier as I really wanted a job and start a career. I will be getting my own flat in a few months and this job will help me to become more independent and pay my own bills and rent. If I didn't find the YES Scheme and had all the help and have these experiences I think I would still be looking for a job as it's 'really difficult' when you don't know how to apply for jobs, where to find jobs or how to answer questions at an interview. I wish to finish my apprenticeship and get my level 2 qualification and hopefully can go on to do a level 3 in childcare as I would like to be qualified in childcare".

5. CASE TO EXTEND

5.1 The core reasons to extend the schemes are set out below:-

For Tameside Council. The Council...

- has reduced direct costs to the council in regards to Care Leaver costs. Analysis by the Looked After Children's Service shows an annual cost saving of £0.154m across 15 young people who had successfully gained employment through the YES scheme. This figure was calculated by totalling the accommodation costs avoided by the Council within a 12 month period of the Youth Employment Scheme where it is acknowledged that employment contributed to independent living. The savings were attributed from in-house foster care placements, supported lodgings and private semi-independent providers being replaced by bedsit rents or independent tenancies (achieved through independence). A cohort of the cases are set out below as examples to provide an understanding of how savings can vary. This analysis shows the potential for investment by the Council towards positive outcomes avoiding costs accrued against non-positive outcomes.
 - Case 1 cost avoided = £3,536
 - Case 2 cost avoided = £9,845
 - Case 3 cost avoided = £47,268
- based on an Youth Employment Scheme investment of £0.049m for the 15 young people (care leavers) the average return on investment is estimated to be £2.13 for every £1 incurred on the existing programme.
- can actively take a corporate parenting role for our looked after children and those leaving care in supporting them with the transition in to and sustain of employment.
- has developed stronger partnerships with supporting organisations Pure Innovations, Active Tameside, Jobcentre Plus, Talent Match, Groundwork, Princes Trust which enhance service delivery and partnership working across the borough.
- has supported the Council's contractors and their supply chains to employ Tameside residents.
- has improved the prosperity of Tameside.
- has created a network of businesses offering work experience, career talks to enhance Careers Education Information Advice & Guidance (CEIAG) in schools and colleges .

For Business – The Council...

- has prompted local businesses to pay national minimum wage for apprentices.
- is directly supporting the growth of Tameside SMEs.
- is supporting local SMEs to recognise there is a talent pool of young people in Tameside.
- is changing employers misconceptions around employing young people.
- is prompting SMEs to develop employment contracts and health and safety policies.
- has prompted local businesses (SMEs) to consider their goals.

For Residents – The Council...

- has created interventions in the lives of young people that reduce the likelihood of them becoming long term unemployed.
- has developed skilled traders.
- has changed young people's perception of employment.
- is enhancing the softer skills of young people entering work.
- has prompted recipients of the Trade Grant and Tameside YES to consider their future and raise aspirations.
- has raised the aspiration of young people furthest from the job market.

For Providers – The Council...

- has provided incentives for provider business engagement to target Tameside businesses and create apprenticeships.
- has prompted employers to use local providers.
- has ensured local providers seek Tameside young people for opportunities.
- has supported the creation of apprenticeship starts.

5.2 The Council's investment in business and the employment of young people aged 16-24 years has supported multiple services internal and external to the Council. As at April 2018 Tameside's unemployment rate for young people aged 16-24 years was 5.0%. This is above the GM average of 4.1%, northwest 4.0% and national rate of 3.2%. These figures are based on those claiming benefits; however we must also consider those 16-17 years who have no entitlement until aged 18 years and are therefore not included. The scheme/grants currently support and create opportunities for all young people aged 16-24 years, therefore ending this support may result in increased unemployment in this age group.

5.3 Securing positive destinations for young people, increasing their income and supporting them to make positive contributions to their local communities and economy reduces the need for resource and funding across the board. Some of the theoretical reduced costs (taken from GM Cost Benefit Analysis Model) are set out below.

- **Health** cost savings relating to drug and alcohol misuse at £5,742 as well as costs relating to mental health support at £2,197 provide for annual savings relating to those young people for whom work alleviates symptoms or provides a stable environment in which to operate.
- **Police and other costs in relation to the Criminal Justice System** are significant. Anti-Social Behaviour costing approximately £673 per incident, along with youth offending at around £3,620 per first time entrant in to the legal system each year. Whilst not all participants within Tameside YES were known to the Youth Offending Service, the cost saving of preventing anti-social behaviour by NEET young people or having them commit an offence is noteworthy.
- **Housing Benefit/Council Tax Support** would provide cost savings between £4,888 and up to £8,605 a year in respect of homelessness/rough sleeping.
- **Job Seekers Allowance/Income Support /Universal Credit**, would provide a cost saving of £8,998 a year per NEET young person.
- **Looked after Children and Care Leavers** are not only a priority group, but a vulnerable cohort of young people in which the Council must invest significant funding. Any activity providing the number of positive outcomes as seen through Tameside YES and the role of the Transition to Work Key Worker will undoubtedly reduce this investment and therefore save money in future.

6. PROPOSAL

6.1 The Tameside Employment Fund (TEF) would cost £0.387m with a specific request of £0.287m of Council financial contribution (funding of £0.100m has been identified from GMCA sources). The TEF would continue the schemes with a more targeted focus on vulnerable cohorts (these costs could be scaled down or up depending on size of provision agreed). The Council funding would be non-recurrent and would cover the period April 2019 to March 2021 enabling 24 months of delivery with a further review planned prior to the 2020/21 financial cycle. Should the investment be granted progress will be rigorously

monitored and a case made for on-going investment beyond 2021, if it is demonstrated to be successful.

Table 3

Item	Detail	Note
Funding and period:	<p>Total cost of TEF: £0.387m April 2019 to March 2021 (24 months of delivery).</p> <p>Contribution required from Council funding: £0.287m</p> <p><i>Funding already in place</i></p> <ul style="list-style-type: none"> • GMCA - £0.100m (subject to GMCA grant agreement) 	The funding would provide services up to March 2021 to prevent in year reviews and enable longer term provision.
Rebrand:	Tameside Employment Fund	The three grant and schemes (Youth Employment Scheme, Business Grant and Trade Grant) would be brought under one clear brand with some flexibility on how the funding could be allocated as set out below.
Outcomes and areas of spend April 2019 to March 2021 (sub costs total £0.387m)	<ol style="list-style-type: none"> 1. x38 starts NEET 16-24 (Youth Employment Scheme) at average of £6,000 (Total Spend £228,000) 2. x36 awards Business Grants at £1,500 for apprenticeships only (Total spend £54,000) 3. x15 awards Trade Grants for apprentice tools at £750 (total spend £11,250) 4. x1 (0.8 FTE) Transition to Work Key Worker (Total spend £44,000) 5. x15 Care Leavers supported via the Care to Success Scheme delivered by Active Tameside (Total spend £50,000) 	<ol style="list-style-type: none"> 1. The scheme would prioritise (but not give exclusivity) apprenticeships 16-24 year old NEET looked after children/ care leavers and those with Education Health Care Plans. 2. The Business Grant would continue to be focused on apprenticeships. 3. The Trade Grant would be reduced to £750 from £1000 with a focus on those progressing to higher level apprenticeships. 4. Funding for the TWKW would enable us to continue to effectively engage and provide outcomes for LAC/CL and EHCP who require additional support to find and sustain placements but are not furthest away from the labour market. 5. The Care to Success scheme would support 15 LAC/CL who are furthest away from the labour market as evidence by the recent Active Tameside Pilot.

- 6.2 Considerations that can be taken into account when considering an immediate funding package for this scheme are set out below:-
- The Council has secured £0.100m of unspent GM Apprentice Grant for Employers funding from the Greater Manchester Combined Authority (GMCA). This funding would enable TMBC to extend the YES and Business Grant elements only due to GM eligibility criteria. The eligibility criteria is not yet fully know and may impact on the scheme, we will receive a Grant Condition Agreement from GMCA in Dec 2018. Should the GMCA Grant Condition Agreement be available for only certain elements of the Tameside Employment Fund the indicative proposal above would need to be flexibly revised.
 - The Employment and Skills Team have identified and utilised non-recurring funds of £12,000 for 2018-19 which has continued funding the TTKWK from September 2018 to March 2019. This provides us with a continuity of support in lieu of a decision on the proposed Tameside Employment Fund.

6.3 Sustainability is a key consideration in the continuation of the grants and schemes set out in this report under the proposed new branding of the Tameside Employment Fund. The following opportunities for making the Tameside Employment Fund sustainable post March 2021 are set out below.

- Opportunity 1 – Maximising Social Value – As we evolve and strengthen our approach to maximising social value through our commissioning we have an opportunity to secure employment opportunities for young people with companies without the need for financial assistance from the Council in the form of a grant or salary support. We are confident that (following the enhancement of our Social Value Guidance) organisations will provide social value offers that include the recruitment of apprentices and work with the Council on enabling our target cohorts to access these opportunities. To secure these opportunities we need to systematically develop our approach to early identification and development of providers who could provide the outcomes that we would ordinarily have achieved through grants and schemes. Our energy and focus would move towards leadership of an enhanced social value commissioning approach.
- Opportunity 2 – External Funding – The proposed Tameside Employment Fund could be delivered by identifying and accessing external funding (grants/sponsorship/payment by results). This would provide a degree of risk in regards to external requirements for spending, dilution of local branding and would most likely mean a smaller offer that could be delivered as and when funding was available. This opportunity would enable the scheme to continue with direct Council funding and meets a clear national and regional priorities around young unemployment and apprenticeships. Examples of where funding could be sought from include Big Lottery, GMCA and Department for Work and Pensions.

7. RECOMMENDATIONS

7.1 As set out on the front of the report.