



REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

**FINAL REPORT
EMPLOYMENT AND TRAINING OPPORTUNITIES FOR
YOUNG PEOPLE AGED 19-25**

APRIL 2012

CABINET

16 April 2012



Report of: Regeneration and Planning Services Scrutiny Forum

Subject: FINAL REPORT – EMPLOYMENT AND TRAINING OPPORTUNITIES FOR YOUNG PEOPLE AGED 19-25

1. PURPOSE OF REPORT

1.1 To present the findings of the Regeneration and Planning Services Scrutiny Forum following its investigation into Employment and Training Opportunities for Young People Aged 19-25.

2. SETTING THE SCENE

2.1 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 21 July 2011, Members determined their work programme for the 2011/12 Municipal Year. The issue of 'Employment and Training Opportunities for Young People Aged 19 to 25' was selected as the topic for consideration during the current Municipal Year.

2.2 Youth unemployment in Hartlepool continues to be above the regional and national average; Hartlepool 16.2%, North East 9.9% and Great Britain 7.5%. The percentage of young unemployed is 32% of the total unemployed in Hartlepool. The Government have introduced a range of measures under the 'Get Britain Working' Campaign to support the unemployed back into work, including specific measures for young people such as the Work Programme, the New Enterprise Allowance Scheme, Work Experience and Sector based academies.

2.3 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 1 September 2011, during the scoping of the investigation into 'Employment and Training Services for 19-25 Year Olds' Members agreed that the concept of 'Social Return on Investment' should also be explored as part of the Forum's investigation. In order not to impact on the main investigation, Members agreed that a focus group of the Regeneration and Planning Services Scrutiny Forum would be tasked with looking specifically

at the social return on investment of the Connexions service for 19-25 year olds, with the results being taken as evidence by the main scrutiny forum.

3. OVERALL AIM OF THE SCRUTINY INVESTIGATION

- 3.1 The overall aim of the Scrutiny investigation was to explore and evaluate the issue of training and employment opportunities in Hartlepool for young people aged 19 to 25.

4. TERMS OF REFERENCE FOR THE SCRUTINY INVESTIGATION

- 4.1 The Terms of Reference for the Scrutiny investigation were as outlined below:-

- (a) To gain an understanding of the issue of training and employment opportunities for young people aged 19 to 25, with particular reference to the very vulnerable who fall in to this category;
- (b) To explore/evaluate the services currently provided in Hartlepool to young people aged 19 to 25, not in employment, education or training and the effectiveness of these services. To include details of:-
 - (i) services provided by the Local Authority (including 19+ Connexions services);
 - (ii) areas of partnership working and service provision;
 - (iii) transition arrangements for those moving from Connexions;
 - (iv) potential gaps in service provision.
- (c) To consider the views of the young unemployed in Hartlepool, those in training or who have successfully used services available, and also the views of local employers on the effectiveness of service provision;
- (d) To gain an understanding of the impact of current and future budget pressures, future funding streams and the potential development of local enterprise zones on the opportunities for employment and training open to this cohort of young people;
- (e) To explore and consider how support for young people aged 19 to 25 not in employment, education or training should be provided in the future (giving due regard to *term of reference (d)*).

5. MEMBERSHIP OF THE REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

- 5.1 The membership of the Scrutiny Forum was as detailed below:-

Councillors Barclay, Cook, Cranney, Gibbon, Lawton, A Marshall, McKenna, Rogan and Turner.

Resident Representatives: Ted Jackson, Peter Joyce and John Maxwell

6. METHODS OF INVESTIGATION

6.1 Members of the Regeneration and Planning Services Scrutiny Forum met formally from 1 September 2011 to 2 February 2012 to discuss and receive evidence relating to this investigation. A detailed record of the issues raised during these meetings is available from the Council's Democratic Services.

6.2 A brief summary of the methods of investigation are outlined below:-

- (a) Detailed Officer presentations and reports supplemented by verbal evidence from the Employment Development Team, Integrated Youth Support Services and the Community Services Team;
- (b) Evidence from the Authority's Elected Mayor;
- (c) Presentations and verbal evidence received from representatives from Jobcentre Plus, Avanta, North Tees and Hartlepool NHS Foundation Trust, Hartlepool College of Further Education and Redcar and Cleveland Council;
- (d) The views of local residents, employers and young people who use services; and
- (e) The report of the Regeneration and Planning Services Scrutiny Forum Social Return on Investment Focus Group.

FINDINGS

7 ISSUES AFFECTING TRAINING AND EMPLOYMENT OPPORTUNITIES FOR YOUNG PEOPLE AGED 19 - 25 IN HARTLEPOOL

7.1 The Regeneration and Planning Services Scrutiny Forum met on 1 September 2011 where Members received detailed evidence from the Economic Development Manager and the Employment Development Officer from Hartlepool Council regarding:-

- the numbers of young people aged 19 – 25 in Hartlepool who are not in education, employment or training;
- local economic trends and factors that affect employment and training opportunities; and
- where Hartlepool sits in comparison to regional and nation figures.

Unemployment statistics and trends in Hartlepool

- 7.2 The Forum was informed that it was difficult to obtain exact figures for the 19-25 cohort as the 'Nomis' system, which is used to obtain such information, uses 16-24 and 18-24 categories. Members were advised of the following figures:-

Hartlepool Population

- Total = 91,300
- 18-24 year olds = 8,300

Unemployment (July 2011)

- Hartlepool = 7.1% (4,143 residents)
- North East = 5%
- Great Britain = 3.8%

Youth Unemployment (18-24 July 2011)

- Hartlepool = 16.2% (1350 residents, 930 male and 420 female)
- North East = 9.9%
- Great Britain = 7.5%

- 7.3 The Forum was provided with a table of 18-24 claimant rates between the years 2000 – 2011:-

Table 1 18-24 Claimant Rates

Year	Job Seekers Allowance	Job Seekers Allowance 6 months plus	Incapacity Benefit	Income Support	Employment Support Allowance
2000	890	175	450	900	-
2001	825	160	510	990	-
2002	840	165	470	950	-
2003	845	210	500	870	-
2004	695	100	490	860	-
2005	780	120	480	790	-
2006	870	175	440	760	-
2007	840	80	400	750	-
2008	895	115	400	790	-
2009	1190	170	290	780	70
2010	1095	260	190	760	130
2011	1350	345	130	720	180

- 7.4 Members queried the effect of the closure of the Garlands call centre on the figures but were advised that this did not show as a major trend due to the majority of staff finding alternative employment relatively quickly.

- 7.5 Members also noted the increase in those claiming job seekers allowance (JSA) in 2009 and a reduction of the number claiming incapacity benefit in the same year. Member were advised that the former was due to the downturn in the economy with the loss of a number of jobs, particularly in the retail sector, and the latter was due to changes in the benefits regime with a number of people being moved from incapacity benefit onto employment support allowance.
- 7.6 The Employment Development Officer advised Members that government policies meant that approximately 75% of incapacity benefit claimants nationally would be moved from disability benefit to more work focused benefits. The Employment Development Officer also highlighted the large number of young people on long term incapacity benefit, with 50 young people being on long term incapacity benefit for more that 5 years in 2011. Members recognised that technological advances meant that people were reaching adulthood who might not have previously, and that this would only increase.
- 7.7 The Forum was provided with statistics for 19-25 year old 'NEETS' (not in education, employment or training). These were as follows:-

Activities of 19 year olds in January 2011 – Total Cohort = 1417

- Education Employment and Training (EET) Total = 890
- NEET Group Total = 112
- Not EET or NEET, i.e. in Custody Total = 2
- Not known Total = 413

Activities of 20-24 year olds with a statement of Special Educational Needs in January 2011 – Total Cohort = 155

- EET Total = 56
- NEET Group Total = 32
- Not EET or NEET Total = 2
- Not known Total = 65

- 7.8 Members were also informed that 8.9% of 16-24 year olds in Hartlepool had no qualifications, compared to 9.3% in the North East and 9.6% countrywide.
- 7.9 The Forum noted that there were now 14 JSA claimants per unfilled vacancy advertised with Jobcentre Plus, compared to 4.5 claimants per vacancy in 2007. Members were advised that the majority of jobs advertised were unlikely to be permanent contracts. Members raised concerns that there was now competition from skilled workers applying for unskilled jobs, which would push unskilled workers even further from the jobs market.

Welfare Reforms

The Work Programme

- 7.10 The Forum learned that in May 2010 the Coalition Government published a 'Welfare to Work Agreement' to tackle worklessness and benefit dependency. From April 2011 Jobcentre plus has had the power to decide locally how and when to support claimants (it was noted that Jobcentre officers had a target of 92% of unemployed people being helped into work before programmes were needed). There are a range of methods of support available to unemployed people from day one of their new benefit claim, which include 'Get Britain Working Measures'.
- 7.11 The Forum noted that welfare to work reforms consisted of the following schemes:-

Mandatory Work Activity

- For all claimants on JSA minimum of 13 weeks who are borderline work ready.
- 4 week work placement within community organisations.

Work Experience Programme

- 18-24 year olds, up to 8 weeks work experience (voluntary basis).
- Contributions for travel (depending on circumstance).

Systems Training

- Funding for Forklift Truck, Health & Safety, Warehousing, etc
- JCP assist with travel.

Work Clubs

- Job search support with community or business settings.

Sector Based Work Academies

- Currently being developed for claimants to enter into job specific work academies.

- 7.12 Members commented that voluntary and community organisations were unlikely to be able to offer four week work placements as suggested, due to their own lack of staff.
- 7.13 The Employment Development Officer advised the Forum that the main welfare funded programme over the next five to seven years was the 'Work Programme' which replaced all other Department of Work and Pensions programmes including Flexible New Deal, Young Persons Guarantee and Pathways to Work. The two prime providers tasked with delivering these programmes in Hartlepool are Avanta and Ingeus (with Triage delivering on behalf of Ingeus in the Tees Valley sub region). It is anticipated that 2000 claimants will start on the Work Programme each year in Hartlepool.

7.14 The Forum noted that there were several different ways claimants could enter the work programme, these were detailed as follows:-

Table 2: Work Programme Eligibility

<u>Customer Group</u>	<u>Time for Referral</u>	<u>Referral Type</u>
JSA claimants aged 25+	From 12 months	Mandatory
JSA claimants aged 18-24	From 9 months	Mandatory
JSA claimants recently moved from IB	From 3 months	Mandatory
JSA claimants seriously disadvantaged in labour market	From 3 months	Mandatory or Voluntary depending on circumstance
All ESA claimants	At any time	Voluntary
ESA (income related) claimants placed in Work Related Activity Group	When claimants are expected to be fit for work within 3 months	Mandatory
All IS and IB claimants	At any time	Voluntary

Other Provision

Adult Skills Funding

7.15 The Forum was advised that there were a number of initiatives being developed nationally as a result of the 'Skills for Growth' paper published in 2010 by the Department for Business, Innovation and Skills. These include:-

- Expanding the number of adult apprenticeships by 75,000 by 2014-15;
- Fully funding training for adults aged 19-24 undertaking first full level 2 or 3;
- Fully funding basic skills courses for individuals who left school without basic reading, writing and mathematics;
- Government backed further education loans from 2013-14 for learners aged 24+ undertaking qualifications at level 3 or above;
- Initiating the growth and innovation fund - up to £50 million of government investment a year to support employer-led initiatives;
- Replacing Train to Gain with Small to Medium Sized Enterprises focused offer to help small employers train low-skilled staff.

7.16 Members were also advised that government reforms mean employers will have to fully fund their employees training dependant on the level of qualification, there will be a fifty percent contribution by employers for apprenticeships for those aged 19+ and adults will have to privately fund higher skills qualifications.

Connexions

- 7.17 The Forum learned that the Connexions service provided support, advice and guidance to young people aged 13-19 (or up to 25 for those with learning difficulties/disabilities) who are no in education employment or training (NEET) or at the risk of becoming NEET.
- 7.18 The service promoted effective participation in education or training for young people and has facilities such as a 'one stop shop' where young people and their parents can go for information, advice or guidance on careers and volunteering opportunities.

Statutory Responsibilities

- 7.19 The Forum noted that Hartlepool Borough Council has a number of areas in which it is required to provide services to support young people into training and employment, these include care leavers and those with special educational needs.
- 7.20 The Council supports looked after children aged 16+ into employment or training and those who are 18+ care leavers to move into independent living including a leaving care grant up to £1500. Care leavers are provided with support up to age 24 if they are in education, otherwise they are supported up to the age of 21.
- 7.21 Members learned that Adult Services provide a number of different support services. At the age of 14 a transitions pathway is developed to support young people with special educational needs (SEN) to move from Child to Adult Services. At the age of 18 an eligibility assessment is undertaken to move the young person into Adult Services. A facts criteria assessment of needs is carried out to determine the level of support the young person requires, this is identified as low, moderate, substantial or critical. The Council has a duty of care to provide information advice and guidance to those with low to moderate needs.
- 7.22 Members heard that there were currently 47 young people aged 19-25 with a learning difficulty (SEN) accessing Adult Services, including supported employment service for those with mental health issues, learning difficulties, disabilities and long term health conditions.
- 7.23 Each eligible young person has a personalised budget at age 18 to 'buy' services which can contribute towards the provision of a place at Catcote Futures for example. This is a bespoke programme offering life skills, independent living, social enterprise activity and employability skills delivered at Catcote School.

Tackling Youth Unemployment

- 7.24 The Forum was informed that following the 2007 Scrutiny Review of Youth Unemployment, a Youth Working Group had been established, and since

2007 over £6million of external funding had been secured to support NEET reduction activity. Members were advised that over 800 people had been helped into to work as a result of the funding.

- 7.25 Members were also advised that the new NEET project, 'Going Forward Together' will support 296 NEET young people between June 2011 and December 2013.

8 TYPES AND EFFECTIVENESS OF EMPLOYMENT AND TRAINING SERVICES CURRENTLY PROVIDED TO 19-25 YEAR OLDS

- 8.1 The Regeneration and Planning Services Scrutiny Forum gathered evidence regarding the types and effectiveness of employment and training service provision for young people aged 19-25. Information considered by Members is as follows:-

Evidence from the Economic Development Team

- 8.2 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 29 September 2011, Members received evidence from the Economic Development Manager and the Employment Development Officer. The Forum was advised of the employment and training services currently provided by Hartlepool Borough Council to young people aged 19-25 in Hartlepool.

Hartlepool Working Solutions (HWS)

- 8.3 Members were informed that Hartlepool Working Solutions is managed by the HBC Economic Development department and is available to businesses and residents of Hartlepool, offering a range of support and information advice and guidance (IAG) on training and employment opportunities, employment legislation and business support.
- 8.4 Programmes and services that are managed and/or delivered by HWS include:
- *Hartlepool Works Consortium* - the Employment and Skills Consortium for the town, consisting of over 40 employers from the public, private and third sector.
 - *Connect2Work* – Supporting 16-24 year olds who are NEET or at risk of becoming NEET to engage in Preparation for Employment courses and fixed term paid work placement opportunities.
 - *Tees Valley Works* - the managing agency for the Going Forward Together NEET reduction programme.

- *Tees Valley In-Work Support Programme* - provides support for employers and employees to ensure individuals do not fall out-of-work and onto benefits.
- *Jobsmart* – One Stop Shop providing IAG on training and employment opportunities.
- *Business Engagement* - including free recruitment service for local employers, bespoke pre-employability training courses and specialist HR advice.
- *Management of the Construction Site Certification Scheme (CSCS)* – Test Centre located at Newburn Bridge delivering a range of CSCS Tests.

Hartlepool Enterprise Team

- 8.5 The Enterprise Team offers a variety of support and advice to assist residents to start up or grow their existing business. The Hartlepool Enterprise Centre is run by the team and offers low cost start up premises for new businesses in office and workshop units from 100 to 1100sq. ft and offers subsidised rent inclusive of rates and heating.

Adult Education Department

- 8.6 The department provides services for residents over the age of 16, such as apprenticeships, formal first steps and Adult Safeguarded Learning (ASL) and most importantly Adult Skills. The work of ASL is achieved via four main programme elements including personal and community development learning (PCDL); family literacy, language and numeracy (FLLN); wider family learning (WFL); and neighbourhood learning in deprived communities (NLDC). The provision offers a wide variety of both accredited and non-accredited provision which are delivered in a range of venues across Hartlepool. The range of provision caters for residents at pre-entry level up to level 5, through formal courses, which can be 5-30 weeks long, or short taster sessions.
- 8.7 Members learned that the service has moved to new premises in Tower Street and offers a drop-in service for residents wishing to enquire about training courses. In the 2010/11 academic year:
- 3,349 residents aged 18+ years registered with Adult Education;
 - Of which 549 were aged 19-25 years.

Hartlepool's Drug & Alcohol Team (DAT)

- 8.8 The Forum was advised that the aim of the team is to develop a comprehensive range of treatment and support, disrupt and eradicate the supply of drugs and provide assistance to the individuals and communities affected by drugs. As part of this work, DAT provides a Community Drug

Centre that takes referrals from voluntary and professional agencies as well as self referrals. There are multi disciplinary teams consisting of Community Substance Misuse Team, DISC and NACRO, who provide assessments, treatments, alternative therapies, outreach, training and employment, counseling and a pathway to residential rehabilitation and detoxification. Currently, there are 74 19-24 year olds in drug and alcohol treatment.

Partnership Working

- 8.9 The Forum was also advised of partnership working in place at a local level, Economic Development has established and manages Hartlepool Works Employment and Skills Consortium which is aimed at tackling worklessness and benefit dependency. Hartlepool Works has a membership of over 40 employment and training providers from the public, private and voluntary sector.
- 8.10 The consortium members are made up of organisations that provide residents with access to community based programmes that offer quality IAG, employment, training and self-employment advice. Alongside this, the agencies offer specialist service provision, such as mental health services, debt management and in-work mentoring support services.

Evidence from Integrated Youth Support Services - Connexions Services

- 8.11 At the meeting of the Forum on 29 September 2011, Members received detailed evidence from Integrated Youth Support Services in relation to the services provided to 19-25 year olds by Connexions.
- 8.12 The Forum heard that following the Integration of Local Authority Youth Support Services in 2010, functions historically associated with the Connexions Service are now delivered within a broader local Integrated Youth Support Service (IYSS).
- 8.13 Members noted that the IYSS vision is to ensure that all local young people have the chance to enjoy happy, healthy and safe teenage years that prepare them well for adult life and enable them to reach their full potential. It aims to do this by:
- Ensuring that young people have access to a range of positive activities and informal learning opportunities tailored to suit their needs.
 - Providing impartial Information Advice and Guidance (IAG) to help young people make more informed choices, about learning, raise their aspirations and equip them to make safe and sensible decisions about sexual health and substance misuse.

- Ensuring that young people are engaged in shaping the services they receive and by encouraging more young people to volunteer and become involved in their communities.
- Offering more personalised, joined up support for young people who are experiencing difficulties.

8.14 Pivotal to the role of IYSS is to lead on targeted interventions to reduce the number of young people not in education, employment or training (NEET). Through the 11-19 Strategic Partnership, a NEET Reduction Strategy has been fully implemented which has facilitated a fall in the percentage of 16-18 year olds who were NEET by almost 25% since 2004.

8.15 In relation to 19-25 year olds, the following data relates to January 2011:

Activities of 19 year olds	Total Cohort = 1417
Education Employment and Training (EET)	Total = 890
NEET Group	Total = 112
Not EET or NEET, i.e. in Custody	Total = 2
Not known	Total = 413

Activities of 20-24 year olds with a statement of Special Educational Needs (SEN)	Total Cohort = 155
EET	Total = 56
NEET Group	Total = 32
Not EET or NEET	Total = 2
Not known	Total = 65

8.16 Members were advised that IYSS provides the following support for those young people who are NEET:

- Active support, advice and guidance for local young people identified as at risk of NEET who are of compulsory School Age;
- Active Case Management of local young people who are NEET 16 – 18 years;
- Provision of One Stop Shop;
- Provision of Annual Choices (Careers) Event.

8.17 Members noted that the NEET group in Hartlepool is not static - most young people do not spend long periods classified as being NEET. The vast majority of young people who are NEET in Hartlepool are engaging in education, employment or training, but instead moving in and out of the system as they drop out of or complete their previous activity. It is estimated

that only around 1% of 16-18 year olds are “long term NEET”, defined as young people who are NEET at each of the three survey points at 16, 17 and 18 years old and who are likely to become ‘stuck’ 25% of those who are classed as “long term NEET’ have no noted issues.

- 8.18 The Forum learned that from 2013, all young people in this country will be required by law to stay in some form of education or training until the age of 17, and from 2015 until the age of 18. The local 11-19 Strategic Partnership is currently implementing the raising the participation age (RPA) strategy and in addition, continues to coordinate a wide array of education and training options alongside support to ensure that more young people than ever are staying on in learning in Hartlepool. The Partnership is currently exploring how it can shape and develop more flexible learning opportunities for young people who often have significant barriers to engaging with learning such as teenage parents, young offenders, looked after children and children leaving care.
- 8.19 At the present time, on reaching the age of 18 years, if a young person is NEET, they are most likely to move away from the services offered by IYSS and enter into the JCP system where they will register onto JSA or another key benefit, dependent on need. Whilst on their relevant benefit, claimants will be mandated to carry out specific tasks, for example, JSA claimants will need to be actively looking for work.
- 8.20 The Connexions Manager raised concerns regarding the agreement with Jobcentre Plus regarding consent to share information that would provide Connexions with more information surrounding the destinations of young people within Hartlepool. In practice, this is difficult to obtain as the relationship Connexions have is with JCP in Stockton, not Hartlepool, to obtain consent to share forms.
- 8.21 Connexions have identified a need to work in closer collaboration with Hartlepool Jobcentre to promote the completion of the consent to share forms with JCP advisors. If data was effectively and regularly shared between JCP and IYSS, it is likely that the current NEET and Not Known rates will reduce. IYSS has previously made repeat requests to share client data with JCP but this matter has not been rectified as yet.
- 8.22 Members supported the re-invigoration of the partnership between Connexions and Job Centre Plus in Hartlepool to ensure consent to share forms were completed and data shared where possible and in accordance with the data protection act.
- 8.23 The Head of Integrated Youth Services commented that in relation to young people not being work ready, the responsibility for schools to provide the facility for pupils to undertake work experience had been recently withdrawn. It was now difficult to arrange for local schools to release pupils. However, there was an aspiration that work related opportunities should be included within post 16 learning, although this was still being developed.

- 8.24 Members questioned what advice was given to young people when choosing GCSE subjects to avoid the wrong choices being made. The Head of Integrated Youth Support Services confirmed that currently advice and support was given to pupils at options evenings held within schools and a group of local careers advisors in schools meet regularly to examine ways of working. However, the responsibility for careers guidance would transfer from the local authority to schools from September 2012. Members were asked to note that whilst the IYSS team endeavoured to provide the best support it could, recent significant reductions in resources had resulted in a reduction in the team.
- 8.25 Members sought clarification on how many times the advisors attended individual schools. The Head of Integrated Youth Support Services confirmed that the service provided by Personal Advisors was offered for two days per week for each secondary school. Members were advised that prior to the recent budget cuts, schools had been approached to contribute 50% of the Personal Advisors salary, which would have resulted in dedicated Personal Advisors for each school. However, this was not agreed and the resulting redundancies occurred.
- 8.26 The Head of Integrated Youth Support Services indicated that resources were targeted to certain cohorts who were likely to struggle, with a lot of emphasis being placed on young people with special educational needs, teenage parents, offenders etc. in addition to the provision of an effective universal service. A One Stop Service was provided by the Connexions Service from the Windsor Offices in Middleton Grange Shopping Centre, which was resulting in over 40 visits per day by young people seeking advice and support. An annual choices event was provided with all post 16 training providers in the region in one place, along with employers and uniformed services providing advice and guidance to young people and parents. It was noted that a lot of the support currently provided relied on social funding programmes.
- 8.27 The number of people visiting the One Stop Shop was noted and a Member questioned whether this was an increase or decrease since the relocation to the Windsor offices. The Connexions Team Manager confirmed that the number of visitors had increased dramatically from averaging around 5 visits per day in the previous location, to the 40 reported to the Forum.
- 8.28 The Forum sought clarification on how the provision of the careers advice guidance may change when responsibility was transferred to the schools. The Head of Integrated Youth Support Services confirmed that the local authority would still have responsibility for young people who are at risk of not achieving employment, education or training post 16. However, the schools would provide universal careers guidance and highlight to the Integrated Youth Support Service any young people that may struggle.
- 8.29 Members raised concerns that young people who do progress through post 16 training and education may be forced to leave the town due to the limited opportunities available locally. The importance of encouraging business to

stay or relocate to the town was emphasised to avoid the need for young people to relocate away from Hartlepool to progress their careers.

- 8.30 Members questioned what incentives were in place for companies to offer apprenticeships. The Connexions Team Manager indicated that the National Apprenticeship Service was responsible for promoting apprenticeships within the town and that young people are paid for undertaking apprenticeships. In addition, work was being undertaken to embed in companies the advantages of progressing and training young people. The Employment Development Officer added that around 95% of companies may not be fully aware of the benefits of the apprenticeship service. However, financial incentives were on offer, with the Skills Funding Agency offering a £2,500 grant to take on apprentices for six months, the issue was now that apprentices had to have 'employed' status which means the employer is responsible for the majority or all of the wages, which is a change from previous schemes. Members noted this and indicated that any work to promote apprenticeships locally would be beneficial to the town.

Social Return on Investment Focus Group – Social Return on Investment of Connexions Services to 19-25 Year Olds

- 8.31 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 2 February 2012, the Forum was presented with the final report of the Social Return on Investment Focus Group into the Social Return on Investment of Connexions Services for 19-25 year olds.
- 8.32 Members were delighted to hear that the social return of the service was calculated as £1.66:£1. The Chair of the Social Return on Investment Focus Group advised the Forum that the SROI process provided an opportunity to look at how well money was being spent and the impact the service had on society, rather than purely the cost of delivering the service. In doing this the focus group engaged with service users and service staff, site visits were also carried out to the Connexions one stop shop and to Catcote School.
- 8.33 It was acknowledged that the SROI process was open to interpretation in terms of the financial proxy information, however the focus group had come to a consensus on the figures used and felt they were robust.
- 8.34 The Connexions Manager advised Members of the Forum that Connexions staff felt the SROI process was a robust and transparent and undertaking the process had afforded Connexions the opportunity to look at the service in a way that they may not otherwise have had time to do. Connexions staff felt that they had been listened to and had been able to shape the outcome of the review. As a result of undertaking the SROI process there had been an internal review of the deployment of staff and the feedback obtained from service users was to be used to help inform the future direction of the service. The process had also helped reconfirm some partnership arrangements needed to be strengthened, such as that with Jobcentre Plus.

- 8.35 The Chair of the SROI focus group recommended to Members of the Forum that the process should be utilised going forward, with officers undertaking the detailed analysis and Members identifying and applying suitable financial proxies. The Forum felt that this was a very important process when evaluating the impact of services on the community.
- 8.36 Members agreed that the recommendations and conclusions from the SROI report be included within the final report of the Regeneration and Planning Services Scrutiny Forum investigation into 'Employment and Training Services for 19-25 Year Olds'.
- 8.37 The final report of the Social Return on Investment Focus Group is attached as **Appendix A**.

Evidence from Job Centre Plus

- 8.38 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 29 September 2011, Members were delighted to receive evidence from the Jobseeker Opportunities Manager and an Employer Advisor from Hartlepool Jobcentre Plus.
- 8.39 The Jobseeker Opportunities Manager from Jobcentre Plus (JCP) advised the Forum of the Government's aim of cutting welfare spending, ensuring that benefits go to those who are entitled to them and to those who need them, and that the concept of benefits should be seen as a 'safety net' as opposed to being an optional alternative to work.
- 8.40 The Forum were also informed that £7billion is to be saved from welfare spending, mainly through changes to Child Benefit, Tax Credits and by time-limiting contributory employment support allowance (ESA) to one year for those in the 'Work-Related Activity Group' from 2012. Members were informed that this will not apply to those in the ESA Support Group, nor will it stop anyone entitled to income-based ESA from receiving benefit longer-term. This move brings ESA more in line with Job Seekers Allowance (JSA) where there is already a six-month time limit on payments unless claimant is eligible for income-related benefits.
- 8.41 Members heard that the JCP network is being reviewed to explore options for shared premises and outreach. Members were encouraged to note that JCP were committed to maintaining a local presence.
- 8.42 The Forum was informed that there was now a greater focus on tailoring JCP support to individual claimants needs, with advisors having more flexibility and responsibility and more autonomy for local managers. Previously each claimant had to go through the same process, which for claimants with multiple barriers to employment may not have been the most appropriate route. The aim of JCP is try to help 92% of people find employment within 12 months.

- 8.43 Members noted that JCP hope to raise claimant's expectations and commitment to find work, with a clear focus of getting people off benefits and into jobs. Since May 2011 Advisers have been able to mandate a small number of suitable claimants to take up mandatory work activity placements of 30 hours a week (unless restrictions apply) for 4 weeks, to help them develop the disciplines associated with employment, such as attending on time and regularly, carrying out specific tasks and working under supervision. All placements will be sourced by contracted providers and must be for community benefit.
- 8.44 JCP hope to diagnose an individual claimant's jobseeking needs and design the most appropriate support for them, also taking account of the local labour market situation, the key target JCP advisers will need to focus on is getting people off benefits.
- 8.45 Members heard that JCP will look to continue the drive to focus support on those who really need it, and many jobseekers who are capable of helping themselves will be directed to the increasing range of online tools available to help them find their way back to work. JCP digital services are being expanded to try to help with this aim.

Getting Britain Working Measures

- 8.46 The Jobseeker Opportunities Manager from Jobcentre Plus advised the Forum that 'Get Britain Working' is the umbrella title Ministers use to describe the overall package of support from JCP, seeing each new jobseeker all the way through to the work programme for those who have been out of work the longest.
- 8.47 Some of the flexible support options available to encourage commitment to find work include:-
- more sharing of skills and experience through **Work Clubs**;
 - volunteering as a way of developing work skills through **Work Together**;
 - self-employment as a route off benefits through the **New Enterprise Allowance** and via **Enterprise Clubs** offering community based and locally led support for unemployed people.
 - greater insight into the world of work through **Work Experience**, and
 - pre-employment training and work placements through **sector-based work academies**
 - Partnership between voluntary sector, colleges, employers and Government.

Work and Enterprise Clubs

- 8.48 The Forum noted that work and enterprise clubs provide people with a place to meet and exchange skills, share experiences and make contacts to get support and help to find opportunities. The work clubs are for those looking for a job and the enterprise clubs are for those wanting to start their own businesses. The clubs will be set up and run by non-government organisations with practical advice and guidance to those wanting to establish or support a club being provided by JCP. The clubs can be set up anywhere in the country and JCP will signpost claimants to appropriate clubs.

Work Together

- 8.49 JCP recognise that voluntary work can help an individual move closer to the world of work. It can also help them develop valuable work skills whilst they are looking for paid work. Through Work Together, JCP have pledged to help unemployed people who are interested in volunteering so that they can find suitable opportunities. Work Together is available to all benefit recipients from the start of their claim. Jobcentre advisers will encourage and signpost claimants to sources of information on volunteering, local voluntary organisations, to online services and to particular opportunities.
- 8.50 Members commented that community organisations were now struggling to offer the same level of work experience and support to young people as they were previously able to, due to shrinking resources. Work experience especially was becoming harder to accommodate as there was no funding to support it.

New Enterprise Allowance

- 8.51 The Forum learned that the New Enterprise Allowance will help unemployed people who want to start and grow their own business. It will provide access to business mentoring, and offering financial support of around £2,000. Claimants get access to a business mentor who provides guidance and support as they develop the business idea and through the early stages of trading. Once the claimant has demonstrated they have a viable business idea and is ready to register as self-employed they can get a weekly allowance based on the basic rate of JSA for 3 months, and then at half that rate for a further 3 months. Claimants can also apply for a loan up to £1,000 to help with start-up costs.

Mandatory Work Activity

- 8.52 The Forum was informed that the Government has made a clear commitment that the receipt of benefits for those able to work is conditional on their willingness to work. The Jobseeker Opportunities Manager from JCP advised Members that Mandatory Work Activity (MWA) placements are being delivered by contracted providers of the framework and that MWA is part of the menu of support available for Advisers to help claimants pre-work

Programme. It is intended to help claimants develop a labour market discipline associated with employment such as attending on time and regularly, carrying out specific tasks and working under supervision. MWA is a new initiative and does not replace any existing provision.

- 8.53 MWA will be a targeted measure for a very small number of JSA claimants – around 19,000 placements per year during the spending review period. A Personal Adviser will be able to refer a claimant to MWA from day one up to the point before entry to the Work Programme. Claimants participating in other contracted or non-contracted provision eg: GBW measures or the Work Programme will not be referred to MWA.
- 8.54 MWA will be delivered by external contractors on behalf of the DWP. Placements should be of benefit to the local community and contractors will be required to demonstrate this from tendering to delivery. Placements must be in addition to existing or expected vacancies.
- 8.55 Members learned that there is no voluntary access to this scheme and JCP must identify if it is appropriate to refer a customer to MWA, a claimant cannot make a request to be referred. Claimants carrying out MWA will continue to receive their JSA. Participation on MWA will be mandatory and those claimants who fail to comply will be sanctioned for 13 weeks. A second failure to comply within 12 months of the first, will receive a 26 week sanction.

Work Experience

- 8.56 The Forum was advised by the Jobseeker Opportunities Manager from Jobcentre Plus that the 'Work Experience' initiative launched in January 2011 with the aim of helping young people whose lack of work experience hinders them getting a job. The initiative is available nationwide and total of 100,000 placements over the next two years are available. Eligibility is now between 18-24 years old JSA claimants from week 13 of their claim with the offer being between 2-8 weeks work experience. Taking a placement is voluntary – but participation will then be mandatory, with the claimant expected to fulfil the placement and also continue to look for paid work. The initiative is now also open to 16-17 year olds who claim JSA on hardship grounds.
- 8.57 Members were advised that JCP were attempting to get employers on board to give young people aged 18-24 work experience. So far the scheme has received good feedback and helps young people add experience to their CV. Work experience placements have been taken up in retail, manufacturing, engineering etc the placement is designed around the needs of the young person.
- 8.58 Members raised concerns that some employers may feel that taking on inexperienced young people may decrease productivity due to the amount of time required to train them. The Jobseekers Opportunities Manager confirmed that Jobcentre Plus Advisors endeavoured to match caseloads

and identify strong candidates for vacancies. In addition to this, if appropriate, mentors can be provided through the flexible support fund to ensure the employee was supported.

Sector Based Work Academies

- 8.59 The Forum learned that sector-based work academies were launched in England in August 2011 to offer pre-employment training and work placements for unemployed people. JCP are free to deliver flexible models to meet local needs of employers, claimants and training providers. Individual attendance at an academy will be for 6 weeks and claimants will be able to remain on benefit during the period of pre employment training, due to a change in JSA regulations.
- 8.60 Academies will combine:
- sector-specific pre-employment training, primarily funded and delivered through the skills system leading to the achievement of one or more units on the Qualifications and Credit Framework;
 - a work experience placement;
 - offer of a guaranteed job interview for participants completing both of the above elements.

Flexible Support Fund

- 8.61 Members were advised that the flexible support fund, which came into operation in April 2011, gives JCP managers more flexibility to help claimants back into work, this enables Jobcentre Plus advisers to tailor support and help for individual claimants when they need it. District managers can decide how to use the fund to help claimants or support partnership arrangements in their area. The fund is designed to be flexible, however, part of the fund will be ring-fenced for claimants, such as lone parents or people on Employment and Support Allowance, who may need more help to get back to work. Some of the fund will also go towards the Support Contract. This means money can be spent on a variety of training courses, which help people prepare for work.

Work Programme

- 8.62 The Forum was informed by the Job Opportunities Manager that the 'Work Programme' launched in June 2011 is a flagship for the Government and takes the place of a complex range of initiatives which had been set up at various points over the previous 13 years. The programme is entirely designed and delivered by contracted providers.
- 8.63 Members noted that it was a radical departure from previous programmes in that providers will be primarily paid by results and for getting people into sustainable jobs. The biggest incentives are focussed on the harder to help people. Providers also face fines for complaints against them which are upheld by the Independent Case Examiner and they face the loss of their contract if their performance is not adequate.

- 8.64 The Job Opportunities Manager confirmed that those eligible for the work programme were as detailed in Table 2 at 7.14, and commented that the referral process will give harder to help groups access to the personalised, individual support at the appropriate stage in their claim. Those most in need of support, for example ex-offenders, will be offered early access to the Work Programme to ensure they receive it within a timescale that is most appropriate to them.
- 8.65 Members noted that all Employment and Support Allowance claimants will have the option of accessing the Work Programme at any point after their Work Capability Assessment. The intention behind this is to ensure that no one is denied access to the more intensive employment support from the Work Programme if they want it.
- 8.66 Members raised concerns that some young people weren't work ready or motivated to look for work, the Job Opportunities Manager indicated that there were intervention strategies in place for young people aged 18-24 and additional partnering support was being sought to facilitate this.
- 8.67 Members commented that whilst Jobcentre Plus was providing an excellent service and establishing partners, restricted funding was an issue. In addition to this, enterprise clubs take a lot of 1:1 support and mentors do not always have the time or appropriate skills.

Evidence from Avanta

- 8.68 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 8 December 2011 Members were delighted to received evidence from the Regional Manager and the Performance and Partnership Manager from Avanta, a company who, along with JHP, have been chosen to deliver the DWP 'work programme' within the Tees Valley.
- 8.69 The Forum was informed that Avanta had been chosen as a prime provider on 1st April 2011 and started taking referrals on 24th June 2011. Members heard that Avanta provides the following services:-
- Flexible New Deal delivery as a sub contractor in Tees Valley;
 - CTF(Community Task Force) as a sub contractor in Tees Valley;
 - Future Jobs Fund delivery through Hartlepool Borough Council;
 - North East New Deal Self Employment provision since 1998;
 - Delivery of Inside Out: a programme designed for offenders;
 - Pre Start Workshops that provide support to people starting their own business;
 - Enterprise coaching designed to remove personal barriers prior to joining the Enterprise Journey;
 - Work Programme (3 CPA's).
- 8.70 Members learned that Avanta works with the following groups for up to 104 weeks:-

- Job Seekers Allowance 18 to 24
 - JSA 25+
 - JSA Early Access (NEET, JSA 22 – 24 mths)
 - JSA ex-IB
 - Employment Support Allowance flow (new claimants)
 - ESA mandatory and voluntary
 - Incapacity Benefit and Income Support volunteers
- 8.71 Once a person was referred on to the Work Programme by JCP, Avanta hold an initial interview and identify a target job entry date, barriers to work and the type of sessions the person will need to attend (one to one or group or both). Approximately 95% of people are mandated on to the Work Programme, though most are only mandated to the first appointment as the approach is tailored around the individuals needs.
- 8.72 Members learned that there was now a greater emphasis on being proactive with people referred to the work programme. Some people only require a light touch approach where they can be given minimal guidance and conduct their own job searches, however, others require intensive activity to empower the enable them to manage themselves.
- 8.73 The approach is to ensure the right person gets the right job first time, as they are far more likely to remain in that job. It is not about numbers and 'bums on seats' as this does not keep people in sustainable jobs.
- 8.74 Other activity included encouraging the use of IT, organising work experience placements, improved case-load management and greater in work support. Services provided include an induction, which includes what the person expects from the work programme and what Avanta expect of them. Once the barriers to work have been identified a bespoke action plan is created with short, medium and longer term objectives set, these work towards removing the barriers to work.
- 8.75 Each entrant on to the programme will have on going support with a named advisor and specialist intervention partners. There are also pre-employment training programmes available to allow people to get the skills they need to complete in the jobs market.
- 8.76 Members questioned the availability of additional training to assist with securing a job and were advised that where it was felt appropriate this could be funded, but this could only be done if it was evidenced that the funding of the qualification would result in a job, as the main focus of the process was to create sustainable jobs. Members also raised concerns that some qualifications took longer than two years to achieve, which may leave the young person only half way through the course when their time on the work programme ended.
- 8.77 The Forum were advised that Avanta also work with employers to ring fence employment opportunities specifically for those on the work programme, they

also ensure each person has an in-work plan once they obtain a job, to enable progression and development.

- 8.78 Avanta were unable to provide any figures regarding their success as they are bound by strict DWP data sharing protocols, which will not allow the sharing of results until national statistics on the work programme are revealed. However, the Regional Manager from Avanta was able to advise the Forum that Avanta were on target to achieve their targets to date and that they had receive a very high number of referrals and targets were very high.
- 8.79 Members expressed concern and disappointment at the lack of available data. The Employment Development Officer from Hartlepool Borough Council drew Members attention to the fact that it was important for the Council to understand the number of people coming on to the Work Programme and the performance of the programme. There is a significant problem with youth unemployment in Hartlepool and the Council and Members need to be able to access information that provided the bigger picture.
- 8.80 It was suggested that Avanta encourage the DWP to allow data sharing to promote openness and transparency. The representatives from Avanta advised Members that they were challenging the decision not to share DWP data and were working closely with the North East LEP and the Tees Valley LEP in this area. The representatives from Avanta indicated they would be more than happy to attend a future meeting of the Forum at a time when they were able to share the statistical information with Members.
- 8.81 The representatives from Avanta highlighted the links Avanta had with local providers, particularly where these were specialists. These included the through care team at Hartlepool Council, Hartlepool MIND, the Criminal Justice Team within Durham Tees Valley Probation Services, Hartlepool College, the Albert Centre, Disc and Nacro amongst others.
- 8.82 Members raised concerns regarding the extent prime providers were working with existing local VCS providers, especially given the focus on young people undertaking voluntary work. Due to the withdrawal of the Working Neighbourhood Fund and the fact that many local VCS providers had been unable to act as subcontractors for prime providers, many VCS organisations were unable to take on volunteers as they did not have staff to support them.
- 8.83 Avanta acknowledged that there were gaps in their specialist support provision supply chain and that this was not yet complete, many local VCS organisations which expressed an interest had found the terms of the sub-contracting arrangements were not financially viable.
- 8.84 The Forum recognised the difficult position the VCS found itself in, as whilst organisations would greatly appreciate the chance to provide programmes

and support prime providers, they were unable to do so without funding upfront.

- 8.85 The representatives from Avanta advised that the company was looking for additional organisations to work with, as they realised that they could not be fully successful as a stand alone provider. There was the possibility to pay an organisation to deliver services that were no necessarily outcome driven though it would not be possible to work with all organisations in this way.
- 8.86 Members supported the notion that the Economic Development Team from Hartlepool Borough Council should facilitate meetings between prime providers and local service providers to look at what each could offer the other in terms of services and expertise.
- 8.87 Another area identified as still requiring further work was a greater use of work placements. This was identified as a huge asset to those looking for employment and Avanta were not as far forward as they would like to be with this and were looking to expand this offer in the new year.
- 8.88 The representatives from Avanta informed Members that the company was constantly looking to improve its offer to those who undertook the work programme and continuously undertook customer satisfaction surveys and feedback requests, the results from which were used to improve the quality of the services available.
- 8.89 The key challenges experience to date were identified as they volumes of people being referred to the work programme being significantly higher than forecast, the underlying economic conditions meaning there were fewer vacancies to move people into and because of that employers were less likely to take a chance on someone with little work experience.
- 8.90 The Forum queried what happens if the person fails to find employment at the end of the work programme and were advised that they are referred back to JCP who continue to work with them, but they could not be referred back on to the work programme at a later date.

Evidence from North Tees and Hartlepool NHS Foundation Trust

- 8.91 At the meeting of the Forum on 19 January 2012 Members were pleased to receive evidence from a representative of North Tees and Hartlepool NHS Foundation Trust.
- 8.92 The Forum noted that the NHS takes on modern apprentices in health and business administration, there are two intakes per year (though recruitment can also take place on an ad-hoc basis) and the apprentices rotate every six months to different wards/departments within the Trust.
- 8.93 The apprentices attend a weekly study day at college and their progress is monitored on a monthly basis. Hartlepool College and Stockton Riverside College assist with the recruitment, training, and monitoring of the progress

of the apprentices. Members noted that this used to be carried out internally by the Trust but the new system of involving the colleges is working well, with robust reviews taking place and a high number of apprentices staying on in the role to which they were recruited.

- 8.94 Members were please to note that this approach supports the Governments target to increase the number of apprenticeships in the Public Sector. Apprentice posts are advertised on NHS Jobs and the National Apprenticeship Service Website, as mentioned, Colleges and the Trust work in partnership to recruit the apprentices.
- 8.95 The Trust is able to recruit suitable apprentices who will fit in well with their current team. Advanced apprentices can also be recruited on an on-going basis during the year depending on the needs of the service. Apprentices are employed on a two year contract with review periods based on milestone achievement.
- 8.96 The Forum learned that by allocating one NHS manager to the apprentices enables the Nursing Resource Manager to liaise directly with the college on the progress of each apprentice, deal with any problems and offer support immediately by acting as a key link.
- 8.97 Members noted that apprentices were recruited in to vacant positions and paid 75% of the full wage in year one and 85% in year two. Recruiting in this way avoided apprentices getting to the end of their course and finding they had no job to go into. Having a developed career pathway starting with an advanced apprenticeship will enable future Health Care Assistants to gain knowledge and skills and possibly progress their career into registered nursing (many have done this through Teesside University). The advanced apprenticeships offered demonstrates that the Trust is committed to developing their workforce into the future.
- 8.98 The model the trust uses is transferable to other advance apprenticeships within the Trust, particularly Business Administration Advanced Apprentices.
- 8.99 Members were advised that in some cases the apprenticeship gives young people the opportunity to work in the Health Care sector and some realise this is not the career for them, they are able to transfer to a business administration apprenticeship should they decide that this is more appropriate and a suitable vacancy exists.
- 8.100 The Forum were pleased to hear that the Trust acknowledges the value of work experience placements as a way of educating young adults about the world of work. Whilst there was a period of time when these work experience placements were not offered due to health and safety guidelines, this is no longer the case. Work experience also helps the trust to forge links with local schools and colleges.
- 8.101 Young adults who attend a work experience placement are given the opportunity to experience a number of activities in clinical and non-clinical

areas. No direct patient contact is permitted as this is not deemed appropriate, however students are able to see clinical skills and discuss life as a medic with doctors, again this gives young people the opportunity to explore medicine as a career and also helps with an application to medical school.

Evidence from Hartlepool College of Further Education

- 8.102 The Regeneration and Planning Services Scrutiny Forum was delighted to receive evidence from Hartlepool College of Further Education at the meeting of the Forum on 19th January 2012. Members were advised of the types of education and employment training provided by the College for 19-25 year olds and the entry requirements needed to access these courses. These were usually C and D grade GCSE's for the foundation level 2 modern apprenticeship courses and C's and above for the advance level 3 modern apprenticeship courses.
- 8.103 The Forum were pleased to note that the entry requirements for apprenticeships were flexible, particularly for adults, where in some cases GCSE's are not required.
- 8.104 Members learned that there were 178 19-24 year olds on apprenticeships in 2011/12 (so far) 70% of which live within Hartlepool. This was split between 64 on the foundation stage and 114 on the advanced stage.
- 8.105 Members were disappointed to hear that in a number of cases large employers were using adult apprenticeships to up-skill current staff rather than taking on new apprentices, which did little to create jobs and reduce unemployment and also used public money to pay for training for those already in employment.
- 8.106 Members noted that there are barriers to working with local businesses as 80-90% are small and employ less than 10 people, which makes it difficult for them to take on apprentices.
- 8.107 As mentioned by several agencies the apprenticeship framework changed in April 2011 and all apprentices needed to be employed on the minimum wage, this caused problems for the College as they had 250 apprentices on the course who were not employed at the time of the change. Members were pleased to note that through hard work the majority were now employed and able to continue, but that this had been a real struggle for the College.
- 8.108 As a result of the changes an adult apprenticeship must be co-funded 50% by the employer, but the College struggles to get this contribution so they must provide the subsidy themselves. The problems the College faces going forward is that due to this legislation there is a supply of learners but not a supply of employers willing to take them on as an employee, to allow them to access an apprenticeship placement.

Evidence from Redcar and Cleveland Council

- 8.109 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 2 February 2012 Members were delighted to receive evidence from the Lead Employment Advisor from Redcar and Cleveland Council.
- 8.110 Members heard how Redcar and Cleveland had a slightly lower rate of 19-25 year olds unemployed, as a percentage of the working population at 15.6% compared to 17.3% in Hartlepool at December 2011. The Lead Employment Advisor for Redcar and Cleveland Council identified that there was a need for flexibility when dealing with young people and that sometimes the processes the large agencies such as Jobcentre Plus must follow could be too rigid to deal with the needs a individual (though it was noted that this is in the process of being addressed, as detailed in the presentation from Jobcentre Plus).
- 8.111 The Forum learned that Redcar believed that in order to encourage a young person who was not work ready into employment, the greatest factor was having time to spend with them and the emphasis was on putting together a quality package to ensure sustained employment.
- 8.112 Members noted that Redcar and Cleveland was a very diverse area and had a number of different elements which caused barriers to work in different areas. In East Cleveland transport was a issue, with this being a reason young people did not apply for jobs outside of the area, where as in the South Bank and Redcar the issues may be more related to a lack of work ethos. In order to deal with the differing requirements each area had its own strategy. However, overall the economic issues were similar to those in Hartlepool; a lack of available work and a lack of motivation in some cases.
- 8.113 The Lead Employment Advisor highlighted the importance of partnership working and advised the Forum that Redcar and Cleveland Council used a network of community groups in their 'routes to employment' partnership, all of which used the same computer system. As a result of this a jobseeker only completes paperwork once and all organisations are able to access it.
- 8.114 Members were advised that the use of the Future Jobs Fund in Redcar and Cleveland had been successful, but it was restricted to public and voluntary sector vacancies, which discounted those in the private sector. In order to take advantage of private sector vacancies a bid was put into the Working Neighbourhood Fund through the Elite Partnership (10 partners, including colleges to get young people employment ready) to offer £5k to employers to take on an apprentice. This resulted in 131 young people being employed.
- 8.115 Another important area of partnership working was with young offenders and the Fire Brigade. The Council facilitated the partnership between the Prison Service, Fire Brigade and Probation Services to allow young offenders to attend a month long course with the Fire Brigade. As a result of this initiative 58 young offenders have attended the course and 17 have moved into employment and 3 have returned to full time education.

- 8.116 The Forum noted that 150 young people had entered into apprenticeships since June 2011, with 74 being confirmed at 13 weeks.
- 8.117 The Lead Employment Advisor from Redcar and Cleveland Council advised the Forum that some of the issues faced by the Council included less local support for young people through the work programme as ‘working links’ had been lost and Triage (the company who replaced them) were based in Middlesbrough, making them inaccessible for some parts of Redcar and Cleveland. As with Hartlepool, there was a need to attract large-scale employers, though the reopening of the blast furnace at Redcar by SSI and a new Tesco store were welcomed. Members agreed that the problem of less young people applying to University, therefore pushing those more removed from the labour market further back, was an issue in both areas.
- 8.118 Members were pleased to hear that in addition to the new Tesco store Redcar and Cleveland Council had a number of other capital projects and also projects to improve the local economy and support employers underway, which may go some way to improving the employment situation for young people aged 19-25 in the future.

Evidence from Adult Education

- 8.119 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 2 February 2012, Members received evidence from the Assistant Director of Community Services and the Adult Education Co-ordinator regarding the services provided to 19-25 year olds by Adult Education.
- 8.120 The Forum was advised courses are 100% funded by the Skills Funding Agency and are mainly aimed at adults aged 18+ delivered in a mixture of formal and informal learning environments in community settings. Provision follows local and regional priorities but must be in accordance with the requirements of the funding streams.
- 8.121 Members heard that activities undertaken by 19-25 year olds in 2010/11 were as follows:-

Number of learners	10/11
English and Maths	19
Business Admin	31
Health and Social care	10
IT	11
Volunteering	19
Employability	21
Event Volunteering	27
Languages	21

Family Learning	29
Apprenticeships	7
Other	46

- 8.122 The majority of courses undertaken were for employability skills and skills for life (literacy and numeracy), though a number were for leisure.
- 8.123 Members raised concerns regarding the duplication of services which were already provided within the community. The Adult Education Co-ordinator advised Members that, where this had been the case, it had been recognised and certain courses were no longer provided, however there was still a demand in certain areas of the town for Council run services.
- 8.124 Members also questioned whether Economic Development and Adult Education worked closely together. The Forum was advised that Economic Development and Adult Education do work closely together on matters including jointly bidding for external funds and to enhance the employability of young people with the town, with Economic Development liaising with employers and Adult Education delivering training services that some young people may need.

9 VIEWS OF YOUNG PEOPLE AND LOCAL EMPLOYERS

- 9.1 The Regeneration and Planning Services Scrutiny Forum considered the views of young people and employers in relation to employment and training service provision for young people aged 19-25 in Hartlepool. Information considered by Members is as follows:-

Views of Local Employers

- 9.2 At the meeting of the Forum on 8th December 2011 representatives of local businesses were invited to share their views with the Forum. A representative of Caparo Forging, a large local employer, raised concerns regarding the DWP work programme. The representative highlighted that when the company wished to take on apprentices they use Hartlepool Working Solutions not prime providers.
- 9.3 The Caparo representative felt that there were many elements needed for engineering that were no longer taught in schools, such as the ability to read technical drawings and a flair for metal work. The company were looking to expand due to the blast furnace at Redcar coming back into operation, and they were concerned that they would not be able to get the service they required to fill these vacancies from the prime providers.
- 9.4 A representative from Heerema raised concerns regarding the change of apprenticeships from programme lead to employer lead. Heerema felt that the previous programme lead apprenticeship scheme had worked well for the past fifteen years. On this scheme the apprentices attended HCFE for the first year of the course, each week employers could talk to the

apprentices and identify which would be most suited to the needs of the company by the end of the course.

- 9.5 The new system in place now requires all apprentices to be employed before they can access the course at the college, meaning employers no longer have the time to evaluate who may be particularly suited and successful in the roles they have to offer. Employers are less likely to take a chance as they could employ the wrong person.
- 9.6 The representative from Heerema also advised the Forum that it was very difficult to gain access to schools to inform pupils about the engineering roles that were available and many pupils were not aware of such roles. This meant pupils may not have all the information they need when selecting topics for G.C.S.E or A-Levels. When local employers did negotiate access to schools to speak to students they would always attend and found it very useful.
- 9.7 During the meeting the Forum split into groups to discuss what was working well and what could be improved in relation to employment and training service. Employers representative, VCS representatives and Members commented as follows:-

What was working well:

- Employers and training providers were very passionate about working with young people to get the best out of them;
- Communication between agencies in Hartlepool, networking and cohesion between the council and private sector were very strong;
- The knowledge that programmes such as Future Jobs Fund were such a success highlighted that there was a good network of support and experience to support other programmes;
- The community and voluntary sector were a stabilising factor enabling young people to take their first steps into the world of work, encouraging them to learn by mistakes and not be disheartened.

What was not working as well:

- Some programmes did not allow enough time for the young person to become fully trained;
- A better understanding of the skills gaps of employers was required for now and in the future, there appeared to be a lack of understanding of local needs and knowledge within the work programme;
- Access to schools was a problem for employers and training providers to discuss training opportunities and career options with young people;
- Recognition was needed of the important role the community and voluntary sector had to play in supporting young people;
- The issue of generational role models was discussed with some families experiencing fourth generation of unemployment.

Views of Young People

- 9.8 The Forum was very keen to hear the views of young people aged 19-25 who used employment and training services. A questionnaire was sent to Connexions, HCFE, Catcote Futures, JobCentre Plus and to representatives of local employers, with the results being presented at the meeting of the Forum on 8 December 2011.
- 9.9 The results identified that the services that had been utilised included, Jobcentre Plus, HCFE, work programme providers, VCS providers including Wharton Annex and Pathways. The majority of those who responded used the Connexions and Catcote Futures services. Most had found the information they were given either very or fairly useful, with just under two thirds feeling that the employment and training services had helped them move closer to finding a suitable training course or employment.
- 9.10 The positive outcomes achieved include learning new skills, increased confidence and making new friends, though there was disappointment at a lack of available opportunities and some respondents felt that there had been no change in their circumstances.
- 9.11 The results from students at Catcote Futures highlighted that they would like more time at college and to have the same opportunities as everyone else. Another respondent felt there should be more opportunities for those aged 19 and over.

10 CURRENT AND FUTURE PRESSURES AND OPPORTUNITIES AND HOW SERVICES COULD BE PROVIDED GOING FORWARD

- 10.1 The Regeneration and Planning Services Scrutiny Forum gathered evidence regarding current and future pressures and opportunities and how employment and training services for young people aged 19-25 could be provided going forward. Information considered by Members is as follows:-

Evidence from the Economic Development Team

- 10.2 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 29 September 2011 the Forum was advised of the potential emerging provision for training and employment opportunities by the Economic Development Manager and the Employment Development Officer. These include:-

Emerging Funding Opportunities

Innovation Fund

Up to £30 million over a period of three years for social investment projects, paid on an outcome funded basis. The purpose of the Innovation Fund is to improve employment prospects for young people by:

- Supporting disadvantaged 14-17 year olds to participate and succeed in education or training in order to achieve better employment outcomes; and;
- Providing interventions and support which help to deliver improved employment outcomes for young people aged 18 and over.

Flexible Support Fund

£1.8 million of Flexible Support Funding will be available from JCP for the Durham and Tees Valley JCP district. This funding will be used as a strategic catalyst to stimulate, encourage or engage with effective local partnerships to develop and implement solutions to improve employment outcomes. Economic Development is working closely with JCP to ensure that Hartlepool's partners can bid for this funding and design programmes which add value to existing provision.

European Social Fund (ESF) Support for Families

A £200 million DWP/ESF programme that will identify families from workless households who have particular barriers to employment. £15 million of ESF will be available for the North East over the next three years to target vulnerable families. Over the next three years, there is the potential to support between 600 to 900 adults onto this programme, which includes 19-25 year olds from workless households. The Wise Group has now been confirmed as the prime provider and Shaw Trust and the Council are subcontractors who will deliver on their behalf. Over the next three years, both subcontractors will deliver 50% of the contract, with a total of 655 eligible customers registering onto the programme. Each customer will be provided with significant support services to help them into employment and there is a target of supporting 80% of customers to complete a pre-employability programme and 25% to enter into work.

Skills Funding Agency (SFA) Access to Apprenticeships

In May 2011 the government announced a new Access to Apprenticeship programme which is currently out to tender and will provide help and support for young people aged 16-24 who need the extra boost in moving into employment as an apprentice. However, there will be no new money to deliver the programme after this financial year and apprenticeship budgets will need to be used to deliver it in the future.

In addition, the SFA's new commissioned ESF provision 'Skills Support for the Unemployed and Apprenticeship Support to Employers' which offers additional funding to support unemployed people and enable SMEs to help support candidates through an apprenticeship. This will take the form of two grant payments up to a maximum of £2,500 for every new Apprenticeship start.

- 10.3 The Forum were also advised that gaining enterprise zone status, access to the regional growth fund and the emergence of the off shore wind market were potential areas that would benefit the employment situation in Hartlepool.

Emerging Employment Opportunities

- 10.4 Members were informed by the Economic Development Team that government has already commenced sweeping reforms that will support private sector investment, the development of higher level skills and to re-balance the economy through policies and initiatives that will allow the right conditions to create new jobs, such as Regional Growth Fund and Enterprise Zone.

The Regional Growth Fund (RGF)

- 10.5 The Forum learned that the RGF is a £1 billion competitive grant fund operating across England which was introduced in 2011 to support projects and programmes that lever private sector investment, creating economic growth and sustainable employment. It aims to particularly help those areas and communities currently dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity. The Tees Valley Local Enterprise Partnership (LEP) has submitted a sub-regional 'projects and programmes package' application to the government under Round 2 of RGF which could create significant job opportunities across the Tees Valley. Alongside this, there were five submissions from Hartlepool companies from Round 2.

Enterprise Zones

- 10.6 Members heard that In the Chancellor's 2011 Budget, Tees Valley was announced as being one of 11 areas in the UK awarded 'Enterprise Zone' status. The purpose of the Enterprise Zone (EZ) is to stimulate business and job growth in the private sector by creating the right environment for business expansion. The support available for businesses will include business rate discount sites and enhanced capital allowance sites.
- 10.7 After negotiating with the government, the Tees Valley Local Enterprise LEP has now confirmed the 12 sites across the Tees Valley that will benefit from EZ status. For Hartlepool, these sites are Queens Meadow Business Park, Hartlepool Port Estates and a LEP funded EZ at Oakesway Business Park. This new initiative has the very real potential of driving Hartlepool to becoming a hub for wind energy development with estimated job creation of up to 2,000 to 3,000 jobs in the long term (both directly and from within the supply chain).
- 10.8 In addition, new jobs will be created within the in line with the Government's 'New Industries, New Jobs' strategy,¹ there are still significant opportunities to create new jobs through investment in areas such as renewable energy, green energy, advanced manufacturing and composites. Hartlepool is well placed to take maximum advantage of these markets through existing

¹ 'New Industries, New Jobs' - Department for Business Innovation & Skills April 2009

infrastructures and specialisms in areas such as manufacturing and recycling.

- **Nuclear:** Hartlepool has been identified as one of the eight potential sites where the next generation nuclear reactors are to be built. There is also the decommissioning of the existing power station that has recently had a 5 year extension until 2019. If Hartlepool is chosen as the site of a newbuild nuclear plant a new power station would employ approximately 450 people over 70 years and during the five year construction period require up to 3,000 staff.
- **Low Carbon Economy/Offshore Wind:** One of the commitments of the Government's National Infrastructure Plan 2010 is to invest £1bn in the low carbon economy and in particular offshore wind generation. In 2010, licences were granted for 9 offshore wind zones in the UK – the closest to Hartlepool being Dogger Bank. As a consequence, prime seafront land with deep water access has been identified as suitable for use by the emerging offshore wind sector at both Hartlepool Docks and Able Seaton Port.
- **High Value Added Engineering:** Engineering is an important employer in Hartlepool with around 1700 people employed in a variety of disciplines, including offshore industries and energy. Hartlepool is well-placed to take advantage of the emerging markets above.
- **Knowledge Intensive Business Services:** Hartlepool currently has a low proportion of employment across this sector. Physical developments in the further and higher education establishments, including the new College of Further Education and the expansion of Cleveland College of Art and Design, together with the extension to the Hartlepool Innovation Centre are anticipated to provide the platform for growth in areas such as digital media, knowledge economy, professional services and business outsourcing.
- **Process and Chemicals:** Hartlepool has a traditional expertise in the process industry, which has been relatively unaffected by the economic downturn. Specialist businesses in Hartlepool are well placed to exploit the emerging markets of carbon capture and storage, biotechnology including bio fuels, waste and resources, marine decommissioning and fabrication.
- **The Visitor Economy:** The visitor economy in Hartlepool has seen continued growth since the development of the tourism infrastructure in the mid 1990s. The recent recession and economic downturn has had a mixed impact on the Hospitality and Tourism sector within Hartlepool. Predominantly, a lack of consumer confidence in the economy and reduced disposable income has led to a high number of businesses being financially affected. However, the downturn in the economy also provides much needed opportunities for Hartlepool to be a destination for the day visitor market. This is due to adults and families reducing

their holiday budgets and choosing breaks in the UK rather than travelling abroad. The tourism market has significant economic importance to Hartlepool and is worth £50 million to the area each year.

The Youth Contract

- 10.9 A number of organisations who gave evidence to the Forum, including Avanta and Hartlepool College of Further Education described the opportunities the Youth Programme may provide for 19-25 year olds and potential employers.
- 10.10 At the meeting of the Forum on 8 December 2011 Members received evidence from Avanta, a prime of the DWP Work Programme. The Forum learned that two weeks prior to the meeting a 'Youth Contract' had been announced by the Government to tackle youth unemployment. The details of the package were sparse as yet but it was known that the extra support would be available from April 2012, and was worth almost £1billion over three years. The package includes the following;
- Cash incentives to employers worth up to £2,275 each for 160,000 18-24 year-olds that are recruited by employers through the Work Programme. This covers an employer's National Insurance contributions for a year;
 - An extra 250,000 Work Experience or Sector-Based Work Academy places over the next three years, taking the total to 100,000 a year. This will come with an offer of a Work Experience place for every 18 or 19 year-old who wants one, before they enter the Work Programme;
 - At least 20,000 extra incentive payments for employers to take on young people as apprentices;
 - Extra time for JSA claimants, 3 months into their claim to discuss their options with a Jobcentre Plus adviser, and weekly, rather than fortnightly, signing-on meetings from 5 months into their claim;
 - All 18-24 year olds participating in the Work Programme will be eligible for the wage incentive.
 - DWP are also announcing a new £150m programme to provide support to the most vulnerable 16-17 year olds not in education or employment, from 2012. This will provide support to help them to get back into education, an Apprenticeship or a job with training.
- 10.11 Members raised concerns that young people were not work ready and had no role models to look up to as they could be from a family of third or fourth generation of worklessness.
- 10.12 The representatives from Avanta recognised this and the amount of work that needed to be undertaken with some people on the work programme,

they would await further details of the Youth Contract but would welcome approaches from the VCS in Hartlepool to help deliver this and the current work programme, as the support of local organisations was essential.

- 10.13 At the meeting of the Forum on 19 January 2012 the Assistant Principal of Hartlepool College of Further Education advised Members that rules on those on benefits working more than 16 hours per week were being relaxed to allow unemployed people to participate in a 2-8 week work placement whilst claiming job seekers allowance.
- 10.14 The representatives from Hartlepool College of Further Education, felt that the best way to promote the Youth Contract to employers was by local providers working in partnership with each other and the Economic Development Team from Hartlepool Council. Members supported partnership working to ensure as many employers to sign up to the scheme as possible.

Evidence from Local Service Providers and Employers

- 10.15 At the meeting of the Forum on 8 December 2011 Members discussed the way forward for employment and training opportunities and service provision with representatives of local service providers and employers. The following were suggested:-
- Primary schools should target learning through literacy and numeracy to ensure there was a decent standard of education for young people;
 - Employers who attended felt that there should be a return to programme led apprenticeships as opposed to employer led;
 - Aspirations of schools should be increased to ensure they focus on what young people can achieve;
 - The issue of providing funding up front for the provision of training and support as part of the Avanta work programme be re-examined to enable more local community and voluntary sector organisations to participate;
 - There appeared to be a demand for community programmes especially for individuals with no work experience;
 - A better understanding of the employers' and individuals' needs and requirements in order to match these appropriately and ensure synergy;
 - The importance of careers events in schools was emphasised, including the involvement of local organisations, companies and training providers. This could be facilitated by the Council.
- 10.16 Members supported the potential development of careers events, or an expansion of the current provision, in partnership with local employers, service providers and Connexions, aimed at schools and sixth form college leavers, to promote the types of careers available with local employers and also the routes to access potential opportunities.

Evidence from Hartlepool College of Further Education

- 10.17 At the meeting of the Regeneration and Planning Services Scrutiny Forum on 19 January 2012, Members found of interest that the College were leaders in the supply of adult apprenticeships for property services (i.e. Estate Agency) and that this sector preferred older apprentices with the majority being over 19.
- 10.18 The Forum noted that the College works with a vast number of partners in business and the business development officer regularly meets with organisations and works extremely hard to constantly forge links with new businesses and employers which ensures apprenticeship students are well placed to make the most of any opportunities that arise.
- 10.19 The College has recently been working with the NHS and the Power Station and is looking to tailor future programmes towards the potential development of the energy industry in the area (subject to the types of industries which may locate to the enterprise zone).
- 10.20 Representatives from Hartlepool College of Further Education advised the Forum that the College is actively engaged with most sector skills councils which enables them to take advantage of any employment and training opportunities. The College is also engaged with the national skills academies to facilitate discussions with and take on board the views of employers, who have raised issues such as the balance between the theory and practical elements of apprenticeship frameworks and the disparity that can exist between the frameworks. The College is currently working to ensure consistency between all apprenticeship frameworks.
- 10.21 Members were informed that the College was the only college in the North East who is a member of the National Skills Academy's nuclear, manufacturing, process industries and environmental technologies, and that it acts as a hub for all enquiries.
- 10.22 The Forum were made aware that in Germany 80% of school leavers progresses to advanced apprenticeships (level 3) and to be able to compete internationally the UK needed to attract high performing school leavers to take up apprenticeships, though this may be helped by the increase in the cost of university fees.
- 10.23 The College has set up a sector based work academy for the manufacturing industry, to train people in hand skills required for particular manufacturing roles, as employers identified that this was an areas where they had difficulty recruiting workers. Since this was set up in November 2011 400 people have been through the course and 200 obtained seasonal employment. The College has also worked with BHS and Husqvarna to provide the right skills to their employees and hopes to continue these initiatives where skills shortages are identified by employers into the future.

11 CONCLUSIONS

11.1 The Regeneration and Planning Services Scrutiny Forum concluded that:-

- (a) There were a number of employment and training service providers within Hartlepool able to provide advice and guidance to young people aged 19-25, however the transfer of data and communication between these organisations could, on occasion, be improved;
- (b) Voluntary and community sector organisations were unlikely to be able to facilitate work experience placements as identified by JCP and prime providers, due to cuts in funding;
- (c) There were opportunities for voluntary and community sector organisations to provide specialist services on demand rather than a results driven basis, to the prime providers of the work programme;
- (d) Local employers were concerned about their ability to access schools to promote the careers they had on offer, and the types of qualifications required to meet the demand of the employers;
- (e) Evidence indicated that some local employers preferred the previous Apprenticeship programme rather than employment led Apprenticeships;
- (f) There were a number of opportunities to develop new industries within the Tees Valley in the near future, and service providers were developing their offers to be able to take advantage of these potential opportunities;
- (g) There was a need to promote the youth contract and Apprenticeship opportunities to local employers (particularly small companies) who may not be aware of potential funding and benefits available;
- (h) Connexions was providing a very valuable service to 19-25 year olds within Hartlepool in a number of areas, in addition to employment and training advice;
- (i) The Social Return on Investment tool was a very useful way of gaining an understanding of the overall value of a service. Going forward the completion of social return on investment exercises was best carried out by officers with knowledge of internal service areas and the SROI process, the basis for this being that a detailed background knowledge and understanding of the service would enable accurate results to be obtained over a shorter time period and would ensure reliance could be placed on the outcome of the exercise by Members. However, the option to undertake site visits should still be afforded to Members where this would be beneficial to obtaining a greater understanding of the service under review.

12 RECOMMENDATIONS

12.1 The Regeneration and Planning Services Scrutiny Forum has taken evidence from a wide range of sources to assist in the formulation of a balanced range of recommendations. The Forum's key recommendations to the Cabinet are as outlined below:-

- (a) That Hartlepool Borough Council liaise with prime providers of the Work Programme to:-
 - (i) ensure prime provider offers are developed which meet local employer needs;
 - (ii) assist Avanta in engaging with the Department of Work and Pensions (DWP) to share data regarding the success of the Work Programme within Hartlepool; and
 - (iii) develop a process to ensure the dissemination of information in relation to the success of the DWP Work Programme in Hartlepool to the Council and the Regeneration and Planning Services Scrutiny Forum, once available.
- (b) That Hartlepool Borough Council facilitate meetings between prime providers of the DWP Work Programmes and third sector providers to:-
 - (i) Promote the specialist support services local organisations are able to provide as sub-contractors; and
 - (ii) Explore options to provide specialist services 'on demand'.
- (c) That the development of a process to hold careers events aimed at schools and sixth form college leavers to promote the types of careers available with local employers and also the routes to access potential opportunities, is explored with local service providers, employers and Connexions;
- (d) That ways of re-invigorating the partnership between Connexions and Job Centre Plus in Hartlepool be explored to ensure consent to share forms are completed and data shared, where possible and in accordance with the data protection act;
- (e) That during the development of skills based training programmes Adult Education and Economic Development liaise to ensure that maximum benefit is achieved for the economic wellbeing of the town;
- (f) That the Economic Development Team works in partnership with prime providers, local suppliers of employment and training services and the Economic Regeneration Forum to promote the Youth Contract, the National Apprenticeship Service and the benefits of employing apprentices to employers;
- (g) That the use of the Social Return on Investment model is explored:-

- (i) as part of the budget process to provide Members with qualitative data upon which to make decisions;
- (ii) to assist in shaping the future of service delivery by evaluating current service provision and gaining a better understanding of the value services users place on the outcomes delivered.

ACKNOWLEDGEMENTS

The Committee is grateful to all those who have presented evidence during the course of our investigation. We would like to place on record our appreciation, in particular of the willingness and co-operation we have received from the below named:-

Hartlepool Borough Council:

Caron Auckland – Hartlepool Working Solutions
Maggie Heaps – Adult Education Co-ordinator
John Mennear – Assistant Director Community Services
Mark Smith - Head of Integrated Youth Support Services
James Sinclair – Connexions Team Manager
Antony Steinberg – Economic Development Manager
Patrick Wilson – Employment Development Officer

External Representatives:

Christina Blaney – JobCentre Plus
Greame Cadas – JobCentre Plus
Craig Drummond – Avanta
Graham Hubbard – Redcar and Cleveland Council
Barry Hockborn – Nacro
Jan Hollis – Hartlepool Carers
Tracy Jefferies – Hartlepool Carers
Paul Marshall – Hartlepool College of Further Education
Rachel Murphy – Avanta
David Scrafton – Heerema
Alan Sheppard – North Tees and Hartlepool NHS Foundation Trust
Andrew Steel – Hartlepool College of Further Education
Steve Summers – Caparo Forging
Anne White – J&B Recycling

**COUNCILLOR TREVOR ROGAN
CHAIR OF THE REGENERATION AND PLANNING SERVICES SCRUTINY
FORUM**

March 2012

Contact Officer: Elaine Hind – Scrutiny Support Officer
Chief Executive’s Department – Corporate Strategy
Hartlepool Borough Council
Tel:- 01429 52 3647
Email:- elaine.hind@hartlepool.gov.uk

BACKGROUND PAPERS

The following background papers were consulted or referred to in the preparation of this report:-

- (i) Report of the Scrutiny Support Officer entitled ‘Scrutiny Investigation into Employment and Training Opportunities for 19-25 Year Olds – Scoping Report’ presented to the Regeneration and Planning Services Scrutiny Forum of 1 September 2011.
- (ii) Report of the Scrutiny Support Officer entitled ‘Scrutiny Investigation into Employment and Training Opportunities for 19-25 Year Olds – Setting the Scene – Covering Report’ presented to the Regeneration and Planning Services Scrutiny Forum of 1 September 2011.
- (iii) Presentation of the Economic Development Manager and the Employment Development Officer ‘Employment and Training Opportunities for 19-25 Year Olds’ presented to the Regeneration and Planning Services Scrutiny Forum on 1 September 2011.
- (iv) Report of the Scrutiny Support Officer entitled ‘Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from Hartlepool Borough Council Economic Development Team – Covering Report’ presented to the Regeneration and Planning Services Scrutiny Forum of 29 September 2011.
- (v) Report of the Economic Development Manager entitled ‘Employment and Training Opportunities for 19-25 Year presented to the Regeneration and Planning Services Scrutiny Forum of 29 September 2011.
- (vi) Report of the Scrutiny Support Officer entitled ‘Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from Hartlepool Borough Council Integrated Youth Support Services – Covering Report’ presented to the Regeneration and Planning Services Scrutiny Forum of 29 September 2011.
- (vii) Presentation by the Head of Integrated Youth Support Services ‘Youth Support for 19-25 Year Olds’ presented to the Regeneration and Planning Services Scrutiny Forum of 29 September 2011.
- (viii) Report of the Scrutiny Support Officer entitled ‘Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from Jobcentre Plus – Covering Report’ presented to the Regeneration and Planning Services Scrutiny Forum of 29 September 2011.
- (ix) Presentation by the Jobseeker Opportunities Manager from Jobcentre Plus entitled ‘Jobcentre Plus – Summer 2011’ presented to the Regeneration and Planning Services Scrutiny Forum of 29 September 2011.
- (x) Report of the Scrutiny Support Officer entitled ‘Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Update on the Actions from Previous Scrutiny Reports – Covering Report’

- presented to the Regeneration and Planning Services Scrutiny Forum of 29 September 2011.
- (xi) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from Prime Providers – Covering Report' presented to the Regeneration and Planning Services Scrutiny Forum of 8 December 2011.
 - (xii) Presentation by the Regional Manager from Avanta entitled 'Work Programme In the North East' presented to the Regeneration and Planning Services Scrutiny Forum of 8 December 2011.
 - (xiii) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into Employment and Training Opportunities for Young People Aged 19-25 — Views of Employment and Training Service Providers and Local Employers – Covering Report' presented to the Regeneration and Planning Services Scrutiny Forum of 8 December 2011.
 - (xiv) Report of the Scrutiny Support Officer entitled 'Mayor's Employment Initiative – Covering Report' presented to the Regeneration and Planning Services Scrutiny Forum of 19 January 2012.
 - (xv) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from North Tees and Hartlepool NHS Foundation Trust – Covering Report' presented to the Regeneration and Planning Services Scrutiny Forum of 19 January 2012.
 - (xvi) Presentation by the Assistant Director of Education and Organisation Development from North Tees and Hartlepool NHS Foundation Trust entitled 'Modern Apprentices' presented to the Regeneration and Planning Services Scrutiny Forum of 19 January 2012.
 - (xvii) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from Hartlepool College of Further Education – Covering Report' presented to the Regeneration and Planning Services Scrutiny Forum of 19 January 2012.
 - (xviii) Presentation by the Assistant Principal and the Business and Workforce Manager from Hartlepool College of Further Education entitled 'Hartlepool College of Further Education' presented to the Regeneration and Planning Services Scrutiny Forum of 19 January 2012.
 - (xix) Report of the Social Return on Investment Focus Group entitled 'Final Report – Social Return on Investment of Connexions Services to 19-25 Year Olds' presented to the Regeneration and Planning Services Scrutiny Forum of 2 February 2012.
 - (xx) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from Redcar and Cleveland Council – Covering Report' presented to the Regeneration and Planning Services Scrutiny Forum of 2 February 2012.
 - (xxi) Presentation by the Lead Employment Advisor from Redcar and Cleveland Council entitled 'Routes to Employment – Youth Unemployment' presented to the Regeneration and Planning Services Scrutiny Forum of 2 January 2012.
 - (xxii) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into Employment and Training Opportunities for Young Adults Aged 19-25 — Evidence from the Hartlepool Borough Council Assistant Director of

- Community Services – Covering Report’ presented to the Regeneration and Planning Services Scrutiny Forum of 2 February 2012.
- (xxiii) Presentation by the Assistant Director of Community Services from Hartlepool Borough Council entitled ‘Adult Education Provision’ presented to the Regeneration and Planning Services Scrutiny Forum of 2 January 2012.

REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

2 February 2012



Report of: Social Return on Investment Focus Group

Subject: FINAL REPORT – SOCIAL RETURN ON INVESTMENT OF CONNEXIONS SERVICES FOR 19-25 YEAR OLDS

1. PURPOSE OF REPORT

- 1.1 To present the findings of the Regeneration and Planning Services Scrutiny Forum Social Return on Investment Focus Group following its investigation into the 'Social Return on Investment of Connexions Services for 19-25 Year Olds'.

2. BACKGROUND INFORMATION

- 2.1 During the Regeneration and Planning Services Scrutiny Forums scoping of their investigation into 'Employment and Training Services for 19-25 Year Olds' Members agreed that the concept of 'Social Return on Investment' should be explored as part of the Forum's investigation. In order not to impact on the main investigation, Members agreed that a focus group of the Regeneration and Planning Services Scrutiny Forum would be tasked with looking specifically at the social return on investment for the Connexions service for 19-25 year olds, with the results being taken as evidence by the main scrutiny forum.

3. SCOPE AND STAKEHOLDERS

Background to the Connexions Service

- 3.1 The Local Authority Youth Service and Connexions integrated in March 2010. The service leads on strategies to support young people to make a successful post 16 transition to further learning and employment and has responsibility for monitoring progress of the cohort, in addition, the service also supports a number of other key local indicators such as access to positive activities, reducing teenage pregnancy, substance misuse and youth offending.
- 3.2 The service aims to fulfil its remit via a number of methods including:-

- ensuring that young people have access to a range of positive activities and non-formal learning opportunities tailored to suit their needs by providing better information, advice and guidance to help young people make more informed choices, about learning, raise their aspirations and equip them to make safe and sensible decisions about sexual health and substance misuse;
 - ensuring that young people are engaged in shaping the services they receive and encouraging more young people to volunteer and become involved in their communities;
 - offering more personalised, joined up support for young people who are experiencing difficulties;
 - investing in the workforce to improve the quality and capacity of those working with young people and their families.
- 3.3 The service is delivered by 11 Personal Advisors qualified to a minimum of NVQ Level 4 in Careers Guidance or Information, Advice and Guidance. Connexions offers direct support via a 'One Stop Shop' facility (contained within the Middleton Grange Shopping Centre). It also provides support in schools to prepare for post 16 transition, outreach services provided largely through home visits or via Community Facilities.
- 3.4 The numbers contained within the 13-19 cohort are constantly changing but were 8500 at the start of the investigation. The numbers of 20-25 with Statement of Special Educational Needs equalled 155.
- 3.5 At 18 and beyond many young people choose to receive support via Job Centre plus, in line with their presentation at the Job Centre and the claiming of benefits. Young people are signposted between the two services where appropriate.
- 3.6 Young people aged 18 plus are also entitled to support via Next Steps (the national Adult Guidance Service) and in recent years direct referral to this service via Job Centre Plus has been embedded within national support arrangements. Ongoing support is provided to 19 year olds where this is part of an continuing piece of work. Support is also provided to 19 year olds at the request of local organisations who highlight that the young person will benefit from information, advice, support and guidance.
- 3.7 The majority of Connexions emphasis and resources continues to be focused upon post 16 transition, coordinating the 'September Guarantee' for 16 and 17 year olds to ensure that all Year 11's and Year 12's have a guaranteed place in learning, in line with the forthcoming Raising of the Participation age.
- 3.8 The majority of support for 19-25 year olds would be with the SEN cohort, who would receive support to review and establish their post 16 options including a review in school and supporting the young person's transition plan.

- 3.9 This support includes a complete assessment of post 16 learning needs to support post 16 option choices and identify whether local provision can meet the young persons needs. The service supports young people and their family to complete applications to Independent Specialist Providers (ISP) and also with applications for funding to enable them to attend ISP. Connexions advisors also collate and present detailed information on individual cases, to the Independent Specialist Placement Panel, to allow the panel to make a decision on funding out of area placements.
- 3.10 A designated Personal Adviser is provided to support young people with profound learning difficulties and disabilities and who are accessing special educational services. The service also provides direct support to Hartlepool College of Further Educations “Skills for Working Life” course for those aged 19+.

Type of SROI analysis undertaken

- 3.11 Social Return on Investment (SROI) is a new approach to measuring social value. SROI is a framework for understanding, measuring and managing a much broader concept of value; it seeks to reduce inequality and environmental degradation and improve wellbeing by incorporating social, environmental and economic costs and benefits.
- 3.12 SROI places a monetary value on social, environmental and economic outcomes to allow them to be compared with the investment made. It measures change in ways that are relevant to the people or organisations that experience and contribute to it, though it should be noted that documentation issued by the Cabinet Office of the Third Sector emphasises the following:
- ‘Organisations work with different stakeholders and will have different judgements when analysing their social return. Consequently, it is not appropriate to compare the social return ratios alone, as social investors will need to consider all of the information produced as part of the SROI analysis. However, an organisation should compare changes in its own social return over time and examine the reasons for changes.’²
- 3.13 As part of the scrutiny investigation into ‘Employment and Training Opportunities for Young Adults in Hartlepool Aged 19-25’, the Regeneration and Planning Services Scrutiny Forum determined that a focus group should be tasked with undertaking a SROI analysis of the services provided to 19-25 year olds by Connexions, to determine the social value these services generate.
- 3.14 The overall aim of the exercise was to determine the social value produced by services for 19-25 year old provided by Connexions in order to contribute to the Regeneration and Planning Services Scrutiny Enquiry into training and employment opportunities for young people aged 19 – 25 in Hartlepool.

² A guide to Social Return on Investment – Cabinet Office of the Third Sector (Nicholls et al 2009)

- 3.15 The SROI analysis will form part of the evidence delivered to the Regeneration and Planning Services Scrutiny Forum of Hartlepool Borough Council to assist the Forum in its enquiry into 'Training and Employment Opportunities for Young People Aged 19-25 in Hartlepool'.
- 3.16 At a meeting of the SROI Focus Group on 17 October 2011 Members determined that a forecast SROI analysis should be undertaken (a measure which predicts how social value will be created if the activities meet their intended outcomes). It was determined that this was preferable to an evaluative analysis due to the short timescales involved, and that forecast evaluations ensure that the right data collection systems are in place to perform a full analysis in the future.

Stakeholders

- 3.17 At the meeting of the SROI Focus Group on 17 October 2011, Members determined the stakeholders in the Connexions Services provided to 19-25 year olds. These were as follows:-

Connexions services 19-25 year olds	
Stakeholder	Reason for Inclusion
Young people who use services	Primary beneficiaries of the service, likely to be experiencing positive outcomes if use of services is successful.
Connexions workers 19-25	Those employed would not otherwise be employed. This is a significant change to their lives.
Hartlepool College of Further Education	Likely to have a number of 19-25 year olds attending courses who may have used the Connexions service as a pathfinder.
Nacro	Partner service provider to the cohort who also engages in the re-habilitation of ex-offenders and teenage pregnancy.
Catcote School	Outreach work carried out by Connexions at the school to engage pupils in the service (advisor placed in the school).
Tees Valley Works	Acts as an umbrella organisation for other service providers, referrals made to this group by Connexions service.
Federation of Small Businesses	Represents local employers likely to take on young people in some form of employment.
Jobcentre Plus	Young people have the opportunity to present at either service, sign post to each other.

- 3.18 Members discussed a number of other stakeholders but determined that these should not to be included. Details of these potential stakeholders are included in section seven 'Audit Trail'.
- 3.19 Members identified young people who were (or who had previously been) involved with the Connexions service as the key stakeholders and agreed to conduct telephone interviews with young people who were currently using the Connexions Service where possible, to engage them in the SROI process.
- 3.20 Members also visited the Connexions offices and 'one stop shop' facility, the Chair of the focus group also undertook a visit to Catcote School where he was able to gather the views of pupils, staff and Connexions workers. Details of the visits to the Connexions building and Catcote School were reported back to the SROI focus group and are attached as **Appendix 2**. As part of this evidence it was noted that some interventions were very lengthy and costly whilst some were short. It was agreed that these would balance out when considered in the SROI process.
- 3.21 As part of the engagement process, questionnaires were drafted for young people, other service providers and local employers. These were distributed as widely as possible to the target groups, with the young people's questionnaire being delivered to Jobcentre Plus, Hartlepool College of Further Education, Connexions One Stop Shop and was also to employers, where possible. All questionnaires were also uploaded to the Council's 'Your Town, Your Say' web based consultation pages.
- 3.22 To engage with other stakeholders, Members attended a meeting of the Regeneration and Planning Services Scrutiny Forum held on 8 December 2011, to which other local service providers such as Nacro, local employers and their representatives were all invited. During this meeting group discussions were undertaken regarding employment and training opportunities for young people aged 19-25 in Hartlepool and what does and does not work well.

4. OUTCOMES AND EVIDENCE

- 4.1 At the meeting of the SROI focus group on 16 December 2011 Members reviewed the stakeholders determined at the previous meeting and identified the intended and unintended changes for each, (for results see **Stage 1** of the Impact Map **Appendix 1**). During this process Members determined that the Federation of Small Businesses should be removed as a stakeholder due to the limited impact the Connexions Service would have on them as a group. Members also recognised that an emerging stakeholder would be the prime providers of the DWP work programme such as Avanta, but that these potential stakeholders did not warrant inclusion in this exercise as the change for them could not be determined as yet.

Inputs

- 4.2 Young People - The main input identified for young people was their time, in accordance with the current convention in SROI, time spent by beneficiaries on a programme is not given a financial value.
- 4.3 Connexions/Local Authority – Members identified a proportion of the Connexions budget allocated to providing services for 19-25 year olds would be used as the input for this stakeholder.
- 4.4 At the meeting of the Focus Group on 16 December 2011 Members agreed that the method of calculating this proportion of the Connexions budget would be as follows:-

$$\frac{\text{PA day rate} \times \text{number of days per month allocated to 19-25 cohort}}{\text{Number of sub contacts with 19-25 year olds for month}} = \text{PA rate per 19-25 year old}$$

- 4.5 The focus group agreed that an average of these figures would be taken between April and September 2011 and that this figure would be used to determine the annual cost of providing the service to 19-25 year olds.
- 4.6 Following consideration, Members then determined that a more accurate reflection of the overall cost of the services would be to use the following equation:-

$$\frac{\text{Number of 19-25 years olds as at 1 November 2011}}{\text{Total cohort as at 1 November 2011}} \times \text{Budget for the whole service}$$

- 4.7 Members were in agreement that this would then include the additional costs of lighting, heating etc rather than purely the cost of the interventions.
- 4.8 Following discussions, Members agreed that no other stakeholder contributed to the input column, as they did not directly invest in the Connexions Service.
- 4.9 The calculation for the value of the investment to the Connexions Service using the formula described at 4.6 is as follows:-

$$\frac{1432 \text{ (19-25 year olds)}}{8393 \text{ (total cohort)}} \times £722,775 = £123,319$$

Outputs

- 4.10 Outputs are described as a quantitative summary of an activity. Members determined that outputs for the young people who access services and Connexions/Local Authority would be the number of interventions undertaken by the Connexions Service with 19-25 years olds for the period of 1 month between 1 November 2011 and 1 December 2011, which would then be used as a basis for calculating the annual figure.

- 4.11 Members recognised that some interventions were much more lengthy and therefore more costly than others, however if it was felt that given that some interventions were very short the use of this figure would give a balanced level of outputs overall.
- 4.12 Data relating to the remainder of stakeholders was discounted, Members felt that only data relating directly to Connexions outputs could be used to assess the SROI of the service.

Outcomes

- 4.13 SROI is an outcomes based measurement tool, with regards to describing outcomes for Connexions the focus group agreed to use destinations data collected by Connexions in relation to activities of those young people who had completed compulsory education e.g. in employment or training.
- 4.14 Destinations data is divided into a number of activities, Members raised concerns that not all destinations would be reflected in the data if no young person had fallen in to that category during the period under review, therefore **Appendix 3** has been included to show all possible outcomes.
- 4.15 Members agreed to group potential outcomes into the following headings:-
- Education and training
 - Health
 - Wellbeing
 - Homelessness
 - Carers
- 4.16 The softer outcomes, such as more self-confidence and participating in more social activities, identified from the results of the questionnaires issued to young people were factored in under appropriate headings.
- 4.17 Indicators – These are a way of knowing that change has happened. Members agreed to group the outcomes data into the categories identified at 4.15 and the use the Connexions data to determine the numbers attached to each outcome as an indicator, where possible.

Sources – Sources for outcomes data were determined as the responses received to questionnaires and the Connexions outcomes data for the period 1 November 2011 to 1 December 2011.

Quantity – The numbers highlighted by the Connexions outcomes data pro rata for the year. It is recognised that an intervention can have more multiple outcomes so that initial quantity will not equate to the exact same number of outcomes.

Duration - Members agreed to use the length of time attached to a Connexions currency as the duration of the outcome (see **Appendix 4** for details of each currency duration). The minimum timescale for the forecast

SROI was one year to where interventions lasted less than this time the annual figures were included on a pro-rata basis.

Financial Proxy and Values - Members agreed to use the following as values for outcomes:-

Health – details of the cost to the NHS of averting teenage pregnancy and cessation of smoking would be sought as a measure to be allocated 50/50.

Housing – single room rate for people under 25s would be used.

Carers – average carers benefit rate would be used.

Employment – apprenticeship rate plus the single persons benefit rate. Members considered using an element of the disability living allowance in addition to the above criteria, but agreed that this would not be used as the apprenticeship rate and reduction in benefits would act as an average, which would suffice for the purposes of the analysis.

Training – the HCFE student bursary would be used as a standard though it was recognised not all students would get this so it was assumed 25% would receive the bursary, plus the single persons benefit rate.

Wellbeing – the cost of weekly ‘Street Project’ sessions with Families First.

4.18 Members agreed that the source for the financial proxies would be as follows:-

Health – NHS statistics on the cost of averting teenage pregnancy and cost of treating a smokers. This information was obtained through the following sources:

- Teenage pregnancy: University of Sheffield School of Health and Related Research – Modelling the Cost Effectiveness and Young People, Especially Socially Disadvantages Young People to Use Contraceptives and Contraceptive Services – April 2010
- Smoking: Health Economics Research Group Brunel University, Queens Medical Centre University of Nottingham, London Health Observatory: Building the Economic Case for Tobacco Control, A Toolkit to Estimate the Economic Impact of Tobacco – December 2011

Housing, Carers, Employment – All figures were to be sourced from the DWP benefits figures for 2011/12.

Training – Information supplied by Connexions Manager.

Wellbeing – The cost of weekly sessions ‘Street Project’ sessions. Information obtained directly from Hartlepool Families First.

5. IMPACT

5.1 **Deadweight** is a measure of the amount of an activity, which would have occurred even if the activity had not taken place. When analysing Connexions destination data Members were presented with details of the likelihood of young people obtaining the service elsewhere.

5.2 It was determined that where a young person presented at the Connexions building / one stop shop it was likely that they would have presented at an alternative service provider if the Connexions Service were not available. However, where the intervention had been as a result of proactive work by Connexions PAs it was deemed that this intervention would not have occurred anywhere else.

5.3 Members agreed that of those who presented, half would have sought an alternative service provider, resulting in the following deadweight rates:-

Employment – 22 presented directly - $22/125 \times 100 \times 50\% = 10.8\%$ rounded to 11%.

Training – 5 presented directly - $5/125 \times 100 \times 50\% = 2\%$

Health – 0

Wellbeing – 0

Carers – 0

5.4 **Displacement** is another component of impact and assess how much of an outcome displace other outcomes. The SROI guide indicates that this does not apply in every case and Members decided that displacement would not be taken into consideration as it was not relevant for the area under review.

5.5 **Attribution** is the assessment of how much of the outcome was caused by the contribution of other organisations or people.

5.6 Members determined that whilst there was joint working with a number of agencies the best indicator was for those aged over 20 years in Catcote School (16 interventions). It was agreed that half of these would have some attribution with other agencies, which was converted to a percentage of the overall interventions $16/125 \times 100 \times 50\% = 6.5\%$.

5.7 **Drop off** is the amount of outcome over future years, Members determined that as the longest currency was one year there would be no drop off past this point.

6. SOCIAL RETURN CALCULATION

6.1 The Social Return on Investment was calculated as £1.66 per £1 invested, as shown on the impact map (**Appendix 1**). Members recognised that the calculation is based heavily on a number of assumptions which have been listed through each stage of the report and that any alteration in these assumptions would be likely to significantly affect the SROI figure.

- 6.2 Member particularly noted that the number of interventions recorded could be subject to change as no weighting was given to interventions. Certain types of intervention are not recorded by Connexions systems as they are deemed too short, however they still form part of a PAs workload. Alternatively, other interventions would count only once or twice despite involving numerous meetings, officer time and assistance. Members recognised that this would affect the value and cost of an intervention quite significantly.
- 6.3 Another area where the assumptions used could affect the value of the SROI significantly were the financial proxy information. Members were satisfied that the values used were appropriate but recognised that there were a number of differing values that could be used for all categories, particularly employment and training data. Members also recognised that due to the high costs associated with health proxies, any change to these would greatly affect the SROI calculation.

7. AUDIT TRAIL

- 7.1 During the SROI process a number of different ideas were discussed for each stage the process. Details of these are recorded as part of the audit trail of the process.
- 7.2 Stakeholders initially identified at the meeting of the Focus Group on 17 October 2011 but not included, and rationale for this is as follows:-

Excluded stakeholders	Reasons for exclusion
AIMS Consortium	Would be covered by Tees Valley Works as an umbrella organisation
Youth Offending Team	These participants would be picked up via another route such as Nacro and engagement with Connexions was not felt to be a large part of the work of this organisation
WNF Providers 19-25	Would be covered by Tees Valley Works as an umbrella organisation
Adult Education	These participants would be picked up via another route and engagement with Connexions was not felt to be a large part of the work of this organisation
6 th Forms & 6 th Form Colleges	Unlikely to have a large enough cohort of 19-25 year olds to be considered a major stakeholder
JHP/Springboard	Covers similar but not as wide ranging areas as Nacro, therefore Nacro included to avoid duplication

Prince's Trust	Small number of participants likely to be picked up via another route
Teenage Pregnancy Support Service	These participants would be picked up via another route such as Nacro. Engagement with Connexions was not felt to be a large part of the work of this organisation
Social Care	These participants would be picked up via another route. Engagement with Connexions was not felt to be a large part of the work of this organisation

7.2 Stakeholders discounted following a review by Members of intended and unintended changes at the meeting of the Focus Group of 16 December 2011:-

Federation of Small Businesses – Connexions Services would have a limited impact on them as a group.

7.3 Emerging stakeholders who should be considered for future SROI reviews in this area, identified by Members at the meeting of the Focus Group on 16 December 2011:-

Avanta – Prime Provider of the DWP Work Programme.

7.4 At the meeting of the Focus Group on 16 December 2011, Members agreed that only inputs and data related to young people and the Connexions Service/Local Authority should be considered as part of the SROI analysis, and as such the following stakeholders were not included in the SROI calculation:-

- Hartlepool College of Further Education
- Nacro
- Catcote School
- Tees Valley Works
- Jobcentre Plus

7.5 Evidence submitted from young people as part of the investigation through any of the above stakeholders was counted under 'young people'.

7.6 Members considered several financial proxies for the 'Wellbeing' indicator, the initial suggestion was that a value associated with the social element assigned to a young persons personal budget could be used. However, it was determined that this would be personal to each user and no set figure would be able to be identified. It was then agreed to use the cost of weekly 'Street Project' sessions provided by Families First as these were attended by a number of students from Catcote Futures.

8. CONCLUSIONS

8.1 The Regeneration and Planning Services Scrutiny Forum Social Return on Investment Focus Group concluded that:-

- (j) The Social Return on Investment tool was a very useful way of gaining an understanding of the overall value of the Connexions Service for 19-25 year olds and undertaking the review had provided Members with a valuable insight into the service;
- (k) Connexions was providing a very valuable service to 19-25 year olds within Hartlepool in a number of areas, in addition to employment and training advice;
- (l) That the completion of social return on investment exercises was best carried out by officers with knowledge of internal service areas and the SROI process, the basis for this being that a detailed background knowledge and understanding of the service would enable accurate results to be obtained over a shorter time period and would ensure reliance could be placed on the outcome of the exercise by Members. However, the option to undertake site visits should still be afforded to Members where this would be beneficial to obtaining a greater understanding of the service under review.

9. RECOMMENDATIONS

9.1 The Regeneration and Planning Services Scrutiny Forum Social Return on Investment Focus Group has explored a wide range of evidence from various sources to assist in the formulation of a balanced range of recommendations. The Focus Group's key recommendations to the Regeneration and Planning Services Scrutiny Forum are as outlined below:-

- (a) Consideration should be given to utilising the Social Return on Investment model as follows:-
 - (iii) as part of the budget process to provide Members with qualitative data upon which to make decisions;
 - (iv) to assist in shaping the future of service delivery by evaluating current service provision and gaining a better understanding of the value services users place on the outcomes delivered.

Contact Officer:- Elaine Hind – Scrutiny Support Officer
Chief Executive's Department – Corporate Strategy
Hartlepool Borough Council
Tel: 01429 523647
Email: elaine.hind@hartlepool.gov.uk

BACKGROUND PAPERS

The following background paper was used in the preparation of this report:-

- (i) Report of the scrutiny support officer entitled 'Social Return on Investment Focus Group – Scoping Report' presented to the Regeneration and Planning Social Return on Investment Focus Group on 17 October 2011.
- (ii) Report and presentation of the scrutiny support officer entitled 'Social Return on Investment' presented to the Regeneration and Planning Social Return on Investment Focus Group on 17 October 2011.
- (iii) Report and presentation of the scrutiny support officer entitled 'Social Return on Investment Stages 2 - 4' presented to the Regeneration and Planning Social Return on Investment Focus Group on 16 December 2011.
- (iv) Report of the scrutiny support officer entitled 'Social Return in Investment Focus Group – Feedback from Connexions and Catcote Futures Visit' presented to the Regeneration and Planning Social Return on Investment Focus Group on 16 December 2011.
- (v) A guide to Social Return on Investment – Cabinet Office of the Third Sector (Nicholls et al 2009)
- (vi) Measuring What Matters – A guide for overview and scrutiny committees about using 'Social Return on Investment' to measure social values (Centre for Public Scrutiny)

**REGENERATION AND PLANNING SERVICES
SCRUTINY FORUM SOCIAL RETURN ON
INVESTMENT FOCUS GROUP**

16 December 2011



Report of: Scrutiny Support Officer

Subject: SOCIAL RETURN ON INVESTMENT FOCUS GROUP – FEEDBACK FROM CONNEXIONS AND CATCOTE FUTURES VISIT

1. PURPOSE OF REPORT

1.1 The purpose of this report is to provide Members of the Social Return on Investment Focus Group with details of the visit to the Connexions offices and a visit by the Chair of the focus group to Catcote Futures.

2. BACKGROUND INFORMATION

Catcote Visit

2.1 The Chair of the Social Return on Investment Focus Group, visited Catcote Futures based at Catcote School to shadow the Connexions on site personal advisor and engage with pupils, to determine the value they place on the Connexions service.

2.2 The Catcote site offers educational and vocational facilities for young people up to the age of 25 with special educational needs, known as 'Cadcote Futures'. Facilities include a kitchen, beauty salon, horticultural area and café, in addition to traditional learning environments, to allow pupils the freedom to pursue a range of activities.

2.3 There are currently 215 young people in the 19-25 Connexions special educational need cohort, 37 of which attend Catcote, 30 attend the skills for working life course at Hartlepool College of Further Education, with the remainder in other destinations.

2.4 Catcote has an onsite Connexions personal advisor (PA) 2 days per week. Over the period of a month the advisor spends on average 1 day with the post 19 cohort (they will respond to need if required) and the remaining 7 days per month with the 13-18 cohort and the pupils attending the on site pupil referral unit (BESD). All schools were offered the opportunity to purchase more advisor time at the beginning of the academic year, but this was declined due a lack to funding.

- 2.5 The services provided to the 19+ cohort at Catcote include the following:-
- Assistance with producing applications for personal budgets;
 - Attending a young persons annual reviews (what they are doing/how they feel it is going/is it suitable etc);
 - Linking in with other agencies such as social care;
 - Liaising with the young persons family and / or their carer;
 - Attending group sessions once the young person is in Catcote (provide information about what is available, show the one stop shop etc).
- 2.6 Initially prior to attending Catcote, the young person is assisted with the choices available to them aged 19. The service promotes young people making their own choices and some young people opt to attend alternative provision and are still overseen by the SEN PA. Due to the current funding situation, there is a much-reduced presence in alternative provision. The PA will follow the young people up in line with currency guidelines however, young people who contact the PA will be offered an immediate service.
- 2.7 Other options available to SEN young people include:
- Attending another training provider (such as Nacro, JHP, Springboard etc);
 - Further Education- Skills for Working Life HCFE (CCAD etc);
 - Sixth Form environment (with support)(H6FC, EM6FC)
 - Employment (with support)- *some SEN young people can sustain employment with limited support
 - Out of area provision.
- 2.8 In all cases where a SEN young person is moving provider (e.g. Catcote to English Martyrs) a Section 139a-c assessment is updated/completed by a PA.
- 2.9 Where the young person has received a statement of special educational need this ceases post 19. In cases where it is beneficial for the young person to have a detailed statement of their needs post 19 a section 139A notice is drafted by the PA and passed to the College (or wherever the young person is moving to) to advise them of the support needs of the young person. The original SEN, information from the young person, their carers, social workers and parents is all collated when drafting the S139A. At the moment, it is very rare for a young person with higher level needs to go into employment.
- 2.10 The PA works with the social worker (and others working closely with the young person) to look at the opportunities open to that young person, with the social workers looking into what the young person's personal budget could buy.

- 2.11 If the young person decides they would like to remain at Catcote to attend Catcote Futures the student registers with HCFE as a post 19 student, with the curriculum being delivered within the Catcote Setting. HCFE determine the accreditation that drives the activities available and in some instances restricts what the students can study. The PA is not required to complete S139a-c assessment as Catcote are aware of support needs.
- 2.12 When young people decide to go into Foundation Learning with recognised training providers from the Hartlepool Partnership, due to changes in government legislation (Entry 2 Employment to Foundation Learning) the provider is no longer required to involve the Connexions service in the review process. A PA will continue to follow the young person yet may not be invited to their annual review.

Independent Specialist Provision

- 2.13 A recent change to the service for placements out of the area is that a PA from the local authority paying for the care must attend the young person's annual learning reviews. Previously all 19+ young people who attended Catcote regardless of residency were able to access the services provided by the PA, who was therefore able to attend all learning reviews being undertaken with young people within Catcote. Currently those who reside out of the area must have a PA from that area present; this was introduced as the cost of placing young people outside of their local authority area is far greater than a placement with the local authority area, particularly for those with autistic spectrum disorders. This is known as Independent Specialist Provision (ISP).
- 2.14 A PA from the young persons local authority needs to attend the training review to ensure the placement they are receiving is the most appropriate provision for them and also constitutes value for money for the Local Authority, if the same service could be provided within Hartlepool the Local Authority are unlikely to continue the out of area placement.
- 2.15 An ISP panel has recently been formed in Hartlepool to review all applications for placements out of the area. This consists of the Assistant Director of Performance and Achievement, the Social Care Team Manager, the Special Educational Needs Manager and others. There are other factors to consider with out of area placements, such as transport, health and social care, all of which will need to be funded. The PA will prepare background paper work involving the young person, their family, carers, social worker etc to submit to the panel to enable them to make an informed decision, this will also include details of any local provision the young person could access.
- 2.16 The Transitions Operations Group (TOG) meets bi-monthly and is currently chaired by the Integrated Youth Support Service (IYSS - Connexions). The TOG brings together agencies including health, social care, children services and adult services. One of the key objectives of the group is to forecast the young people for whom the Local Authority may have to fund alternative provision (e.g. ISP).

- 2.17 Catcote is likely to have 40+ college aged students in the next academic year, and already has a waiting list of pupils who wish to access the unit from other Tees Valley authorities, but due to current space limits the unit is not able to accommodate these requests. The unit is also unable to accommodate certain autistic spectrum disorder (ASD) cases, these young people currently attend the ESPA facility in Middlesbrough.

Student views:

Jessica: Likes the post 19 education, she enjoys learning signing, working in the coffee shop and undertaking a Duke of Edinburgh Award in Horticulture. Jessica also like the hair and beauty course and would like to do more art. Jessica felt the course was what she expected.

Graham: Works in the coffee shop and has a placement in Café 177, he would love to do more cooking and would like more opportunities to do both ideally more work in Café 177 with training. Graham has also achieved independent travel to and from his job at Café 177.

Graham said all the students wanted a normal life and access to society but this was difficult as attending mainstream youth clubs etc required a care worker to attend with them, which immediately singled them out as different.

Emma: Emma would like the older students to have their own space and be a proper college. Emma joined from a school in Stockton as Catcote offered the courses she wanted.

Kirsty: Would like a bigger room and feels they deserve the same amount of space as able bodied students.

Karen: Travels from out of town and doesn't go out after school as there is nothing in her area. Transport is a problem.

Antony: Loves the horticulture the school does and also drama.

- 2.18 The students felt the PA should come in more often as she helps them and can talk to their mum and dad about things they would like to do and where they would like to be in their careers. It was difficult to find out what was out there and who should be providing the support, the PA helps with this, rather than them just attending the skills for working life course at the college and being 'stuck on that course'. The PA provides students with the choices available to them.

- 2.19 For staff, access to someone who knows the systems and different routes to access funding is invaluable.

- 2.20 The PA assigned to Catcote feels that they can only scratch the surface in the time available, especially given the time currently spent with the BESD leavers (the on site unit for permanently excluded pupils), some young people get very little service.
- 2.21 Once students reach 25 they leave the Catcote setting, all still have a social worker but they then move into adult social care and are able to use their personal budget to buy the services they require. Some ex-students use their personal budget to buy support to come back to Catcote and work within a vocational area.
- 2.22 The overriding theme of the visit was that the staff and students felt that they had a lot of potential and a vision for a 'learning village', which was hampered by the space and facilities currently available. More space would allow further development of the activities available and potentially an ASD unit and on site nurse for the 19+ cohort. Staff also felt that there was an income generation opportunity due to the waiting lists for places for out of town waiting pupils. This feedback is not in the scope for the social return on investment investigation into Connexions Services for the 19+ cohort, however this may be something Members wish to consider in the future.

Connexions Visit

- 2.23 Members of the focus group visited the Connexions building to receive a brief talk regarding the service and to conduct some telephone interviews with Connexions users.

Management Information

- 2.24 Connexions management information is collected for all meaningful contacts (termed interventions) PAs have with young people aged 16-19. Young People are prioritised into one of three tiers of support.

Tier 1 Young people are linked to specialist services (such as Youth Offending) and may be NEET. They require intensive support;

Tier 2 NEET but looking for a positive destination does not require intensive support;

Tier 3 In a positive destination.

- 2.25 The recording of the intervention figures does not include the tier level of the intervention or meetings attended by the PA on behalf of the young person (for example a personal review). As referred to earlier the PA must attend out of area reviews for young people who reside in Hartlepool, this will count as one intervention, however there can be significant travelling and preparation time associated with such a meeting. Group work also is not included as an intervention.

2.26 Connexions utilise 16 data sheets that are reported internally on a monthly basis. These show the contact the PAs have with the young people using the Connexions service and run from April to March. Examples of the data captured are shown below.

2.27 Figures between 1-16 November 2011 are as follows:-

Number of interventions

Type of Intervention	Completed Compulsory Education Age		
	Up to 18	19+	Total
One to one personal contact	106	25	131
Telephone	52	38	90
E-mail/letter/text	4	5	9
Total Interviews	162	68	230

Number of young people receiving an intervention

Type of Intervention	Completed Compulsory Education Age		
	Up to 18	19+	Total
One to one personal contact	84	21	105
Telephone	48	36	84
E-mail/letter/text	4	4	8
Total Interviews	136	61	197

2.28 During this time there were 9 advisors working, with 12 working days in the time period.

2.29 The Connexions database is a Tees Valley wide database hosted by Stockton Council. The data collection and recording is specified by the Department for Education in February of each year. Young people aged 20 (who are not classed as SEN) are archived off the system each year as Connexions has no responsibility to track them.

Government Reporting

2.30 The Government no longer sets targets for the number or percentage of NEETS etc; targets for all groups are now set locally and are approved by the Assistant Director of Performance and Achievement.

2.31 However, two key pieces of information are reported to Central Government on an annual basis. The first is termed the 'annual activity survey' and is a snapshot taken on 1st November. This shows the destinations of young people aged 16 who left school the previous July.

2.32 The second piece of information recorded is the NEET figure for the town. NEET figures are taken on 30 November, 31st December and 31st January and an average used to determine the overall reported NEET figure. An adjustment is made to the NEET figure to incorporate a certain percentage of the 'not known' figure as it is likely that if some of the 'not known's' were previously NEET they still will be. The 'not known' figure comprises of young people whose destination the PAs have been unable to establish.

- 2.33 Previously the government set a target of 2-3% 'not knowns', since the Coalition Government came to power this target is no longer used, however 'not knowns' are still tracked as not only do 'not knowns' affect the NEET figures (through the adjusted calculation), but there is a risk that young people are unaware of the services available to them. The NEET figure includes teenage pregnancy, illness and custodial sentence cases.

Changes to calculations

- 2.34 Previously, once a young person reached 19 they were removed from the recorded figures. Now the calculations use academic years, so those who are 19 are still included for a certain period of time, this makes targets more difficult to achieve.
- 2.35 Another change is to the recording of the educational base, previously if a young person was studying in Hartlepool this counted towards Hartlepool's positive destination figures and Hartlepool was a net importer. Figures are now based on residency and as a result, the number of positive destinations has fallen.
- 2.36 As previously the NEET target is set internally and agreed by the Assistant Director of Performance and Achievement. The 2011/12 target has been set at 8% up from 7.4% in 2010/11 to take in to account the reasons detailed above and the fact that educational maintenance allowances have been scrapped, resulting in some young people no longer being able to afford to go to, or remain at college and the reduction in staffing following budget cuts in 2010-11.

Service provision

- 2.37 Connexions resources are targeted to year 12,13 & 14 pupils (ages 16-18 years) as these are the cohort many of the Connexions targets refer to, those aged 19 plus can access universal services such as the job centre.
- 2.38 There was an agreement with Jobcentre Plus regarding consent to share information that would provide Connexions with more information surrounding the destinations of young people within Hartlepool. In practice, this is difficult to obtain as the relationship Connexions have is with JCP in Stockton, not Hartlepool, to obtain these forms. Connexions have identified a need to work in closer collaboration with Hartlepool Jobcentre to promote the completion of the consent to share forms with JCP advisors.
- 2.39 Each young person is identified as being in a destination (work, training, unemployed etc) and each destination has a 'currency' attached to it, which determined how often the young person has to be contacted. For example, a NEET young person would need to be contacted within 3 months, but a full-time employed young person would not need to be contacted for 1 year. If the young employed person lost their job after a few weeks but did not re-

present at Connexions they would not be contacted for 1 year as the service would not know that their circumstances had changed.

- 2.40 The destinations can be updated at any time once it has been established a young persons circumstances have changed. If a young person becomes 'not known', (their currency lapses and Connexions are unable to contact them) PAs will continue to try to locate the young person and determine their destination. Connexions used to be provided with UCAS lists which helped to identify those students that had gone on to higher education, these lists are no longer received and the PAs now need to contact each college leaver to determine their destination. This affects the destination status of over a 1000 young people every October.
- 2.41 It is recognised that young people need appropriate advice and guidance to move to a positive destination that is right for them, to ensure they don't drop out after a couple of weeks. Inappropriate advice may put them off re-engaging with services in the future.

3. RECOMMENDATIONS

- 3.1 That Members of the Forum consider the content of the report in relation to their ongoing work into the social return on investment for the Connexions Service for 19-25 year olds.

Contact Officer:- Elaine Hind – Scrutiny Support Officer
Chief Executive's Department – Corporate Strategy
Hartlepool Borough Council
Tel: 01429 523647
Email: elaine.hind@hartlepool.gov.uk

BACKGROUND PAPERS

No background papers were used in the preparation of this report.

Potential Destination Categories of those who have completed Compulsory Education

In Education Employment of Training

In education, post Year 11

- School Sixth Form
- Sixth Form College
- Further Education
- Higher Education
- Part time Education
- Gap Year students
- Other Post 16 Education

Employment

- Employment funded through GST
- Employment with training to NVQ 2 or above
- Employment without training to NVQ 2
- Employment with locally recognised training
- Temporary employment
- Part Time Employment

Training

- Foundation Learning/E2E training
- Other YPLA funded training
- Other GST (eg, LA, VCS or ESF funded provision)
- Training derived through the Work Programme

Not in Education Employment or Training Group

Available to labour market

- Waged PDOs
- Other PDOs
- Full Time Voluntary Work
- Not yet ready for work or learning
- Awaiting an FL/E2E place
- Awaiting sub level 2 place
- Awaiting level 2 place
- Awaiting level 3+ place
- Start Date agreed
- Activity Agreement/E2L Pilot
- Seeking employment, education or training
- New Deal Gateway/JSA Stage 3 Regime

Not available to labour market

- Young carers
- Teenage parents
- Illness
- Pregnancy

Religious grounds
Unlikely to be economically active
Other reason

Other (not EET or NEET)

Custody
Refugees/Asylum seekers
Current situation not known
Cannot Be Contacted
Refused to disclose activity
Currency Expired - EET
Currency Expired - NEET
Currency Expired - Other

Connexions Currency Information

Young People Who Have Reached Statutory School Leaving Age		
Full time Education	One per year	12 months from last confirmation. Cannot be extended beyond the end of the course. For those in higher education this can be extended to two years
Employment with training – including apprenticeships	One per year	12 months from last confirmation. Can in certain circumstances be extended to 2 years for those 18 and over.
Employment without training	Every 6 months	6 months from last confirmation.
Training	Every 6 months	6 months from last confirmation Cannot be extended beyond the end of the course.
Temporary Employment ; Part time learning; Part time employment; Gap Year Students	Forward review date according to circumstances	4 weeks after date of review unless contact has been made to confirm status
Custodial sentence/ asylum seekers/refugees yet to be granted citizenship	Forward review date according to circumstances	4 weeks after date of review unless contact has been made to confirm status
NEET Group		
Available to labour market	Every 3 months	3 months from last confirmation
Not available to labour market Personal Development Opportunities; Supporting family Illness; Pregnancy; Other reason not available	Forward review date according to circumstances	4 weeks after date of review unless contact has been made to confirm status