

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
12 June 2012

Subject: ENCOURAGING EMPLOYERS TO GET YOUNG PEOPLE INTO WORK

**All Ward(s)
Scrutiny Committees
Leader of the Council: Councillor N W Huxtable**

1.0 PURPOSE AND BACKGROUND:

- 1.1 The purpose of this report is to seek approval in principle to develop a scheme to encourage employers in Hambleton to get young people into work and to commit £100,000 as a one-off revenue fund for the scheme from the Service Improvement Reserve.
- 1.2 There are currently 253 Hambleton residents aged 18-24 claiming Jobseekers allowance, with 81 of these residents claiming the allowance for over 26 weeks. Given this position and the Council's priority of supporting local economic growth, the Council has an opportunity to work with local businesses and other partners, such as Jobcentre Plus and the Local Enterprise Partnership, to develop a scheme which will encourage the private sector in Hambleton to take young people into work.
- 1.3 The scheme will examine the role the Council can play with young people through apprenticeships as well as supporting small local businesses with wage subsidies.

2.0 DECISIONS SOUGHT:

- 2.1 To approve in principle the development of a scheme and to commit £100,000 as a one-off fund from the Service Improvement Reserve.

3.0 LINK TO CORPORATE PRIORITIES:

- 3.1 One of the Council's Partnership priorities is to support local economic growth. By getting young people into employment and training and supporting businesses to do this, the Council will be directly supporting economic growth within the Hambleton district.

4.0 RISK ASSESSMENT

4.1 Risk in approving the recommendation(s)

Risk	Implication	Prob*	Imp*	Total	Preventative action
Local businesses will not respond positively to the scheme.	The scheme has little or no impact on young unemployed people	3	4	12	Manage the project to identify risks early and conduct a strong awareness raising campaign amongst local business in collaboration with other partners.

4.2 Risk in not approving the recommendation(s)

Risk	Implication	Prob*	Imp*	Total	Preventative action
Numbers of young unemployed people continue to rise	Adverse social and economic impact in the local area and increasing pressures on public services	4	3	12	Examine other opportunities available to work with partners in supporting local economic growth

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

4.3 Overall the risk of agreeing with the recommendations outweighs the risks of not agreeing them and is considered acceptable.

5.0 **SUSTAINABILITY IMPLICATIONS:**

5.1 Through the provision of direct support to small businesses, the Council is able to have a positive impact on reducing the levels of youth unemployment within the district, breaking the cycle of dependency on benefits and creating a stronger more sustainable local economy within the private sector whilst the public sector contracts.

6.0 **FINANCIAL IMPLICATIONS AND EFFICIENCIES:**

6.1 A one-off payment from the Service Improvement Reserve will be required to enable the delivery of the scheme:

Revenue Effects	2012/13 £	2013/14 £	2014/15 £	2015/16 £
Cost of	<u>58,000</u>	<u>42,000</u>	<u>0</u>	<u>0</u>
Financed by:				
Service Improvement Reserve				
	<u>58,000</u>	<u>42,000</u>	<u>0</u>	<u>0</u>

7.0 **LEGAL IMPLICATIONS:**

7.1 The wage subsidy element of the scheme will need to comply with the criteria for Employment Aid contained within the EU State Aid, General Block Exemption Regulations. This will be researched as part of the scheme.

8.0 **SECTION 17 CRIME AND DISORDER ACT 1998:**

8.1 Creating work and training opportunities for young unemployed people in Hambleton, should have a positive impact on the reduction of crime and disorder within the district.

9.0 **EQUALITY/DIVERSITY ISSUES:**

9.1 The scheme will have a positive impact on young people by getting them into employment. A wider impact assessment will be made if required through the development of the scheme.

10.0 RECOMMENDATIONS:

10.1 The Cabinet support the principle of:

- (a) The development of the scheme in collaboration with other relevant partners and
- (b) The commitment of a one-off fund of £100,000 from the Service Improvement Reserve.

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Background papers: None

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