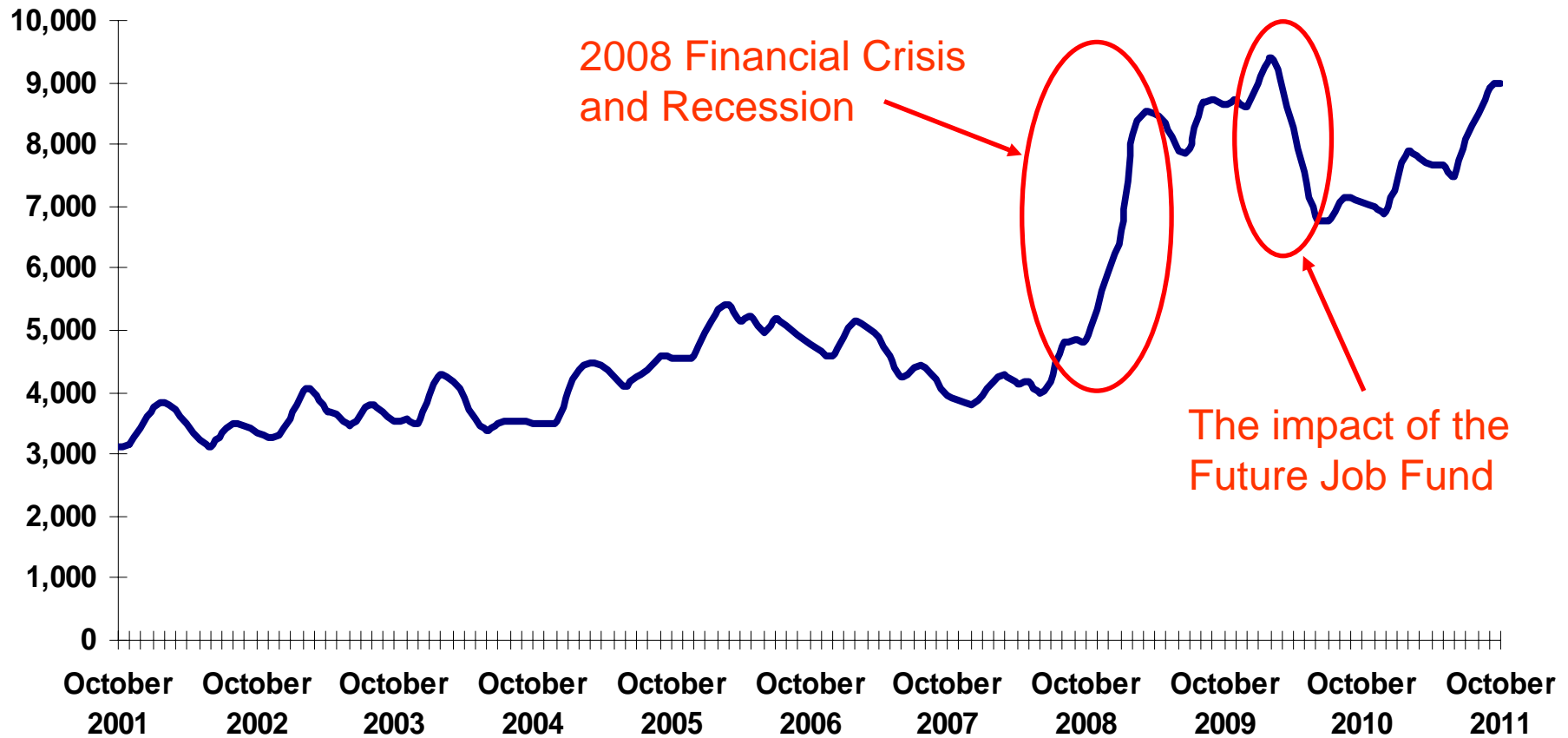

£2m Big Society Fund monies for
tackling youth unemployment

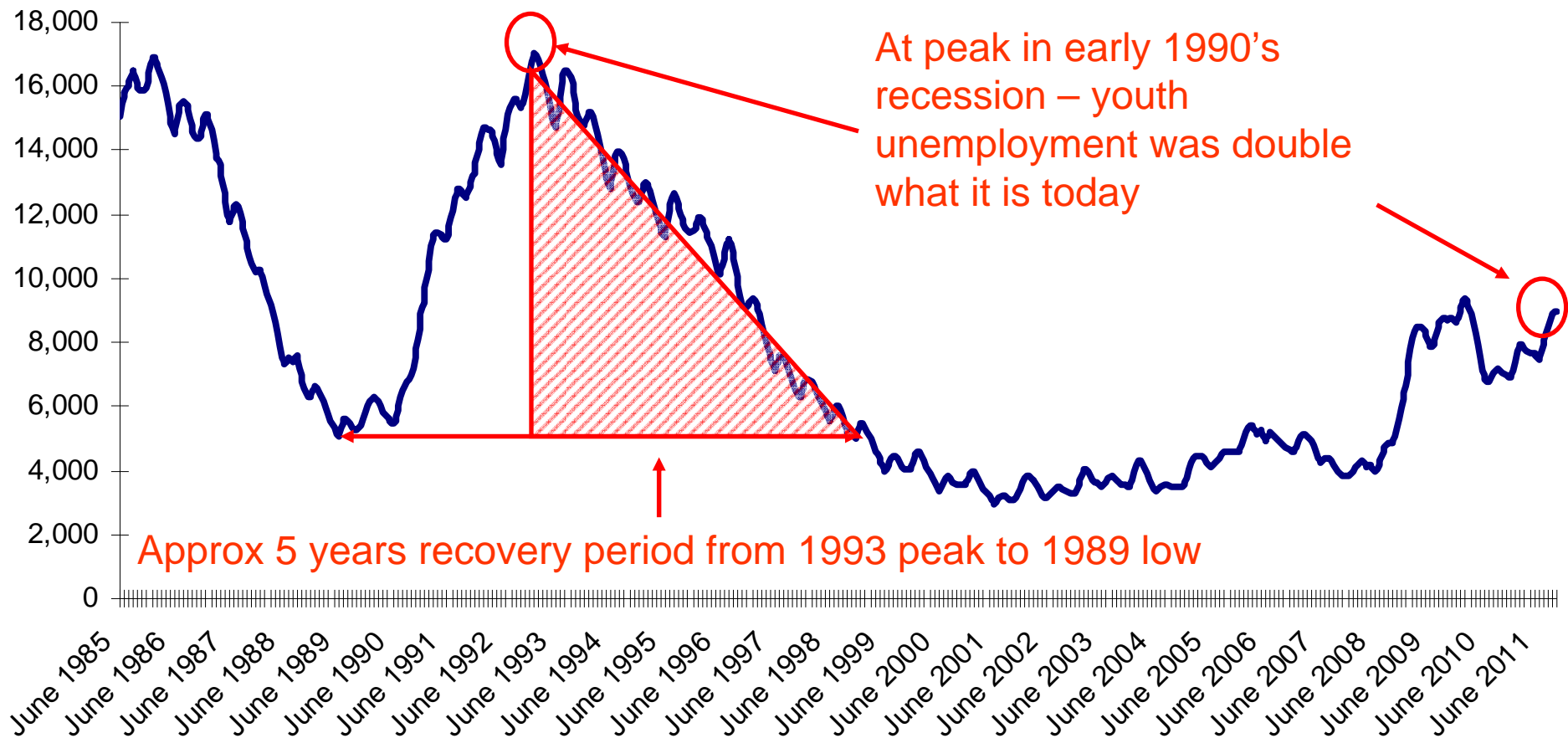
Why the Government is right to act now on youth unemployment.....

JSA Claimant Count 18-24 - Kent - 10 years to October 2011



But history shows us it can get a lot worse.... and can take many years to recover – creating a lost generation

JSA (or equivalent) Claimant Count 18-24 - Kent - June 1985 - October 2011

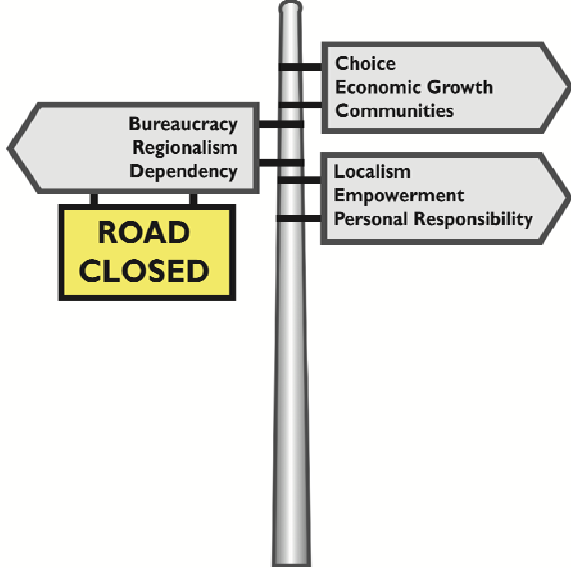


Use £2million of the Big Society Fund monies to fund youth unemployment schemes – clearly aligned to Bold Steps

- **We must reduce the welfare bill in Kent:**

We will focus our Supporting Independence Programme (SIP) on reducing the welfare bill in Kent by aligning it to the new single work programme being developed by the Department for Work and Pensions. Building on the work of the Margate Task Force, we will forge strong relationships with primary welfare-to-work providers in Kent to deliver tailored support for local communities that have high levels of worklessness and welfare dependency.


In particular, although not exclusively, we want to ensure that those 16-24 year olds on benefits receive the support need, whether through mentoring, training or work experience, so they have the skills and confidence needed to enter the job.



Bold Steps for Kent

The Medium Term Plan to 2014/15

December 2010



But we must be aware of what central government is planning

- Nick Clegg recently announced youth employment scheme worth £1billion over 3 years
- Looks limited – short-term wage subsidy with no link between work placement and training
- To be delivered through the DWP Work Programme Providers
- George Osborne may provide further resources to tackle youth unemployment in the pre-Budget Report as part of the ‘Growth Strategy’
- We need to understand detail of these schemes to ensure our money doesn’t end up cross subsidising new Government schemes



Opportunity to leverage beyond the £2million Big Society monies

- Potential to use some of the monies from the Regional Growth Fund for provision dedicated to East Kent
- £250k underspend from delivery of Future Jobs Fund (would require Secretary of State endorsement)
- Reward funding from prime provider of Work Programme (Avanta and G4S)
- Potential contribution from apprenticeship training providers
- Potential investment through Social Impact Bonds (and possible bid to DWP Innovation Fund but would not be awarded until mid 2012)



Supporting the Kent economy to secure the skills it needs

- Using £3k grant to support apprenticeships in SMEs and third sector (18 month support)
- Using £6k grant to support graduate jobs in SMEs/public sector/third sector (12 month support)
- Minimum of 660 jobs (90% apprenticeships – 10% graduates) – from Big Society money
- With reward from Work Programme and link to RGF potential to grow to over 1000
- For comparison Kent FJF had £6m to create 890 jobs



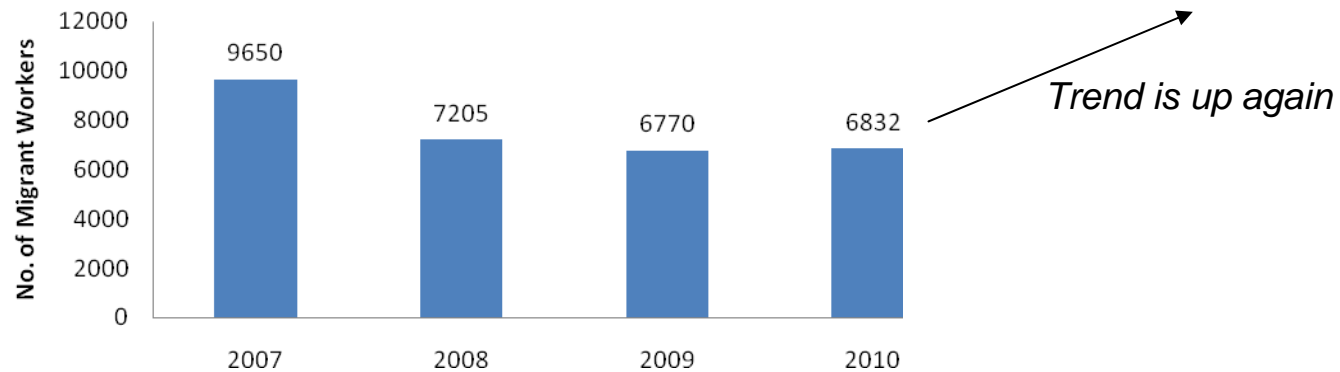
Next Steps

- Into Forward Plan of Key Decisions
- Analyse Government schemes and identify linkages (if any)
- Negotiate additional funding and partnership with Work Programme Prime Providers
- Get communications lined up and right
- Make formal decision February/March
- Launch at Kent Forum – No lost generation conference in March



A8 Migrant Worker Volumes

- In 2010, a total of 6,832 A8 migrant workers were employed across the SELEP.



- A8 migrants accounted for approximately 0.3% of total workforce in SELEP. *(The largest for any LEP)*

Source: Worker Registration Scheme, UKBA

- The top ten occupations currently employing A8 migrants in the SELEP are:

Occupation	No of Migrants	% of Migrants	No of unemployed looking for work in Occupation	Ratio of unemployed / migrants
Process Operative (Other Factory)	1,383	21	25	2%
Packer	909	14	1,130	124%
Warehouse Operative	858	13	5,975	696%
Farm Worker/Farm Hand	582	9	160	27%
Cleaner/Domestic Staff	396	6	2,495	630%
Crop Harvester	322	5	160	50%
Fruit Picker (Farming)	239	4	160	67%
Care Assistants/Home Carers	192	3	1,995	1,039%
Kitchen and Catering Assistants	145	2	1,585	1,093%
Food Processing Operative (Fruit and Vegetables)	133	2	20	15%

Sources: Worker Registration Scheme, UKBA, & JSA

Claimants, Sought Occupations, DWP Jan 2011

Occupational Patterns

- Overall the vast bulk of roles filled by A8 migrants were low or semi-skilled.
- However, this was very different from that found amongst non-EEA migrants.

Geographic Patterns

- All local authority areas experienced some inward migration of A8 migrants in 2010.
- Those local authorities experiencing the greatest rate of inward migration included: Medway, Maidstone, Swale, and Canterbury.

Source: Worker Registration Scheme, UKBA

Overall Local Reliance

- In most cases there are more UK nationals looking for work in specific roles than current A8 migrants, suggesting that local economies could cope reasonably well with fewer migrants
- However, questions remain about whether UK nationals would have skills and aptitude to replace EU migrants should volumes reduce

Key conclusions

- A8 nationals play an important part in: Agriculture; Manufacturing; Hospitality & Catering
- A8 migrants tend to be concentrated in low and semi-skilled roles.
- No shortage of UK nationals looking for roles filled by A8 migrants.
- Non-skills related issues seem to be the main barrier to UK nationals taking up roles currently filled by migrants.
- Shortage of suitable training to support indigenous workers into sectors which currently use migrant labour.

Questions, comments, thoughts