

Reward Grant Meeting for Backing Young Devon – PS4D

**Held on Thursday 17th December 2009, 2pm
County Hall, Exeter**

Present:

Name	Organisation
Andrew Lightfoot (Chair)	Devon County Council
Anne Barnett	Devon County Council
Chris Lorimer	Exeter College and Bicton College
Daniel Bailyes	Devon Economic Partnership
John Davey	Careers South West
Steve Turner	Devon County Council
Tim Todd	Young Devon

Apologies:

Name	Organisation
Geoff Hallett	Devon Education Business Project
Julia Foster	Devon County Council
Mark Walker	Careers South West
Tony Skeel	Learning and Skills Council
Trevor Day	PS4D Consultant

1. Welcome and Introduction

Andrew thanked those present for attending and introductions were made around the table. The object of the meeting was to review how best PS4D reward grant money (£154.3k), allocated for the schemes proposed by Connexions and Young Devon, could be used to greatest effect in liaison with the Future Jobs Fund.

2. Background / Update on Proposals

John:

There are two bids taking place at the moment:

John is leading on the first of these with the aim of supporting employers to either take on board apprenticeships for the first time, or to employ apprentices who have recently been made redundant. In each case this is done by the provision of financial support.

Since the bid for PS4D reward grant money was made, the LSC has opened up a separate pot for proposals to be made on a regional basis. Careers South West are linking up with the Training Provider Network in their bid, though Careers South West will act as the contract provider. This may mean that more money may be available, though the money offered is less than that being provided through PS4D. The money will hopefully be allocated by January.

[Post Meeting Note]: The government has just announced a £2500 'golden hello' for firms taking on apprentices.

The second proposed scheme targets NEETs in the Ilfracombe area. However, the apprenticeships scheme is more closely linked to the aims and objectives of PS4D. Therefore, the first bid will be the focus of PS4D money.

Chris:

Three angles to cover:

Firstly, on the 'Entry to Employment' scheme, there are 70 places to fill by January. These places are mainly for people with lower level skills (entry level and level 1).

Secondly, there is no more money left in the pot for post-25 apprenticeships. There are some left for post-19 opportunities. There are many places still to fill for 16-18 apprenticeships, but there are too few employers interested because of the current economic climate.

Thirdly, the bid by Exeter College for PS4D money aims to encourage enterprise among young people. This may provide the means by which to re-engage with apprentices who have been made unemployed. If the project is successful Chris will be looking to roll it out across Devon by promoting the scheme to other providers.

Steve:

Steve is coordinating the work of the Future Jobs Fund (FJF) for the County Council. The Council successfully bid for 157 jobs, 137 of which need to be in place between November and April 2010. The funding is worth in the region of £1m. This amounts to approximately £6,500 per person employed.

The FJF has engaged with a number of partners, such as various local authorities and the third sector. The private sector has been difficult to engage with because of the criteria imposed by the FJF, which has been difficult for the sector to comply with, particularly in creating 'community benefit'. However, we are still on track to provide the work.

The DWP has also strongly hinted that Steve applies for more funding, and Torbay is being hinted at as a possible key area for investment. Before this Steve wants to assess current strengths, weaknesses and direction in order to strengthen a second bid.

Currently, the main issue revolves around encouraging interest among employers to take on young people, which is made difficult by the criteria imposed by the FJB concerning sustainability and community engagement.

Chris mentioned that it may be possible for the College to provide some jobs on the scheme.

Action (Chris): Send Steve details of the above.

Tim:

Tim's concern with the FJF was the short space of time that young people would be employed for (6 months). The difficulty being that only after 9-12 months are apprentices able to begin contributing economically, taking advantage of their real abilities. The bid proposed by Young Devon would seek to employ young people from between 12-15 months whilst paying above the minimum wage in

order to provide a real economic benefit for apprentices. The scheme would also target those facing significant disadvantages.

3. Discussion

After the background had been given Andrew directed discussion towards where resources could best be directed on the continuum / process that young people go through.

Andrew reminded the group that PS4D would be targeting specifically issues concerning skills, training and productivity. Apprenticeships fulfil this criteria, although recognising that in the current climate, with the pressure currently on resources, demand is higher than supply. How do we prioritise funds? Andrew suggested a few options to get discussion going:

1. Encouraging employer involvement
2. Managing the demand side
3. Prioritising by geography
4. Prioritising by sector
5. Different types of intervention

In the discussion that followed, a number of points were raised:

- (Chris): The construction and motor vehicle sector has been most badly hit (in terms of apprenticeships). In the past the college has not been good at providing apprenticeships in areas such as customer services – this may be an option to be looking at. John favoured a generic approach to apprenticeships rather than being sector specific.
- (Chris): How could demand be increased among employers? Steve pointed out that the FJF was attractive to employers because of the subsidy – apprenticeships less so because of the costs. Steve suggested the possibility that the two could be blended, with young people moving from the FJF to apprenticeships. That way, costs could be smoothed out. This would also increase the length of time young people would be in employment.
- (Andrew): The situation is so bad at the moment that even graduates would be unemployed unless these schemes existed. As a result, there are people with skills who could be employed through the FJF to help those at the other end of the scale? This may help employers.
- (Chris): The increase in the subsidy rate would increase demand among employers. Chris also suggested that public bodies 'host' young people who then work in the private sector in order to combat the restrictive criteria of the FJF.
- Tim would like to see the level of subsidy that employers receive for apprentices decrease as levels of productivity increase.
- (Chris): Providers are scared of taking on apprentices that are not going to pass. (Tim): What can be done to mitigate the risks? A probationary period? If we don't reach out to those who are higher risk, then they will be left out.
- (Andrew): With the £154k available, do we invest in exciting employers about apprenticeships? Or do we invest in making apprenticeships more cost effective? This latter option was preferred.
- Andrew suggested that any money gained for Careers South West from the LSC scheme could be used to enhance the programme to include people with learning difficulties. However, both John and Chris pointed out that when such schemes are run, the number of people who suddenly

appear with learning difficulties increases. The intention is a good one, but the administration is very difficult.

- Tim pointed out that if there is a continuum, it is important that money is not spread out too thin. Better to target the resources and benefit some than spread to thinly and ultimately benefit no-one. The primary focus, in his view, should be the length of the opportunity provided by the scheme.
- (Steve): 'Catching the Tide' focuses its ethos on new growth industries. If there is a limited pot of cash, with a need to target specific priorities, then could we target potential areas of growth? Chris pointed out that this is very difficult to do in practice.
- (Andrew): On this topic, the 'Green Jobs, Green Skills' agenda has been promoted highly. The 'Green' industry would also have the benefit of meeting the community criteria of the FJF. There are a whole range of skills involved, from basic skills with the Groundwork Trust, to highly skilled engineering jobs – with a whole supply chain that could be provided locally.
- This would also build on the work of Bicton College, which is bidding for PS4D capital reward grant money to retro-fit two buildings with green technology, and then become a centre for green skills for the local economy. Many SMEs want to access this knowledge, particularly as this will be looking at retro-fitting, not new builds, which is relevant for more people.
- (Anne): In the long term this is all well and good, but what about the short term? Andrew pointed out that the Renewable Energy for Devon project needs suppliers – it will not be difficult to identify large groups of companies involved.
- Chris argued that there may be something in this green agenda.

4. Actions Before Next Meeting

Andrew will relay the essence of this discussion to those unable to attend this meeting and gather their thoughts.

As for timescale, Andrew will discuss this with the others on Tuesday and will get a general sense of all these thoughts before Christmas, with the money being allocated in the New Year – subject to the government signing it all off. There is no strict deadline by which the funds must be used.

Before the end of the meeting, Anne reminded us that we must lead on sustainable jobs.