

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

REPORT OF THE EXECUTIVE DIRECTOR PLACE TO CABINET

European Social Fund Project BUSINESS EDUCATION ALLIANCE

1. PURPOSE OF REPORT

- 1.1 To inform Cabinet of a successful application for European Social Fund (ESF) grant for the project Business Education Alliance (BEA) to the sum of £1,599,693
- 1.2 Business Education Alliance is a project that will run across SCR which will work with and support Small and Medium Sized Businesses (SME's) to develop meaningful employer encounters for young people to engage in.
- 1.3 To seek approval from Cabinet to accept the grant and conclude a contract with the Department of Work and Pensions (DWP) and recruit to vacant grant funded posts.
- 1.4 This report follows Cabinets approval of the More and Better Jobs Strategy in 2016. The proposed project contributes to the delivery of this strategy by working with small and medium sized enterprises (SME's) across the borough to support them to deliver meaningful engagements to young people that will inspire them and prepare them for the world of work.
- 1.5 Meaningful engagements could include work experience, employer talks, visits to workplaces, apprenticeships, mentoring of young people starting businesses and supported internships for young people with additional needs.
- 1.6 The aim of a meaningful engagement is to expose young people to the nature of work, allow them to explore different sectors, understand the local labour market and provide them with information that can support their decisions and understanding of work post-secondary education.

2. RECOMMENDATIONS

- 2.1 To agree to accept the ESF grant of £1,599,693 for the ESF Business Education Alliance project and contribute £149,506 in match funding which will be sourced from existing staff roles.
- 2.2 To enter into a contract with the Department of Work and Pensions for BMBC and Partners to draw down the grant funding to deliver the BEA project.
- 2.3 To undertake the responsibilities of lead partner managing a city region project this will be executed through contracts with:
 - Rotherham Metropolitan Borough Council

- Doncaster Chamber of Commerce
- Sheffield City Council
- Derbyshire County Council

3. INTRODUCTION

- 3.1 *“Despite historically high levels of employment in Barnsley there remain significant and longstanding challenges around educational attainment, entrenched worklessness and the quality and progression associated with jobs”* ¹. In the subsequent two years since 2016, there has been significant progress in educational attainment and the reduction of young people not in education, employment or training (NEETs). The unemployment rate for NEETS and “Not Known” (Those young people who we are unable to ascertain what they are doing) in Barnsley is currently 4.9%.
- 3.2 Young people are more likely to make successful transitions into employment if they have benefitted from work experience and other interactions with businesses during their schooling.
- 3.3 *Businesses in Sheffield City Region report too many young people lack essential job readiness skills and experience of the world of work and appear to have limited access to quality careers guidance reflecting local labour market intelligence. However, the UK Commission for Employment and Skills (2014) showed less than a third (31%) of employers in SCR offer work experience, and just 18% offer any “work inspiration” activities such as mock interviews, school based talks or attendance at careers fairs.*²
- 3.4 Business engagement is a vital enabling factor in achieving the *More and Better Jobs Strategy*, which aims to accomplish the following success measures by 2020:
- 1) Stronger ambition across businesses, organisations and people of all ages
 - 2) For all schools and colleges have excellent business engagement and employability activity (Getting Ready for Work)
 - 3) To reduce the proportion of people claiming out of work benefits by a third (from 13% to 9%) and reduce the gap to the national average (Getting into Work)
 - 4) Workforce skills, progression and earnings are increased, with the gaps to national average on NVQ Level 3+ and NVQ Level 4+ qualifications reduced by a third (Getting on in Work)
- 3.5 To support these objectives, officers have developed a suite of applications to access grants from the European Social Fund. These applications compliment and build on current Barnsley Council and wider city region initiatives to provide a whole strategy **focused** on:-

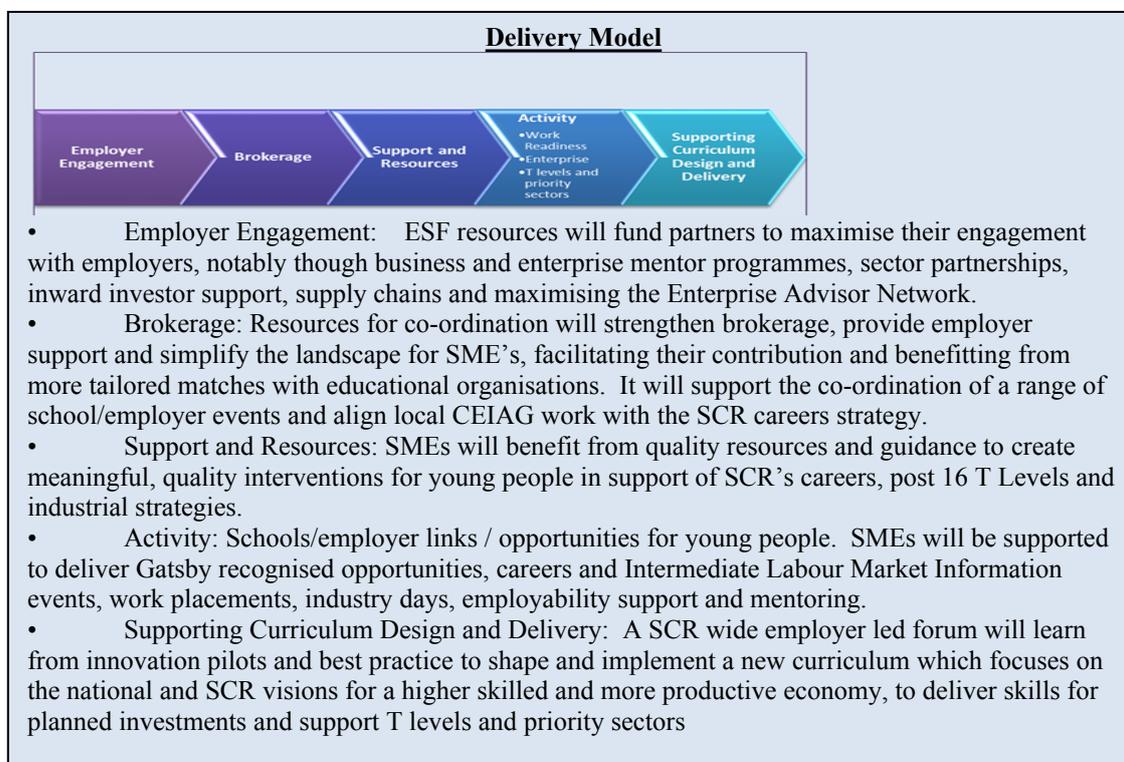
- | |
|---|
| <ul style="list-style-type: none"> ➤ Getting ready for work ➤ Getting into work ➤ Getting on and staying in work |
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¹ Barnsley Employment and Skills Strategy – More and Better Jobs March 2016.

² 2014 to 2020 European Structural and Investment Funds Growth Programme; Call for Proposals European Social Fund; Priority Axis 2: Skills for Growth; Business & Industry – Sheffield City Region – call Reference OC28S17P0926

4. PROPOSAL AND JUSTIFICATION

- 4.1 This project, **Business Education Alliance** seeks to address the discussed issues at pre labour market entry stage and aims to increase SME engagement to improve the number and quality of “meaningful” interactions between young people and employers. This has been shown³ to reduce the likelihood of becoming NEET in the future, supports the ability of schools to reach the Gatsby benchmarks and improves the supply of work ready entrants to the labour market.
- 4.2 Barnsley’s economy is characterised by a high percentage of SMEs, who often lack the time, knowledge and capacity to engage with educational organisations to provide the type of experiences young people need for successful transition into the labour market. This is evidenced by the low proportion of SME’s currently participating in the Enterprise Adviser Network (EAN). This programme is currently run across the region to support schools and colleges to connect with employers to work together to provide young people with effective and high-quality encounters with the world of work and is funded by the Careers Enterprise Company.
- 4.3 It is proposed that Barnsley Council lead a project with local authorities and partners from Sheffield City Region (SCR). Together this group will form a **Business and Education Alliance** that engages SMEs to inspire and prepare young people for work and builds SME capacity to deliver quality employer encounters for young people to attain the skills and insight needed for work.
- 4.4 Delivery Model



- 4.5 The project will contribute towards the Council’s 2020 objectives of

³ DWP - Work experience, a quantitative impact assessment March 2016”

- A thriving and vibrant economy
- People achieving their potential

It will also support the More and Better Jobs Taskforce “Employer Promise” which accompanied with the authority’s new Procurement - Social Value Policy will commit local businesses to provide opportunities for people to get ready, get into and get on in work.

- 4.6 The total project value is £2,732,186, of which Barnsley will deploy £325,530 to deliver support to SMEs, which will comprise £176,024 ESF grant matched by £149,506 in staff resources and contribution towards direct costs.
- 4.7 As this is part of a suite of ESF projects, Barnsley Council will also undertake the central management of the project, which will contribute an additional £368,393 of ESF grant to its Employment and Skills service to support its project management and compliance functions.
- 4.8 The balance of the project value comprises partners grant allocation and their match funding contributions.

5. CONSIDERATION OF ALTERNATIVE APPROACHES

5.1 Do Nothing

5.1.1 The option to do nothing would reduce all project risk, but the authority would be limited in its ability to maximise its current contacts and networks with the business community and engage companies with the Employer Promise. Without dedicated resources to help companies to build their capacity to offer and manage opportunities for young people, the amount and diversity will be greatly reduced. Doing nothing will also lose Barnsley Councils existing capacity and expertise as this grant would replace previous funding which has now finished.

5.2 Participate as a delivery partner only

5.2.1. Potentially Barnsley could have limited its participation to solely that of delivery. However there are three projects in the suite and Sheffield City Council is leading on the other two projects. Rotherham, Doncaster and Derbyshire Dales lacked the internal structures to manage this project across the sub-region.

5.2.2 Acting as lead partner does increase the costs for the authority. This has been mitigated by allocating a proportion of grant to cover the full management cost and match funding for other partners has been increased proportionately.

5.2.3 As lead partner Barnsley Council is responsible for submitting claims and the authority has robust systems and checks already in place to claim submissions for both our own and partner’s costs and activity. **Service level agreements with the other authorities will commit them to the same contract compliance requirements as us.**

5.3 The preferred option

5.3.1 This is the option outlined in section 4.

6. IMPLICATIONS FOR LOCAL PEOPLE/SERVICE USERS

- 6.1 The Youth Council recently ran a consultation exercise on 17 September 2018. From the results of these findings work experience was considered the second highest priority. Young people understand the need to be work ready, but feel they lack opportunities to build these skills. As already noted, young people experience smoother transitions into the labour market if they have benefited from four or more interventions or work experience interactions with employers

7. FINANCIAL IMPLICATIONS

- 7.1 The grant will provide an additional £176,024 for delivery with the management costs of £368,393 fully covered by grant. The match funding requirement of £149,506 is provided through existing staff resources.
- 7.2 BMBC will contract directly with DWP for delivery of the full project budget and outputs. Partners will then contract with BMBC through SLA's which will mitigate the risk to BMBC.
- 7.3 BMBC will coordinate the submission of claims in line with DWP's reporting requirements, and grant payments will be made back to BMBC in full. This will allow BMBC to control the flow of grant back to partners.
- 7.4 Within the SLA's agreed with Partners, mechanism will be built in reserving BMBC the right to withhold / adjust payment of grant to partners where anomalies are identified and the potential for claw back is presented at audit.
- 7.5 Partners will manage their own budgets and generation of outputs and will be accountable for these. Where underperformance is identified through partner visits, steps will be taken in line with the project risk register that will allow BMBC to take steps to rectify.
- 7.6 BMBC has designed a robust system and schedule for contract and compliance which will be built into the SLA's and which will require partners to submit their claims within a designated period of time. This will allow BMBC time to undertake our own thorough compliance check prior to submission. If BMBC are not satisfied defined evidence for defrayal of expenditure and outputs is submitted and available for each claim, BMBC will not include the expenditure and outputs in the project claim,
- 7.7 Prior to contracting and commitment full due diligence and scrutiny of contracts with both DWP and partners will be undertaken by BMBC Legal department

8. Value Add

- 8.1 The project will create a new fully funded position for BMBC with the purpose of specifically engaging with and supporting SME's to prepare and support them to engage with education and young people to provide meaningful engagement.

- 8.2 The project will add to and bolster the work currently being delivered by the Enterprise Advisor Network (EAN) which works strategically within secondary educational establishments across the borough. The EAN provides support to create strategic CEIAG plans for the schools (Careers Delivery Strategies), BEA will complement this by supporting SME's to engage with the plans and provide a pipeline of employers to deliver the meaningful engagement targets set out in both the national and regional CEIAG plans.
- 8.3 The market place for delivering meaningful engagements to young people is heavy with large employers which often raises the profile of lower paid / skilled jobs and does not always reflect local labor market information regarding industry and sectors. The project will allow BMBC to target sectors currently underrepresented in the market place, for example digital.
- 8.4 Since the cessation of European funding, dedicated and targeted support for young people to consider and progress starting a business has been difficult to gain traction. The Entrepreneurship strand of this projects delivery within the borough will provide support to work with SME's to specifically support and mentor young people going through the process of exploring self-employment.
- 8.5 This project will increase the number of employers within the borough who would identify themselves as disability-confident, currently on the centralised list provided by DWP there are 26 employers who are predominantly large public sector / third sector facing. Through the strand that will focus on Supported Internships which will provide work placements within SME's for those young people who are on Education Health Care Plans within the borough work will be undertaken with employers to understand how they can better accommodate and work with those with disabilities.

9. EMPLOYEE IMPLICATIONS

- 9.1 The project will safeguard two roles within Employment and Skills.
- 9.2 Create and recruit a a Corporate Apprentice post
- 9.3 Amend profiles for Enterprise Co-ordinator, Enterprise Champion and Project Manager.
- 9.4 Recruit to fill the vacant Advisor post (IKIC Employability Champion Profile).

10. COMMUNICATIONS IMPLICATIONS

- 10.1 The Business Education Alliance project will dovetail with work already underway to promote the More and Better Jobs activity, Work Readiness Competencies and Employer Promise. It will form the basis for future work planned by the More and Better Jobs Taskforce on Careers, Education, Information and Guidance.

11. CONSULTATIONS

- 11.1 Consultations have taken place with the following partnerships:
- More and Better Jobs Taskforce
 - Stakeholders at the Local Integration Board Workshops

- Sheffield City Region and city region local authorities

Internally the following sections have been consulted:

- Colleagues in PLACE
- Employment and Skills - Young People's Services
- Finance – See Appendix A
- Human Resources – See Appendix 2

12. THE CORPORATE PLAN AND THE COUNCIL'S PERFORMANCE MANAGEMENT FRAMEWORK

12.1 The project will contribute to outcomes 1 and 2

13. PROMOTING EQUALITY, DIVERSITY AND SOCIAL INCLUSION

13.1 The ability for a young person to access work experience and other interactions with businesses is often predicated on the quality of their existing networks. Research demonstrates that young people from disadvantaged backgrounds are less likely to have these experiences as they lack these informal networks. This lack of contact then has subsequent implications on their ability to secure sustainable employment.

14. RISK MANAGEMENT ISSUES

14.1 The project has a risk register which is in Appendix 3. There are additional risks associated with the position as lead partner, which will be mitigated through service level agreements with project partners and a robust audit and compliance regime.

15. GLOSSARY

CEIAG – Careers Education, Information, Advice and Guidance

EAN – Enterprise Adviser Network – Publicly funded project which supports Secondary Schools in design and delivery of a careers strategy by matching local employers with senior management

ESF – European Social Fund

GATSBY Benchmarks – 8 Guidelines which together comprise and define a framework for the best careers provision in schools and colleges. Benchmarks 5 and 6 are specific to encounters with employers and workplaces.

More and Better Jobs Taskforce – a multi-disciplinary partnership of local businesses, educational bodies, council service representatives and third sector bodies who are tasked with driving forward the More and Better Jobs Plan.

NEET – Not in Education, Employment or Training – Designation accorded to young people who are not partaking in the labour market or education and a key performance indicator for the council.

SMEs – Small and Medium Sized Enterprises with a workforce below 250 or a turnover of less than €50m.

16. LIST OF APPENDICES

Appendix A: Financial Implications.
Appendix 2: Human Resources Plan
Appendix 3: Risk Register.

17. BACKGROUND PAPERS

Application
Call Specification
Example Contract
More and Better Jobs Plan
Employer Promise Publicity
Procurement Social Value Policy

If you would like to inspect background papers for this report, please email governance@barnsley.gov.uk so that appropriate arrangements can be made