

CABINET 22 MARCH 2011

ITEM 19 – YOUTH EMPLOYMENT FUND

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law and Governance

1. The report seeks Cabinet approval to allocate £1m of funding to support young people aged 16-19 years old through, financial assistance with learning, employment support for young people leaving education and financial support with University and future employment.

Legislative Framework

2. S2(1) of The Local Government Act 2000 enables a Local Authority to promote well-being where it considers this will achieve any of the following three objectives;
 - the promotion or improvement of the economic well-being of their area
 - the promotion or improvement of the social well-being of their area
 - the promotion or improvement of the environmental well-being of their area
3. The power under S2 is extremely wide and it can be used to benefit any one or more of the following categories;
 - the whole of the local authority's area
 - a part of the local authority's area
 - all persons present or resident in the local authority's area
 - any person resident or present in the local authority's area
4. S2(4) states that the power can be used to;
 - incur expenditure
 - give financial assistance to any person
 - enter into arrangements or agreements with any person
 - co-operate with, or facilitate or co-ordinate the activities of any person
 - provide staff, goods, services or accommodation to any person
5. S2(3) of the act provides that in exercising the well-being power a local authority must have regard to its community Strategy.
6. The establishment of the youth fund falls within the scope of the kind of activities the council can undertake under the wellbeing power as section 2(2) of the 2000 Act enables the council to use the well-being in relation to, or for the benefit of, any person in its area. Any person extends to individuals. The fund would also achieve the promotion or improvement of the economic and social wellbeing of the council's area. It is confirmed that the Southwark 2016 document (the council's sustainable community strategy) states that one of its express objectives is to improve skills and access to employment and to enhance and widen educational achievement in the council's area. The youth fund would be consistent with this objective. Whilst the wellbeing power enables the council to give financial assistance to individuals by way of the youth fund, the detailed

process and arrangements for the operation of the fund will be subject to further legal advice.

Finance Director

7. The Finance Director notes that £1m will be allocated each year from 2011/12 for the duration of the three year budget to support young people, in particular for the mitigation of the high youth unemployment in the borough and the impact of the removal of education maintenance allowances.
8. The fund will need to be annually reviewed through the budget process in line with available resources, noting that the level of government funding beyond 2012/13 remains uncertain.
9. This report recommends that the Youth Fund is delivered through three initiatives;
 - Financial assistance fund for young people aged 16-18 in learning.
 - Employment support for young people aged 16-19 leaving education.
 - Financial support with university and future employment.
10. The report states that the fund will be allocated to named budget holders, managed and audited, and the Finance Director supports this approach, as given the size of this funding allocation, these programmes will need to be managed through rigorous protocols.
11. This report identifies the three areas where the fund will be distributed, and a more detailed and costed programme including eligibility criteria, management and audit protocols should be prepared before any funds are allocated.