

Overview and Scrutiny Management Board

1.	Date of meeting:	31st January 2018
2.	Title:	Rotherham Youth Enterprise (RYE) Service
3.	Directorate:	Children and Young People's Services

1. Background

- 1.1 Education Services put forward a budget option for 2018/19 which was considered by OSMB who requested further information. As a result the budget option has been revised to clarify where the reductions would come from and what alternative provision will be in place. This paper sets out further information in relation to the element of the budget option that was initially referred to as School Improvement.

- 1.2 The Rotherham Youth Enterprise (RYE) Team currently employs 7 staff and the staffing profile is:

PO17 Manager x 1 post
Band H Officer x 3 posts
Band G Officer x 1 post
Band F Officer x 2 posts

The team was traditionally wholly grant funded and as austerity measures have continued since 2010, grants have reduced year on year, increasing the reliance on revenue funding to keep the service operating at current levels.

- 1.3 Under the DfE's Statutory Guidance for the 'Participation of young people in education, employment or training (September 16)' the LA has broad duties to encourage, enable and assist young people to participate in education or training, particularly vulnerable young people with Special Educational Needs (SEND), Looked After Children (LAC) and young people in Pupil Referral Units (PRUs). One of these duties in particular, is to make available to all young people aged 13-19 and to those between 20 and 25 with SEND, support (careers advice and guidance) that will encourage, enable or assist them to participate in education or training under the Education and Skills Act 2008.
- 1.4 Local authorities also have a duty to ensure that the Special Educational Needs annual review of the Educational Health & Care plan from Year 9 onwards includes a focus on preparing for adult life, including employment. This review should be focused on the child or young person's needs and aspirations, and include discussion about the next steps after school, and a pathway into further or higher education or employment. Following the withdrawal of Connexions Careers Advisers, Special Schools are reporting to the Careers and Enterprise Coordinator within RYE that they do not have qualified careers advisers to 'support' students with special educational needs into appropriate learning. This carries the risk that young people are not progressing or are 'dropping out' of college.

- 1.5 Under the statutory guidance for participation, local authorities should work in local partnerships with schools, colleges and other partners to help develop the careers guidance offer. For example, this may include understanding pathways locally and embedding intelligence on the local economy. Under the Careers & Enterprise Company's funded Enterprise Adviser Network programme, the RYE Careers and Enterprise Coordinator is currently contributing towards this agenda through linking the schools with the business community and facilitating discussions with special schools and F.E. providers, thus assisting the Local Authority to deliver on its duty (under the Education Act 1996 and subsequent Acts) 'to secure suitable education and training for young people who have a Statement of Educational Need (succeeded by Educational Health and Care Plan' (EHCP) with the implementation of the Children and Family Act 2014).
- 1.6 The Careers and Enterprise Coordinator under the national Careers & Enterprise Adviser Network programme, aims to support all schools, special schools, colleges and PRUs to audit their careers and guidance programmes across the whole curriculum, identify any gaps in their provision, and engage with local employers to help schools to deliver their statutory duties for *'Careers guidance and access for education and training providers issued January 2018'*.
- 1.7 The team contributes towards the wider Education, Employment and Training (EET) and Not in Employment, Education and Training (NEET) work of the Council and Rotherham Investment & Development Office (RiDO) projects. RYE also supports careers guidance in particular in relation to employer engagement and that 'every school should engage fully with their local employer and professional community to ensure real-world connections with employers lie at the heart of the careers strategy'.
- 1.8 The priorities for Rotherham Youth Enterprise (RYE) are:
- * *Support young people in schools and colleges with enterprise and employability skills;*
 - * *Support business and school demands for greater industry-education links;*
 - * *Promote the business start-up work of the Launchpad through Rotherham Investment & Development Office (RiDO) and the Prince's Trust City Region mentoring programme.*
 - * *Develop programmes and provide support and advice to individuals, colleges, schools and business that helps better prepare young people for the world of work.*
 - * *Support and develop enterprising young people and jobseekers able to be economically self-sufficient and contribute to the borough's wealth;*
 - * *Broker close linkages between companies and Rotherham schools to facilitate business engagement in the curriculum, develop the workforce of the future and facilitate smoother education to work pathways for young people.*
 - * *Tackle youth unemployment and the skills shortage, ensuring young people are inspired, informed and have a plan to enter the world of work and fulfil their potential.*

- * *Sheffield City Region (SCR), Enterprise Adviser Network working directly with the leadership of individual schools and colleges to develop effective employer engagement programmes.*
- * *Establishing education/business partnerships and facilitating this programme in Secondary schools, special schools and colleges across Rotherham.*
- * *Promotion and awareness raising of enterprise and self-employment*
Attending careers events and post-16/18 options evenings
- * *Enterprise Advisers – matching industry leads with senior leaders in schools and colleges to both support and challenge their links with industry and how they are preparing young people for the world of work.*
- * *Work with businesses engaging with schools on developing their employer engagement and careers strategy.*
- * *Local Employment Advisory Forum (LEAF) events and other employer-education activities, and Early Help in supporting NEET young people to attend.*

2. Key Issues

2.1 Given the financial restraints and the need to make budget savings, there are 3 options to consider:

A. Leave the RYE structure ‘as is’ - and continue to fund via the current £183.5k revenue allocation, pursuing grant funding but fail to achieve a revenue budget saving with a significant impact on statutory service delivery within Education services.

The opportunity to apply for future grant funding via SCR to advance the work of the Careers and Enterprise Council (C&EC) agenda is available. The outcome of any grant funding bids would not be known until late summer 2018 and could result in RMBC receiving grant income from Sept 2018 to July 2021, RMBC would however have to find match funding.

B. Remove revenue funding in full and decommission the service - this would impact on:

Current work streams scheduled for 2018/19 onwards.

Future strategic regional influence in relation to agendas relating to business, education, enterprise and skills for young people.

Young Entrepreneurs based in RYE facilities - there are currently 2 clients based at the RYE Treeton site. These clients would need notice in order to relocate their business in parallel with dates that RYE staff would be given notice of intention to discontinue the service. This would need to be managed to minimise disruption to the business and would need to ensure that staff are available to support clients through the process.

RYE clients based in RIDO facilities.

C. Reduce the amount of revenue investment and maintain a reduced staffing profile - a staffing profile of 2 Full Time Equivalent (FTE) band H

staff to continue to deliver priorities around business, education, enterprise and skills coordination and grant funding submissions. This would enable the local authority to continue to develop careers guidance under the '*Statutory Guidance on the Participation of Young People in Education , Employment or Training*' and will support the necessary change which has to take place in careers guidance across the borough as outlined in the governments careers strategy December 2017.

The 2 post holders would focus priorities on -

Careers and Enterprise coordination:

Careers agenda

Maximising information for employers and schools regarding new qualifications and requirements for work experience

'Schools achieve' gaps

Contracts regarding the Careers and Enterprise Company

Supporting the schools training agenda

Employability and Skills:

Recruitment of businesses to participate in careers and enterprise programmes as business advisers

Identify and bid for future Sheffield City Region Employment and Skills grant funding

Support school curriculum development around future employment

School careers delivery eg CV writing, interview skills

Industry champion network

The cost of 2 Band H Full Time Equivalent (FTE) posts with 'on-costs' equates to £37.5k x 2 = £75k.

This would be off-set by the £25k grant allocation, reducing the revenue costs to £50k.

It is recommended that should this option be preferred, the 2 staff would need to be relocated / aligned to the RIDO service, to enable synergies to be fully maximised given already established business links, current overlap and duplication of some functions, such as business start-up facilities, resources, premises, administrative/finance work and grant pursuance, bidding and matching functions.

- 2.2 To implement the proposed savings in options 'B' and 'C' at point 2.3 above, there would be job losses from the current staffing profile shown at point 1.5 of this briefing.

2.3 Summary of recommended revenue savings and options for consideration:

Proposal	Saving from revenue funding for 2018/19
RYE – option a	£ 0
RYE – option b	£183.5k
RYE – option c	£132.5k

3. Key actions and relevant timelines

- 3.1 Should the proposals considered in point 2.3 'b or c', be approved, a period of consultation will need to be undertaken with staff affected by the proposal following established HR procedures with a view to implementing the proposals for the commencement of the 2018/19 financial year.

4. Financial Implications

- 4.1 The table below shows the 2017/18 and projected budget information (including budget profile for 2018/19 for the options to be considered).

Financial Year	2017-18 £	2018-19 Option A £	2018-19 Option B £	2018-19 Option C £
<i>Expenditure</i>				
Staffing	259,583	289,002		69,000
Ind. Staff Costs	2,201	1,770		1,000
Running Costs	14,450	29,639		5,000
Sub-Contracts & Direct Delivery	16,813	6,500		0
Total Expenditure	293,047	326,911	0	75,000
<i>Income</i>		326,911		
Grants / Contributions	(66,674)	(25,000)		(25,000)
Traded & Other	(56,389)	(118,337)		
Total Expenditure	(123,063)	(143,401)	0	(25,000)
Net Expenditure (Council Revenue)	169,984	183,574	0	50,000

- 4.2 The £25k grant / contribution represents the only confirmed funding at this stage for 2018/19 financial year, this being the Enterprise Co-ordinator programme funding from Sheffield City Region (SCR). Although the project runs academic year, the funding shown is for a full financial year contribution as SCR has confirmed this project will run to August 2019.

5. Recommendations

- 5.1 That Elected Members note the recommendations outlined in 2.3 of this briefing and the preferred option of Cabinet Budget Working Group of 'option C' - reduction of RYE revenue funding and reduction to 2 posts.

6. Name and contact details

Ian Thomas (Strategic Director – Children & Young People's Services)
Dean Fenton (Head of School Planning, Admissions and Appeals Service)

Background Papers

Education Act 1996 and subsequent Acts.

Education and Skills Act 2008.

DfE Statutory Guidance for the 'Participation of young people in education, employment or training issued September 16.

DfE Careers Guidance and access for education and training providers issued January 2018'.