

Report of the Cabinet Member for Economy and Skills

Introduction

I have been asked to report to Council by Councillor Hannaford as follows:

“Youth Unemployment – The latest government figures show a further national loss of 800,000 jobs as a result of the so called covid employment gap. It is estimated that around 80% of these losses were bourn by young people.

Can the Cabinet Member please update council on the latest figures, trends and statistics regarding youth unemployment in Devon. Furthermore what work we are doing with partners to help get our young people back into work, including retraining and upskilling.”

Response

In line with the rest of the UK, Devon has experienced an increase in youth unemployment over the past 12 months due to the ongoing impact of the pandemic. As of March 2021 (the latest data available), 6.7% of those aged between 18-24 within the County were claiming universal credit (or 4,135 individuals). This represented an increase of 4 percentage points on March 2020, when just 2.7% of young people (1,350 individual) were claiming similar unemployment benefits. However, youth unemployment in Devon remains below both the South West and UK average (at 7.3% and 9.2% respectively).

With regards trends in youth unemployment, the County has been subject to some variability over the past 6 months. Following the immediate economic shock from the onset of the pandemic in March – July 2020, youth unemployment across the county rapidly increased to 7.5%. However, since this initial shock, the county has seen its youth unemployment rate gradually fall back to around 6.4%, though a small increase (0.3%) has occurred over the past two months as the third lockdown has been implemented. In the short term, it is expected that this temporary increase will disappear as the County continues along the Government’s current unlocking roadmap.

With regards projections and patterns for the balance of 2021 and into 2022, as announced at the Budget in March, it is currently anticipated that the overall unemployment rate will increase slightly in the second half of 2021 as normal conditions return, and emergency assistance programmes / furlough assistance ends. However, it is anticipated that this increase will be short lived, with a steady drop in unemployment then expected during 2022 and 2023.

With regards direct support for young people and unemployment, Devon County Council has been extremely active over the COVID period supporting programmes and pathways to allow young people to access work and other training and learning opportunities. This includes supporting partner organisations across the area around delivery of the Government's Kickstart programme, with over 1,000 jobs created or in the process of being created across the County for those aged between 18-24; working with schools and colleges through our shared Careers Hub and Post 16 Transitions programme to support movement into college and other opportunities outside of work; direct commissioning of the Devon and Cornwall Training Provider network to work with the Council around the promotion and support of apprenticeships; and direct support for individuals and employers facing end of furlough / redundancy.

Of particular note, Devon County Council working with Exeter City Council / Exeter Works opened the new Exeter Youth Hub on Wednesday 21st April, based within the previous Tourism Information Centre within Central Exeter. A joint project between the two councils and Job Centre Plus, the hub is due to support at least 500 young people from across the County over the next year with advice and wider support services which allow them to enter work, training or a wider learning opportunity. The centre is the latest addition to a peninsula wide network of youth centric hubs across the Greater Devon area, which includes activity within North Devon, Torbay and Plymouth. Engagement is now ongoing with partners (including the Youth Service, National Careers Service, CSW, Colleges and other key providers) to ensure that Devon County Council and Exeter City Council can maximise the impact of this capacity over the next twelve months.

Looking ahead, following Council's decision to support an economic recovery programme planning is currently ongoing around a supplementary programme of support to be rolled out over the next 6-9 months. This will include additional support for young people preparing to leave full time education or move onto further and higher education; targeted support for young people with additional needs or barrier to work or other progression; supplementary advice and support for those considering an apprenticeship or other traineeship approach; additional basic skills and functional skills opportunities for those aged 18-24 with Learn Devon; and broader support for youth enterprise, graduate innovation and the Government's ongoing Kickstart and other employment support programmes.

Councillor Rufus Gilbert

Cabinet Member for Economy and Skills