

TELFORD & WREKIN COUNCIL

CABINET - 15 October 2015

SKILLS TO EMPLOYMENT PROGRAMME

REPORT OF ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & EMPLOYMENT

LEAD CABINET MEMBER – CLLR GILLIAN REYNOLDS

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 In January 2014, Cabinet approved a 2 year programme of pledges focused on tackling youth unemployment. The pledges aimed to ensure that every 16-24 year old seeking employment or training was fully supported and to decrease our youth unemployment levels in line with national levels by the end of 2015/16. As of July 2015, youth unemployment in Telford and Wrekin now stands at 13.6%, below the national position (16.2%) and the West Midlands rate (16.9%).
- 1.2 We have made significant progress against all of the original pledges supporting c.600 young people into employment, education or voluntary work through our Job Junctions and 206 into employment or education with the support of our Job Box Mentors (plus an additional 15 into a second job). Our Job Box 'one stop shop' continues to grow in recognition amongst business and young people and we've engaged over 9,500 people through our Job Fairs.
- 1.3 Through our work with the Telford Business Board and individual businesses and investors we are seeing a tightening in the labour market creating skills gaps at all levels and technological changes within industry and across sectors and supply chain, creating workforce development challenges. We also continue to receive the message from business that those seeking to enter their workforce often lack key employability skills.
- 1.4 Given this context whilst maintaining our success reducing youth unemployment remains a priority, with the additional £500k committed by the Council in addition to the original £1.3m YU Programme, there is an opportunity to refocus activity to address these emerging priorities, reflecting more closely the skills needs of our local businesses and targeting the needs of the cohort that are still seeking employment. This includes young people not in education, employment or training (NEETS), a group which continues to grow.
- 1.5 The Report sets out proposals to take the strategy forward through a **Skills to Employment Programme** that links closely to the Council's Strengthening Families strategy and Enterprise Telford approach and will generate growth through business expansion and inward investment, supported by an economically independent and resilient workforce. The programme will be delivered through 3 strands underpinned by the related themes - 'inspire', 'grow' and 'engage':

Life Ready Work Ready – to *inspire* and *grow* young people for the world of work

Job Box – to *engage* and *inspire* jobseekers of all ages and backgrounds

Growth Hub – to *inspire*, *engage* and *grow* businesses of all sizes, across all sectors, growing entrepreneurship and technological advancement

- 1.6 The delivery of the whole programme will require closer partnership with a range of stakeholders, particularly schools and education providers, to sustain our momentum in reducing unemployment and promoting economic growth. It is proposed that the Telford Business Board and Local Strategic Partnership will act as sponsors for the different strands of the programme
- 1.7 This report provides an update on progress to date against the youth unemployment pledges, highlights our key challenges going forward and presents an emerging skills to employment programme of activity.

2. RECOMMENDATIONS

- 2.1 **That cabinet note the progress made to date against the pledges approved at Cabinet in January 2014 to tackle high levels of youth unemployment**
- 2.2 **That Cabinet approve the Skills to Employment Programme to the end of financial year 17/18 as set out in Appendix 2.**

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	<ul style="list-style-type: none"> • Improve the health and well being of our communities and address health inequalities • Protect and create jobs as part of a “business supporting, business winning council” • Improve local people’s prospects through education and skills training • Protect and support our vulnerable children and adults • Put our children and young people first
	Will the proposals impact on specific groups of people?	
	Yes	<ul style="list-style-type: none"> • There will be a borough wide impact and whilst there will still be a specific focus on 16-24 year olds, education providers and businesses we will be widening the support we offer to other unemployed groups including those on employment support allowance, over 50,s, ex offenders, graduates, ex forces and those under 6 months unemployed.
TARGET COMPLETION/DELIVERY DATE	This was originally a two year programme of pledges up to April 2016. We have revised our plans to take our work forward to the end of 17/18 financial year. During this time we will work with partners to adjust support in line with local and Government changes to develop a sustainable longer term delivery model for the most effective elements of the programme.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Funding of £1,304,730 over two years was identified to deliver the original programme. An additional £500,000 was approved from the 14/15 outturn position to support unemployment initiatives. This additional funding enables key elements of the scheme to be developed further and will be funded up to 2017/18. During this period Service areas will work with partners to seek to develop a sustainable model. (AEM 17/09/15)

LEGAL ISSUES	Yes	The previous report of January 2014 highlighted the then extension of the Council's statutory duty to provide education and/or training to 16-19 year olds and the statutory provisions available under section 111 of the Local Government Act 1972 to permit the extension of services to 20 to 24 year olds. The Act allows the authority to do anything which is calculated to facilitate, or is conducive or incidental to its statutory functions The Council can therefore continue to rely upon these provisions to further develop the services as proposed, and in particular to schemes covering individuals over 19 years of age. The exercise of the power in respect of the proposed will continue to be subject to express statutory restraints such as the public sector equality duty, procurement and state aid rules.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	The financial viability and effectiveness of activities will continue to be evaluated and adjustments made to the longer term programme. Funding from the Local Enterprise Partnership (LEP), Skills Funding Agency and Government departments will be pursued. We will also explore opportunities for devolution of responsibility for delivery and funding for aspects of adult skill provision and performance reward grant.
IMPACT ON SPECIFIC WARDS	Yes	The proposals will have a borough wide impact with a targeted approach to those wards where there are the highest concentrations of unemployment including Cuckoo Oak, Woodside, Malinslee, Haygate, Brookside and Donnington

PART B) – ADDITIONAL INFORMATION

4. BACKGROUND

4.1 In January 2014 Cabinet approved a 2 year programme to tackle youth unemployment pledging to reduce this in line with national levels by 31st March 2016. By July 2015 this had been achieved with youth unemployment standing at 13.6% compared to a national figure of 16.2%. Contributing to this is the success achieved against the Youth Unemployment Pledges. In summary:

- Over the first 18 months of the programme we have engaged with 13,945 people including 9000 who have attended our Jobs and Skills Fairs.
- 206 (including an additional 15 into a second job) unemployed young people have entered education or employment, with support from our Job Box mentors.
- 600 people have been supported into employment, education or voluntary work through our 16 Job Junctions
- 25 new young businesses have started as part of Young Telford programme.
- There has been a positive shift in the profile of our unemployed, with the numbers claiming Job Seekers Allowance decreasing (800) and the largest group now those on Employment Support Allowance (2200).
- The council now offers 100 work experience placements, and employs over 165 Apprentices, exceeding our original target of 150, with many applying for positions through extended redeployment opportunities
- In September 15 we launched our Apprentice incentive scheme that will enhance skills and employability for council apprentices who have been unsuccessful in securing a job following their apprenticeship.

- We have engaged with 4945 people (excluding the 9000 people attending the Jobs/Skills Fairs) at an average of £119.13 per engagement. The cost of supporting the c.600 people into a positive destination of education, training, employment/voluntary work averages £1092.96 per person. This compares to ESF – £2390 per young person; the Youth Contract which provides £1275 per young person moved into a positive destination and the work programme which pays out £3800 per young person moved into and sustained into employment.
- We have successfully delivered 4 major jobs fair events in the borough attracting over 9500 delegates.
- By adopting a single client record management system for identifying young people who are aged 16-20 (aged to 24 with a Learner with learning difficulties or disabilities, LLDD) we can track their progress into employment providing a greater opportunity to identify early on and support those at risk of becoming NEET, tailoring an appropriate programme of activity.
- Our Job Box “one-stop shop” for employers and young people already averages 500 hits per week and growing. The brand and website is growing in recognition with c.2500 likes to our Facebook page and rising. Live employer vacancies will be available from Autumn 2015.
- A Parent Strategy is in place to help parents support young people make informed career choices. A Special Educational Needs (SEN)/NEETS Careers Advisor has been appointed to focus more support on your young people with learning difficulties and disabilities, too many of whom become NEET.

4.2 It is important that this success is maintained but also that we look to target resources to those areas and groups where progress is still required. This includes addressing the continuing challenge of NEETs and the changes in National Policy for employment and skills. As engagement with employers grows and we are seeing increasing levels of inward investment we also need to ensure that the pathway for young people into local employment is clear and well signposted and that we are supporting business to address their skills needs.

5. **INFORMATION**

CONTEXT

5.1 The Skills to Employment Programme is set in the context of the Council’s wider programmes of social and economic development activity:-

Strengthening Families

5.2 We recognise the need to create a sustainable economy for Telford with resilience in our job market and within our communities and to strengthen families by creating economic independence and self reliance.

Enterprise Telford

5.3 Telford’s economy is growing and we are seeing healthy levels of business expansion and a strong pipeline of inward investment attracted by the Borough’s business winning, business supporting approach.

5.4 Across all sectors, businesses report an increasing demand for higher skilled labour and requirement for recruitment, particularly created by an ageing workforce. It is key that this is tackled to maintain the Borough’s competitive investment position.

Devolution & Partnership: Driving Growth & Prosperity

5.5 The Job Box programme was designed around local intelligence about the challenges facing young people. The average cost of success/individual engaged is less than half of many national programmes. The Devolution Deal proposals submitted to Government on 4

September seek to build on this success seeking local responsibility for delivery of national skills programmes alongside greater commissioning of skills investment to meet local needs and retention of business rate growth to reinvest into infrastructure including skills.

SKILLS TO EMPLOYMENT PROGRAMME

- 5.10 Through our Skills to Employment Programme, we will deliver three key strands of activity - **Life Ready, Work Ready, Job Box** and the **Growth Hub**, see Appendix 1.
- 5.11 The emerging work programme delivered through these three strands are summarised in Appendix 2. Wide ranging stakeholders will have a role to play in delivery with the LSP providing sponsorship for the Life Ready, Work Ready programme and the Telford Business Board for the Growth Hub. The following is a brief summary of each strand:-
- 5.12 ***Life Ready, Work Ready***
An ongoing theme from business is that young people leaving education are often not yet work ready, some lacking basic employability and life skills. Linked to this we know from our strengthening families' work how economic independence is key to building confidence, resilience and sustainable lifestyles and families. Earlier this year an event facilitated by Cap Gemini, attended by business leaders, education providers and public sector partners sought to identify what was needed to support young people in order to give them the best chance for success when they leave education.
- A Steering Group with representatives from primary and secondary school, HE, parents, governors, business and TWC has been established to drive forward the programme of work. Recognising the cross cutting issues and role of many strategic partners the LSP will act as sponsor.
- A number of project areas are being developed including:
- 5.13 **Business 2 Schools Brokerage** - opportunities to improve the work readiness of young people are available if we can facilitate the relationship between our local employers and education providers, at all ages and all stages. The provision of an effective brokerage facility will be key to developing these relationships. The brokerage aims to increase, coordinate and enable employer level input into schools including work readiness training, greater awareness of career opportunities and pathways to the specific businesses/sectors in the Borough, a greater awareness of the local employment market and quality work experience.
- 5.14 **Enterprise** – We are offering sponsorship to our local secondary schools to take part in the Young Enterprise programme giving students the opportunity to start up and run their own business.
- 5.15 **Work Readiness Programme** – launching in October this on line system will enable students to develop core workplace skills aligning the new Ofsted common inspection framework
- 5.16 **Work Experience** – In response to comments from business we will be developing a set of standards to support our employers when hosting a work experience placement. This will ensure that it is a worthwhile experience for students and for the employer and that there is a consistent standard across the borough.
- 5.17 **Careers** – In addition to a programme of circa bi-monthly sector job fairs we will be launching a major career event in the Borough in 2016 building on the 2015 event with even greater focus on hands on experiences from local and national employers and connecting local employers with schools.

5.18 **Commissioning** - With the changes in post-16 funding from 2017, we will work closely with the Telford Business Board to inform and influence our local training provision directly commission where opportunities arise. .

5.19 Challenges remain to support schools and businesses to work together successfully and sustainably. OFSTED are starting to recognise these changes to pre and post 16 assessments but current activity is adhoc, of varying quality and where schools are faced with an improvement agenda this activity may still be viewed as peripheral. We will work with a pilot group of primary and secondary schools to develop the programme and look to build pledges of support from as many schools as possible through peer to peer communication.

Growth Hub

5.20 The Telford Business Growth Hub is a collaborative programme being delivered by the Council in partnership with the University of Wolverhampton, Telford Business Board and the Marches LEP. To support the Hub, Telford Business Board is leading the way in the identification of the issues, barriers to growth and opportunities within sectors and in supporting sector growth through its Sector Champions.

5.21 An early focus for the Champions has been skills and recruitment, and the Growth Hub will support collaboration between businesses that will create local career pathways from school to employment or entrepreneurship and help those entering the labour market. The Hub will provide the focus for the delivery of EU funded business and skills support programmes by local and national partners.

5.22 Activities supported through the Growth Hub will include business engagement with Apprenticeships, school and business brokerage, up skilling in the work place, leadership and management support, knowledge transfer, and entrepreneurship. The Hub is due to be launched on 21 October

Job Box

5.23 Despite our success supporting young people into employment, we continue with a legacy of high NEETS aged 16-18 and hard to reach and engage young people. We are also aware that there is a continuing theme of under-employment and groups e.g. ex service personnel and over 50s where unemployment is growing.

5.24 We have evaluated the impact and value for money of our current pledges relating to youth unemployment and the current Job Box programme. As such we are recommending a number of changes to the existing programme (Appendix 2) - including:

5.25 **Job Junctions** – In line with the reduction in unemployment a number of the new Job Junctions have suffered from low attendance and as a consequence the extra, non council funded, support we received locally to deliver the additional Job Junctions had to be withdrawn. Given the levels of attendance we are proposing to reduce the level of provision in 6 of Junctions. In these locations we will continue to maintain a monthly presence with a themed approach looking at elements such as CV writing, Interview Techniques etc. This will provide more targeted and effective support that is more cost effective leaving us to target our resource at the higher attended sessions.

5.26 **Apprentice Support for Small & Medium Sized Businesses** – The apprentice training agency model intended to deliver this element of the original programme has not seen significant business take up. On the basis of business feedback we are recommending that we adapt the support offered to SMEs to encourage recruitment of an apprentice by offering a grant. This will also open up the opportunity for access to the Government Age grant to match our local incentive. This model will enable us to set criteria to support under represented groups into apprenticeships such as children in care or young people with learning difficulties or disabilities.

- 5.27 Moving forward the development of the Job Box programme is proposed to include:
- a **renewed focus on NEETS** - too few of our young people 16 – 18 meet the duty of the raising of the participation age so we need to work closely with our providers to have provision that is attractive to these young people and that they have the support to succeed in further learning.
 - **Continuing our Job Junction and Job Box Mentor support for our hard to reach communities** with a focus in Telford’s identified areas of Intervention, and adding to our case work for young people up to 24 with those who are under-employed, ex service personnel, over 50s, graduates, those facing redundancy and unemployed over 6 months
 - **Closer working with our Colleagues from DWP** will help us understand changes for those seeking employment and the requirements being expected of them. As universal credit rolls out we will adapt to ensure those able and seeking work have the best support they need to move out of the benefits system. The Government drive for “digital by default” means many more people will need to have access to and competency in IT to complete their benefit returns and evidence job seeking activity. We will use our job Junctions in our most deprived geographical areas to ensure the right support is available to those who need it most
 - The challenge of knowing where to get the right support remains and so investment will continue into **developing the Job Box brand** and reputation as the “**one-stop shop**” for individuals looking for support or information on careers and employment encompassing ALL support on offer not just that offered by Telford & Wrekin Council.
 - **Increasing work with key investors** e.g. MOD Fulfilment Centre and the Shopping Centre to ensure that we have an available and trained work force to meet the needs of the inward investors and existing businesses.

5.28 The creation of the over-arching skills to employment programme will strengthen links between LRWR and Job Box activity and the business agenda captured through the Growth Hub. This will ensure that the direct delivery of course provision for the unemployed and promotion of employment/placement opportunities is informed by the Business Board Sector Champions and Growth Hub intelligence. We will prepare people for the local jobs available and increase resilience in the current and future workforce.

Stakeholders & Delivery

5.29 This programme cannot be delivered by the Council alone. As with the existing YU Programme the Council has a role to play as employer and broker but key to delivery will be collaboration with stakeholders and the commitment to engagement from schools.

5.30 Each strand has a cross sector steering group linking with either the LSP or TBB as sponsor.

5.31 Delivery of programme of activity set out in Appendix 2 will be monitored and overall impact measures will include DfE NEET reporting, unemployment statistics, and local economic measures including number of jobs created.

5 IMPACT ASSESSMENT – ADDITIONAL INFORMATION

None

6 PREVIOUS MINUTES

None

7 BACKGROUND PAPERS

None

Report prepared by Kim Hodgetts, Youth Unemployment Programme Manager and Sue Marston, Skills Service Delivery Manager