

**Report of Chief Officer Employment and Skills**

**Report to East Inner Area Committee**

**Date: 20<sup>th</sup> March 2014**

**Subject: Proposals for an East North East Leeds Employment and Skills Plan**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. At the Inner East Area Committee meeting held on 17<sup>th</sup> October 2013, Elected Members asked for a strategy setting out how employment and skills priorities in Inner East Leeds would be addressed.
2. This paper sets out proposals for a new East North East Leeds Employment and Skills Plan. Delivery will be based on having in place appropriate and collaborative partnership arrangements. The report therefore also proposes a mechanism to facilitate and drive the approach forward, under the direction of the East North East Leeds Area Leadership Team.
3. The proposals contribute to key objectives set out in the Best Council Plan 2013-17, namely to 'promote sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses' with a specific focus on helping local people to acquire skills and move into employment.

**Recommendations**

4. The Inner East Area Committee is asked to note the contents of the report; endorse the establishment of a new East North East Leeds Employment and Skills Board and, to note the timetable for development of the Employment and Skills Plan for the area.

## **1.0 Purpose of this report**

- 1.1** To seek endorsement from the Inner East Area Committee to the proposals to develop a local Employment and Skills Plan and to establish an East North East Leeds Employment and Skills Board.

## **2 Background information**

- 2.1** This paper sets out a new approach to reduce worklessness and ensure effective support and training is available for local people to access current and future jobs in the locality and across the City. The primary aim is to:

reduce the numbers of local residents claiming out of work benefits by supporting more people into work and;

help local people, furthest from the labour market, to gain the skills and qualifications needed by employers today.

## **2.2 City wide Position**

- 2.2.1** The information in this section of the report includes the latest data published by the Department for Work and Pensions (DWP) and locally captured service data. It should be noted that there is a time lag on the publication of DWP data and the latest available information has been used where possible. The locally captured information is currently being updated to inform the production of ward profiles and as such, the figures included may not reflect the latest position for the area.

- 2.2.2** At the end of September 2013, employment in Leeds (among the 16-64 age group) stood at 396,300. This is an increase of 10,200 jobs over the quarter and 19,400 jobs over the year. The total number of benefit claimants in Leeds, at August 2013, was 72,860 (a decrease of 2,730 since August 2012). Of these, 29,990 were on Incapacity Benefit (IB) or Employment Support Allowance (ESA) (a decrease of 240 in the last year). The remaining claimants are made up of people on Jobseekers' Allowance (see below), Lone Parents and those claiming other income related benefits such as working tax credits etc.

- 2.2.3** In January 2014, 20,554 people (16-64) in Leeds were recorded as claiming Jobseekers' Allowance (JSA). This is a decrease of 4,558 on the position 12 months ago (January 2013). Of the total people in Leeds currently on JSA, 1,350 have been claiming benefits for longer than 13 weeks and 690 for longer than 12 months (these figures indicate a decrease of 100 people who have been claiming JSA for 13 weeks+ in the last year but a slight increase of 30 on the numbers of people on JSA for longer 52 weeks+). Of the total numbers of people claiming JSA, 5,220 were between 16-24 years, which is a decrease of 1,640 (or 1.4%) in the last 12 months.

- 2.2.4** In January 2014, there were 1,559 young people 16-18 years not in education, employment or training (NEET) in Leeds. The most recent NEET figures indicate a slight increase across the City and at a local level across all three wards. Please note that the Department for Further Education (DfE) has recently changed local

authority performance measures on NEET data. Therefore, the data provided in this report is not directly comparable to the figures provided on the previous year.

## 2.3 Area Committee Position

2.3.1 The information in this section compliments the ward profile information currently being compiled for Members regarding employment and skills activities in their wards. This will include detailed comparative information with city wide data and a summary analysis to indicate changes in rates and numbers at the local level to assist Members determine local priorities for action and shape responses.

2.3.2 The NEET figures and benefits claimant data for the wards covered by this Area Committee in January 2014 are summarised in table 1 below. The data provided at the last Inner East Area Committee in October 2013 has also been included (table 2) for comparison. Figures for all benefit claimants (16-64) rates have fallen across all three wards since the last reporting period.

**Table 1 – current position**

As at Jan 14	Leeds	Burmantofts & Richmond Hill	Gipton & Harehills	Killingbeck & Seacroft
NEETs (16-18)*	1,559	102	120	103
JSA claimants (16-24)	5,220	435	485	325
JSA claimants (16-64)	20,554	1,711	2,013	1,128
Incapacity Benefits (IB)/Employment Support Allowance (ESA) (all)	29,990	2,045	1,650	1,660

\*Children's Services lead

**Table 2 – as reported to Inner East Area Committee (Oct 13)**

As at Jun 13	Leeds	Burmantofts & Richmond Hill	Gipton & Harehills	Killingbeck & Seacroft
NEETs (16-18)*	The figures provided in October 2013, are no longer comparable to the most recent data due to changes in performance measures on NEET data by the DfE.			
JSA claimants (16-24)	6,310	535	525	395
JSA claimants (16-64)	23,297	1,911	2,087	1,255
Incapacity Benefits (IB)/Employment Support Allowance (ESA) (all)	30,040	2,110	1,665	1,690

\*Children's Services lead

2.3.3 In January 2014, 9,265 new jobs were advertised for Leeds on the Universal Jobmatch website indicating a positive increase over the last 12 months (in Feb

2013 there was 4,355 new jobs advertised). Locally, the number of employment opportunities across all three wards has also increased significantly. In January 2014:

196 jobs were advertised (2.1%) were based in Burmantofts & Richmond Hill ward (72 jobs in the ward in Feb 13);  
170 jobs advertised (1.8%) in Gipton & Harehills ward (previously 35 jobs);  
and  
184 jobs advertised (2%) in Killingbeck & Seacroft wards (previously 84 jobs).

Therefore, although those seeking work will need to be prepared to travel to other areas of the city, the position regarding local opportunities continues to improve.

- 2.3.4 Supporting unemployment and workless people on their journey into work across East North East (ENE) remains a priority. Not only to increase the employment rate and stimulate economic activity levels but also to mitigate the deterioration of skills, confidence and health and well-being that can occur with prolonged periods of worklessness.
- 2.3.5 The proposal set out in this report is to create a local Employment and Skills Plan as a mechanism through which employment and skills opportunities can be maximised as a result of collaborative partnership working, better coordination and alignment of local programmes/investment opportunities and, by sharing and building on best practice. The approach should also help to establish a more seamless package of support and intervention available to and, accessible by for local residents, at whatever stage they are on the employment ladder.

### **3 Main issues**

#### **3.1 Context**

- 3.1.1 The Council's Executive Board received a report in June 2013 on the issue of welfare, benefits and poverty. In response to these issues, a new approach under the identity of Citizens@Leeds has been developed to ensure a focus on inclusive, locally provided citizen-based services delivered through a community hub approach. Four key propositions are in development that will set out the building blocks for a city wide response to tackling poverty and deprivation. The four propositions cover:

The need to provide accessible and integrated services

The need to help people out of financial hardship

The need to help people into work and,

The need to be responsive to the needs of local communities

- 3.1.2 Through the Citizens@Leeds approach, the Council will provide easy access for citizens to training and employment advice and opportunities across the City, using the community hubs to improve, tailor and deliver training and employment

advice services; use the integration of customer service officers and other front-of-house staff to offer advice, guidance and signposting to employment support services and skills programmes; target our employment activity at those most in need and those furthest from the labour market and; use the Council's position as a major employer to target jobs and opportunities to those most in need as well as influencing and enabling other employers to do the same. There is significant opportunity to capitalise on the Hub model to develop more integrated and local support services to help people into employment.

- 3.1.3 In addition, outreach solutions will be developed through proposed pop-up services as part of the Citizens@Leeds approach, ensuring we can better target and reach out to the more vulnerable and marginalised communities with the offer of advice and support on training and employment opportunities. This will be intelligence driven, ensuring we focus our resources and capacity on those most in need and / or furthest away from the labour market.

### 3.2 Challenges

- 3.2.1 To create an effective mechanism through which employment and skills opportunities can be maximised in East North East Leeds requires a targeted response to a number of specific challenges which can be broken down into supply and demand issues as summarised below.

Supply	Demand
<p>overview of worklessness and employment rate including NEETs in priority wards compared with Leeds which is still a significant issue.</p> <p>ethnicity and worklessness and the on-going issues such as language and cultural barriers that continue to impact on particular BAME (Black, Asian, Minority Ethnic) communities e.g. Roma Community in Harehills.</p> <p>high numbers of people on Incapacity Benefits / Employment Support Allowance</p> <p>lack of and lower skills levels among many residents.</p> <p>Increasing numbers of people under 25 years and over 50 who are unemployed as a result of the recession.</p> <p>transport links / affordability to travel to work.</p>	<p>insufficient supply of job ready people in East North East Leeds to capitalise on employment opportunities available through major developments e.g. Thorpe Park, Victoria Gate, Veolia Recycling &amp; Waste</p> <p>ageing workforce in key growth sectors e.g. construction</p> <p>skills shortages and gaps in growth sectors – e.g. health care and med-tech, creative and digital, financial services, retail, culture and arts</p> <p>lack of awareness and coordination of pre-apprenticeship provision for young people to acquire skills needed by employers e.g. not all provision is free or publically funded, no agreed standards in terms of quality of provision.</p>

### 3.3 Economic / Population Trends

- 3.3.1 Leeds has fared better than many of its neighbours in the economic downturn, and prospects look generally positive for many key industry sectors, including manufacturing, financial and business services which continue to be a key driver

of growth in the City and health services. Leeds is now a major centre for creative, cultural and digital industries with strengths in fields as diverse as media, music, visual and performing arts, advertising and computer games and software. Leeds' retail offer is also expanding the City's role as a major economic and cultural hub outside London, with landmark facilities including Trinity and the imminent arrival of the Victoria Gate development. In addition, driven by the expansion of the care sector and by the continuing growth in consumer related industries, occupations like caring and customer services are also projected to grow strongly over the next decade.

- 3.3.2 Retail is particularly important as a sector offering jobs at all skills levels from entry level to senior management. The construction sector was hit badly by the recession but the sector is showing signs of recovery with activity nationally reported to be at its highest levels for six years. However, the last two decades has also seen a steady increase in jobs requiring high level skills; this is in part explained by the growth in knowledge-based industries, but also because employers are increasingly demanding higher level skills in the face of modern working practices and the use of information technologies.
- 3.3.3 The City has an ageing population and the 2011 Census indicates a rapid increase in the number of Leeds residents in particular, aged 45-59 years. The make-up of the population has also resulted in an ageing workforce across a number of growth industries. This creates a window through which those people, in particular young people, who are appropriately skilled and ready for work, will be able to take full advantage of the vacuum that has started to emerge in key sectors.
- 3.3.4 As we emerge from the recession, the resilience of Leeds, despite tough economic conditions is apparent. As the economy recovers and employers begin to recruit additional staff, those furthest from the labour market, with limited skills and lacking work experience will find it difficult to compete in the current marketplace. Improving our ability to engage with and understand the needs of employers is therefore integral to the success of the proposals set out in this report. Where possible, the plan for East North East Leeds will reflect on and replicate any good practice emerging from the employer engagement model being developed in South Leeds, which seeks to take a more proactive and intelligent led approach to understand the needs of and, to work more closely with local employers.

### **3.4 What is already happening in the City and locally?**

- 3.4.1 The Council now has a robust mechanism in place through which we can better plan to respond to the training and employment opportunities that will emerge through new developments. To date, employment and skills obligations delivered through the Council's Planning and Procurement functions have supported 1,233 Leeds residents to secure employment, of which 312 were secured by residents from the East North East area. There is a pipeline of developments and contracts that have the potential to deliver over 15,000 jobs in the City with the most significant development opportunities generated for the area through the Thorpe Park development. This has the potential to deliver 340 construction jobs and a further 9,000 additional jobs across the site over the lifetime of the 25 year

development. In line with economic recovery and, as employers begin to recruit additional staff, those furthest from the labour market, with limited skills and lacking work experience will find it difficult to compete in the current marketplace.

3.4.2 There is also a range of activities established across Leeds and working well at a local level including: Jobshops; Work Clubs, the Apprenticeship Hub; Adult and Community Learning provision delivered in community settings and, the new Head Start programme that will start in March, to help long term unemployed young people (18-24 years) gain valuable work experience and sustained employment. These interventions complement and add value to the core offer currently available to unemployed people through Jobcentre Plus' core programmes including the Work Programme and Work Choice (for people with disabilities) and, as part of the Government's Get Britain Working initiative, which provides an additional menu of flexible interventions to complement core activities available to unemployed people.

3.4.3 Specific to Inner East Leeds, existing partnerships and collaborative working arrangements are already in place resulting in examples of positive interventions such as the:

**Leeds Neighbourhood Approach**, focusing on three streets in the Nowells area, Employment and Skills, Housing Services and Jobcentre Plus have worked collaboratively to identify and respond to employment and learning needs identified from the families living in the properties located in the target area.

**NEET Sweeps** have also taken place across all three wards in Inner East including Burmantofts and Richmond Hill led by igen and involving a wide range of partners to gather further information about NEET 'not knowns' and also increase awareness among young people about the support and opportunities available.

GIPSIL's (Gipton Independent Supported Living) '**Opportunity Shops**' which have been running weekly in Gipton and Seacroft since June 2013, funded by the Area Committee. Local people are offered traditional work clubs, with internet access and support with job search, applications and CV writing combined with opportunities for volunteering, work experience, training and sports.

'**Get IT Together**' national programme that promotes access to information and communication technology (ICT) particularly for people who are digitally excluded for social or economic reasons - a course now runs at the **Digital Lounge** in Seacroft.

**Harehills Employment Services Networking Group** established by the Neighbourhood Manager for Harehills, a post which is also funded by the Area Committee. Although in its infancy, the group has made a positive start, improving communications between partners offering complimentary services.

**East North East Apprenticeship Fair** held on 26<sup>th</sup> February 2014, at Hope Mega Centre in York Road. This promotional event was aimed at local young

people, parents and schools to provide them with an opportunity to meet face to face with learning providers offering Apprenticeship Training opportunities and a range of major employers with apprentices. On the day, the event was attended by 256 visitors, 10 schools and 21 employers/learning providers. Facilitated by the Leeds Apprenticeship Hub, the Fair was also supported by the Executive Member for Leisure and Skills and local Ward Members who were all present at this event. An initial outcome from this event is the support provided to Starbucks UK, who after initially struggling to recruit local people and after working with the Hub, have now employed two Starbucks apprentices and have interviewed several more. Chrissy Heaton, from Starbucks states "... this process has meant that we now have quite a bit of interest in the Starbucks programme and have waiting lists of apprentices ready to start with us as vacancies become available...". In addition, all schools who attended the event will be offered the opportunity to access on-going support from the Apprenticeship Hub to support young people move into Apprenticeships.

- 3.4.4 Area Committees will continue to be updated on existing and planned employment and skills activities to allow Members an opportunity to influence future priorities. Ward profiles setting out trends, achievements and developments will also continue to be prepared on a quarterly basis for those areas in Leeds with the highest unemployment rates.

### **3.5 What do we need to do now?**

- 3.5.1 The development of an ENE Employment and Skills Plan will establish a local response to equip residents, in particular young people under 25 year, who are able and want to work, with the right skills to take full advantage of the existing and new job opportunities.

- 3.5.2 The approach needs to be shaped and owned by key all stakeholders and in a manner that can:

- guide newly unemployed people back into work as soon as possible;
- prevent newly unemployed people becoming long term unemployed; mitigating the deterioration of confidence, skills and health which can occur during significant periods of unemployment and;
- help workless people to take the necessary steps to re-engage with the labour market, increasing their employability and opportunities to find work.

- 3.5.3 The new Employment and Skills Plan will be steered by a new ENE Employment and Skills Board to provide local accountability and, will be set up under the direction of the Area Leadership Team. The Board will not duplicate but add value to and, ensure better alignment of those arrangements already in place to steer this agenda. It is proposed that the Board will be made up of key partners with responsibility for providing a coordinated, effective response to employment and skills issues across East North East Leeds with a particular focus on those neighbourhoods with the highest rates of unemployment. This Board will provide clear, consistent and united leadership to effect change and deliver the outcomes we want for the area. The primary focus of the group will be to increase



employment and improve skill levels and ensure that effective support is provided for local people to access work and training opportunities that will arise in East North East Leeds and across the city. Membership will include the following:

- Area Committee Leads for Employment, Skills and Welfare
- ENE Area Support Team
- LCC Employment & Skills
- FE Colleges
- Children's Services
- Department for Works and Pensions (Jobcentre Plus)
- Third sector representatives
- Other key stakeholders as determined by the Area Leadership Team

3.5.4 The Area Committee Leads Member for Employment and Skills will have a particularly important role to play in steering and challenging the work of the Board and, will continue to be supported by the Employment and Skills service to fulfil their role effectively.

3.17 It will be important to link to and align activity that will emerge through the new Thorpe Park Employment and Skills Group which will be chaired by the Executive Member for Leisure and Skills.

3.18 Subject to approval from the Area Leadership Team on 12<sup>th</sup> March 2014, the proposed timescales to progress the proposals would be as follows:

- Task and Finish Group set up involving Employment and Skills, Children's Services, Jobcentre Plus and the Area Team to prepare the draft Plan – first meeting early April
- First draft of the ENE Employment and Skills Plan – available by the end of April
- Establishment of the new Board – early May
- Consultation and finalisation of the Plan – throughout May
- Final ENE Employment and Skills Plan signed off by Area Leadership Team - June (date tbc)

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.4 The Chair of the Inner East Leeds Area Committee was consulted on the proposals on 5<sup>th</sup> March 2014 and the Inner East Leeds Area Lead Member for Employment and Skills was also briefed on 10<sup>th</sup> March 2014.

4.1.5 Subject to approval by the Area Leadership Team on 12<sup>th</sup> March 2014, the Area Committees in East North East Leeds will kept up-to-date on the establishment of the Board and the development and implementation of the Employment and Skills Plan.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 Subject to approval of the proposals outlined in this report, equality, diversity, cohesion and integration issues will be fully considered as part of the development of the East North East Employment and Skills Plan.

### **4.3 Council policies and City Priorities**

- 4.3.1 The proposals contribute to key objectives set out in the Best Council Plan 2013-17, namely to 'promote sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses' with a specific focus on helping local people to acquire skills and move into employment.

### **4.4 Resources and value for money**

- 4.4.1 The proposals create an opportunity for resources and investment in East North East Leeds aimed at improving skills and increasing employment opportunities, to be better aligned and more effectively targeted to make best use of public resources and to meet the needs of local residents.

### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 There are no legal implications associated with the proposals in this report. The report is not subject to call in.

### **4.6 Risk Management**

- 4.6.1 There are no risks identified at this stage associated with the proposals set out in this paper.

## **5 Conclusions**

- 5.1 This report sets out proposals to create an East North East Leeds Employment and Skills Plan to help more local people to acquire skills and move into employment. The report also identifies a mechanism to facilitate and drive the approach forward through more appropriate and collaborative partnership arrangements, under the direction of the East North East Area Leadership Team.

## **6 Recommendations**

- 6.1 The Inner East Area Committee is asked to note the contents of the report; endorse the establishment of a new East North East Leeds Employment and Skills Board and, to note the timetable for development of an East North East Leeds Employment and Skills Plan.

## **7.0 Background documents**

- 7.1 None.