

**Report of Head of Employment and Skills**

**Report to Inner South Area Committee**

**Date: Wednesday 21<sup>st</sup> November 2012**

**Subject: Employment and Skills Update Report**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Beeston & Holbeck City & Hunslet Middleton Park
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input 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. The report identifies some of the barriers faced by those seeking employment or training and points to the need to ensure services are aligned to ensure that there is effective support for individuals and efficient use of resources.
2. It report describes current activity to support local people into employment. It includes delivered and commissioned provision by the Council and its partners, local and national programmes

**Recommendations**

3. The Area Committee is asked to note the contents of this report.

## **1 Purpose of this report**

- 1.1 To identify some of the challenges in engaging and supporting those adults and young people not in employment.
- 1.2 To outline key initiatives being taken forward by the Council in partnership with others to maximise opportunities for local people to secure employment.

## **2 Background information**

- 2.1 Increased unemployment during the economic downturn and prolonged recession has disproportionately impacted on those neighbourhoods with the highest levels of claimants and in particular young people, leaving those groups furthest removed from the labour market potentially dependent on benefits for a longer period of time. Some neighbourhoods within Inner South have out-of-work benefit claimant rates well above the city average.
- 2.2 The area has higher JSA claimant rates than the city rate of 4.3%, ranging from 6.1% in City and Hunslet to 7.6% in Middleton and Beeston and Holbeck. Although these are below some of the city's wards with the highest rates (9.8% in Burmantofts and Richmond Hill), they are in the top ten. Of the 4236 people claiming JSA in the area, 1181, 28% are aged 16-24.
- 2.3 A range of national and local programmes have emerged to address unemployment amongst young people and adults, particularly those furthest from the labour market. However, despite a number of interventions, some of the highest rates of unemployment persist in some of the city's most deprived wards. Funding pressures and a commitment to develop a more coherent offer to meet a range of needs have led to a diverse and collaborative approach to implementing employment and skills strategies for the city.

## **3.0 Barriers to work and training**

- 3.1 Many of the challenges faced by those seeking work are common across the city but disproportionately impact on those neighbourhoods where there are concentrations of vulnerable and marginalised groups. The barriers they face are not new, often a combination of organisational and circumstantial factors, for example employer recruitment practice; low skill levels/lack of recent work experience. Some of the most prevalent barriers are briefly summarised below:
- 3.2 **Low skills and qualification levels.** Data from the 2001 census shows that Inner South wards are within the lowest 6 within the city having between 42% -49% of people with no qualifications. Between 14%- 18% have a Level 1 as their highest qualification against a city average of 15.9%. Using customer profile information from the Council's Jobshops, over 50% of customers from the area are skilled at or below Level 1. Census data for those with ESOL needs is not sufficiently reflective of the current position given the demographic changes over time but clearly language remains a barrier to many jobseekers.

- 3.3 **Lack of recent work experience.** This often disproportionately affects young people and impacts their capacity to make realistic work choices, acquire references, learn specific work skills and establish a track record.
- 3.4 **Mobility.** The affordability of transport for those on benefits or low incomes can be problematic while seeking employment and attending training or accessing other support. The accessibility to transport is cited in some areas where individuals feel they are disadvantaged in accessing opportunities across the city. Mobility barriers are also often characterised by peoples' perceptions of and willingness to travel to work.
- 3.5 **Childcare.** Access to affordable local childcare during working hours and at the beginning and end of the school day can be problematic for many parents seeking work.
- 3.6 **Competitive selection.** The recruitment practices of many employers in a very competitive labour market has resulted in individuals being required to demonstrate a testing range of skills and personal qualities through applications, pre-selection processes and interviews. The need for efficiencies in dealing with very large volumes of applications and the opportunities afforded by the internet has seen a shift to on-line recruitment. In many cases, failure to successfully complete the initial on-line selection phase prohibits re-application to that employer for a period of time, commonly 6 months.
- 3.7 **Aspiration.** The absence of positive role models, negative perceptions of work prospects and consequently the value of learning/training often result in a rejection of available opportunities due to low aspiration. Unrealistic aspiration in terms of wages, the requirements of work and often terms and conditions can lead young people to choose less constructive pathways.

#### **4.0 Working with Employers**

- 4.1 The Council, and its partners, are taking forward a number of strategies to support young people and adults back into employment, taking account of the barriers identified above. These represent a combination of activities and detailed below are those activities which are employer focused.
- 4.2 The Council's Employment Leeds team is currently working with a number of businesses to meet their workforce development needs by investing in skills training to up-skills their existing workforce and recruit to fill skills gaps through local recruitment. Using intelligence from employers about their recruitment needs, processes and skills requirements, the service is able to design and deliver support programme for local people to access these opportunities. A recent example of this is the work Employment Leeds and Jobcentre Plus have undertaken with ASDA to support recruitment in Leeds and understand what this means for potential applicants to vacancies at the Middleton site. Another example is the work with Iceland where the company will be using the Council's Jobshop at Tunstall Road as its main recruitment base for its new Dewsbury Road outlet.
- 4.3 The Employment Leeds team works with key businesses in the City to ensure opportunities are made available to a wider range of communities than might

otherwise be the case. Employment and Skills Obligations placed on developers and contractors working with the Council are usually targeted to adjacent communities to ensure that the employment generating potential of the development or service provision benefits that community. Support is provided to recruit local labour, provide apprenticeship and work experience placements and support local business supply chains. Over 1,000 vacancies will be supported in the end use business on developments scheduled to commence trading next year. These will be made available to local communities through the network of learning and skills providers and other support organisations.

- 4.4 In November, the City Deal programme will enable the establishment of the Apprenticeship Training Agency, a limited company jointly owned by the Council and Leeds City College to support local employers, particularly small and medium enterprises (SME's) to benefit from the Government's increased investment in apprenticeships. The ATA will support small businesses that are unable to take the risk of directly employing an apprentice themselves, opening up a much larger group of businesses to the apprenticeship market. Given the large number of SME businesses in south Leeds, it has the potential to create additional apprenticeship places for young people to secure jobs and improve their skill levels.
- 4.5 The retail sector continues to play an important role in the local economy within Inner South and across the city. There is significant ongoing and planned investment in retail developments in both the city centre and in out-of-town sites that will create a significant number of job opportunities over the next few years. There are proposals for a refreshed Retail Academy, based on the National Retail Skills Sector model of a Skills Shop, tailored to the local economy. The new facility will accommodate a broad range of retail associated training services at all levels. This will be complementary to the provision offered at the Point at White Rose Shopping Centre.

## **5.0 Support to individuals and local communities**

- 5.1 The Council delivers and commissions a range of activity to support people acquire skills and secure employment. The main delivered service is the Jobshop network. There are 2 full time Jobshops that serve the inner South area, Penny Hill and Tunstall Road Centre, both in City and Hunslet ward. There is also a sessional Jobshop service at St.George's Centre in Middleton operating a half day per week.
- 5.2 Jobshops offer a range of Information, Advice and Guidance services to customers by accredited staff. These include guidance and support on jobsearch, producing CVs, completing applications, information about job roles and the job market and signposting to other services. All customers have an induction on their first visit, to assess their needs and determine the support required to enable them to gain employment. Since January this year almost 2,000 individuals have registered at the Inner South Jobshops. In the same period, 400 Jobshop customers from this area have moved into employment and almost the same number have been referred to other organisations for additional support to become more job ready.
- 5.3 Members of the Jobcentre Plus Outreach Team have a sessional presence within Jobshops to complement the service offered by the Council. They work informally with customers to advise on in-work benefit calculations, work experience and

training options and prepare individuals who maybe required to attend health capability assessments. Specialist information is also provided for Lone Parents and those in receipt of health related benefits.

- 5.4 As part of the Government's Youth Contract, Leeds (alongside Bradford and Wakefield) has been awarded funding under the City Deal programme to deliver support to 16 and 17 year olds not into education, work, apprenticeships or training. This is in addition to the current work to support young people through targeted services. The Council has contracted delivery to a range of organisations that have a successful track record in delivering support to young people from a variety of backgrounds. The model focuses on a Key Worker approach to identify and engage those 16 and 17 year olds who require additional support to move into work or further learning. It is anticipated that the average length of stay on the programme will be 6 months. Individuals will be able to access mentoring support from businesses and take up work experience placements, enabling them to acquire references and get a real taste of the world of work. Delivery commenced in late September 2012.
- 5.5 The Council, as a local fund manager for the Skills Funding Agency, commissions activity from learning providers, primarily third sector organisations to deliver Community Learning. This is typically first step, term time provision within localities offering those aged 19 years plus an opportunity to develop skills and confidence. There is specific provision for those with learning difficulties and disabilities, mental health issues and other vulnerable groups. A significant amount of provision is focused on developing employability skills and provision is being planned to support some of the areas employment opportunities arising over the next year. The intelligence outlined in section 4 will inform programme planning to ensure that the design, availability, and location of support is aligned to maximise outcomes for local people. For example, provision will include support to prepare local residents to secure the skills and confidence required to progress through on-line recruitment and pre-selection processes. The service will work with its commissioned providers to ensure there is capacity to meet demand and respond to identified needs.
- 5.6 In addition to the above activity, the Council supports a range of targeted activity. Examples of this include: commissioned construction skills training providing a tailored programme of first steps engagement, employability training and work experience. The programme adds value by providing 'wrap-around' support to existing skills provision. The Council also supports provision specifically for BAME groups, offering accredited skills development, work experience placements and jobsearch support for those seeking work in a variety of sectors.

## **6.0 Partner Activity**

- 6.1 Jobcentre Plus is the key agency charged by Government with supporting people back into work. All new benefit claimants are assessed by Jobcentre Plus Personal Advisers who refer individuals to a range of support measures dependant on their status and eligibility. In short there are two phases in the Jobcentre Plus 'Customer Journey', the Get Britain Working measures and for those still unsuccessful in securing employment, the Work Programme. Get Britain Working includes:

- Work Clubs - to encourage people to share skills and experience
- Work Together - a way of developing skills through volunteering
- Work Experience - to give people practical experience and access to recent references
- Enterprise Allowance - support and financial help for self-employment
- Sector Based Work Academies - linking work experience and skills training to real recruitment activity
- Mandatory Work Activity – targeted at those who continually fail to comply with the required job search activity

- 6.2 Work Clubs in Inner South are run by Health for All and Igen, operating from The Pavilion, Dewsbury Road, Belle Isle Family Centre, Middleton Family Centre, Holbeck Youth Centre, Roselund centre, Rothwell. Each session is available half a day per week and given they started in August and September, take up is currently low. Work Clubs compliment the Council’s Jobshop delivery by locating in areas where there is no Jobshop presence and offering more informal provision for those who may require more intensive support ahead of accessing other mainstream services. The Council actively seeks opportunities to inform the roll out of Work Clubs to support intelligent mapping and aligned service delivery.
- 6.4 Work Clubs are established in response to needs identified by Jobcentre Plus or from within communities. Following a request, Jobcentre Plus will check with local networks to identify a partner and explore their potential for delivery. If successful, up to £10k is available to organisations for start up costs (eg ICT, other capital equipment etc) but there is no funding for ongoing expenditure. Where an organisation is able and willing to proceed, Jobcentre Plus can provide the final approval within 2/3 weeks.
- 6.5 Although there have been no Sector Based Work Academies based in the area this year, there have been two city centre based opportunities to which local eligible claimants will have been referred including MacDonaldis and Capita.
- 6.6 The Work Programme is delivered by two providers, Ingeus and Interserve (formerly BEST Ltd), both located within the city centre. Customers do not select their provider as referrals are mandatory and made on an alternate basis. The Work Programme provides a tailored approach to supporting individuals address any barriers and therefore the level, type and range of interventions vary according to individual need.
- 6.7 Data is not yet available on job outcomes from the above interventions. Although there are discussions in place around data sharing with Work Programme providers, performance information is not currently in the public domain.
- 6.8 In addition to the above activity the Department for Work and Pensions has commissioned a national support programme, with ESF funding, to support families. The contract focuses on supporting families or members of a family who are experiencing multiple barriers and to be eligible an individual in the family must be in receipt of work related benefits. The local delivery provider within the city is Pinnacle People. The training and support that is available for individuals is focussed on 4 Core Themes, Family, Lifestyle, Finance and volunteering and Work

solutions. Pinnacle deliver and signpost to a range of opportunities to develop vocational skills, confidence and motivation. They can also arrange work experience placements where appropriate. Pinnacle employ Life Coaches to work on a 1-1 basis with individuals visiting them at home if required. All individuals have their eligibility checked via Jobcentre Plus prior to referral to the programme.

## **7.0 Corporate Considerations**

### **7.1 Consultation and Engagement**

7.1.1 Consultation and engagement with a wide range of stakeholders has been an integral part of the development of current programmes to ensure they meet the needs of communities and businesses. These have included Jobcentre Plus, learning and skills providers from the third, public and private sectors and the Skills Funding Agency. The Council seeks regular feedback from its Jobshop customers and participants on employability and skills training programmes to ensure that their experience informs and shapes provision.

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

7.2.1 There is a wide range of activity supporting young people and adults into work or further skills training. The targeted support is designed to reach those groups furthest from the labour market, experiencing multiple barriers and often disconnected from mainstream provision. The activities to engage and support employer recruitment will increase the number of opportunities available to communities.

7.2.2 Equality Impact assessments have been undertaken and inform individual programmes. It is not appropriate to include a comprehensive and detailed list of individual projects within the headline initiatives detailed in this report. However it should be noted that there is a range of support targeted at specific groups facing particular barriers to work including BAME groups, women, those with health issues or disabilities and other vulnerable groups.

### **7.3 Council policies and City Priorities**

7.3.1 Increasing employment and raising skill levels amongst young people and adults is a key priority for the Council and its partners. The range of initiatives delivered by partners contributes to the achievement of targets in both the Sustainable Economy and Culture and the Children's and Young People's City Priority Plans by increasing skills levels and the number of young people and adults in work and or learning.

### **7.4 Resources and value for money**

7.4.1 The resource for this range of interventions comes from a variety of agencies. Collaborative working with partners ensures added value remains key within existing and any planned programmes.

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

7.5.1 There are no legal implications or decisions required.

## **7.6 Risk Management**

- 7.6.1 Risk assessments have been undertaken as necessary for individual programmes. Consideration of sustainability issues is ongoing.

## **8.0 Conclusions**

- 8.1 The range of interventions in support of businesses, local communities and particularly those groups of young people and adults furthest from the labour market is complex. Given the economic challenges, the implementation of the Government's welfare reforms and the entrenched nature of unemployment in some of the city's most disadvantaged communities effective collaboration with partners is critical. There is an ongoing commitment to ensure Council activity and that of its partners is aligned to ensure the best use of resources and outcomes for local people.
- 8.2 Members may wish to consider, in their role as community leaders, how they can support the employment and skills agenda locally and:
- identify local networks / groups that could support a work club so that we can link them to Jobcentre Plus for further information and support
  - support the drive to increase the number of young people accessing apprenticeships and businesses offering apprenticeship posts by disseminating information to local people and businesses to identify local business networks / forums which may benefit from the services offered by Employment Leeds
  - be aware of the changing recruitment and selection practices used by employers and disseminate information when available on local learning opportunities particularly those we are now putting together on ICT / on line recruitment and selection processes so that local people are aware and prepared to take advantage of forthcoming job opportunities
  - feed information/ ideas through to the Employment and Skills Board on how we can best support local residents and ensure programmes and initiatives continue to meet their needs

Information to support the above activity is contained in the appendices and the following link to the Employment and Skills section on the Council's web pages.  
[www.leeds.gov.uk/employmentleeds](http://www.leeds.gov.uk/employmentleeds)

## **9.0 Recommendations**

- 9.1 The Area Committee is asked to note the contents of this report.

### **Background documents<sup>1</sup>**

There are no background documents associated with this report

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.