

West of England Partnership
Partnership Board
31 August 2010

Tackling Worklessness: Work & Skills Plan

Background

This plan was developed as a shared strategy across the partnership area to both:

1. Meet the MAA objective of 'Reducing the gap between the rate of worklessness in the most deprived wards of the sub-region and the national average by 1 percentage point by 2014'
2. Fulfil the requirements of our successful sub regional Futures Job Fund bid to produce an interim Work and Skills plan.

The Tackling Worklessness plan was developed by the Worklessness Sub Group, chaired by Karen King, Regeneration Manager, Bristol City Council, and includes representatives from all Unitary Authorities together with Jobcentre Plus, Shared Commissioning Service, Connexions, Skills Funding Agency, Business Link, Higher Education & Further Education representatives and the South West Regional Development Agency.

The plan recognises that entrenched worklessness was an issue in the West of England Partnership Area and identifies four priorities for action:

- Young People
- Skills
- Multiple Deprivation
- Employer Engagement.

The 'Tackling Worklessness Plan' provides an action plan, focusing on the specific steps required to successfully deliver the desired outcomes in the four areas.

This initial Tackling Worklessness Plan covers the period of 2010 – 2012. The plan will be reviewed and updated annually by the Worklessness Sub-Group on behalf of the Skills & Competitiveness Board.

Recommendation

That members consider the plan and give views

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West of England Partnership

Bath & North East
Somerset Council



North
Somerset
Council

South Gloucestershire
Council

WEST OF ENGLAND

TACKLING WORKLESSNESS PLAN

2010-2012

Executive Summary



This plan has been developed by the Worklessness Sub-Group of the West of England Skills and Competitiveness Board, and provides an infrastructure and intelligence base to support the delivery of the actions in the MAA, specifically in terms of employment and skills.

Based on a detailed assessment of needs, the work and skills plan proposes a joint approach by all partners to tackling work and skills issues in the partnership area. On the ground in this partnership area, this approach has now been working (through West at Work) for some time. This Tackling Worklessness Plan further emphasises the need for adopting multi-agency approaches and strategies for tackling the multidimensional barriers to work faced by disadvantaged jobseekers.

The plan also details the ways in which the Partnership will achieve its worklessness objectives, which are categorised as follows:

- Increasing the employment rate in the West of England by reducing the gap between the rate of worklessness in the most deprived wards of the partnership area and the national average by 1 percentage point over the next five years
- Bringing local partners, including the four authorities, JCP, Skills Funding Agency and SWRDA, FE & HE together in a shared commitment.
- Supporting the Creation, Retention, and Development of Local Businesses and Enterprises.

The Unitary Authorities, JCP, Skills Funding Agency and SWRDA, FE & HE, all have major roles in addressing the employment and skills need of the region. Third sector agencies and social enterprises may sometimes be better placed to communicate with disadvantaged residents and should therefore be included and utilised effectively.

The West of England has a history of relatively high employment and a highly skilled population. Despite the recent recession, the West of England economy and labour market looks set to grow significantly over the next 20 years. This projected growth however, excludes a high number of workless residents in some parts of the partnership area. More recently, these issues have been compounded by the rise in the number of jobseekers as a result of the recent recession.

Although the causes and effects of worklessness vary with each individual it is possible to define some of the broad characteristics in this partnership area. In Bristol, for example the 'average' workless person is likely to be male, aged over 45 and to have been claiming ESA/IB due to mental health issues for at least five years. The bulk of the workless in the West of England are Employment Support Allowance or Incapacity Benefit claimants (Employment Support Allowance, ESA, replaced Incapacity Benefit, IB, in October 2008).

A summary of West of England area wide characteristics is:

- Unemployment is higher amongst men than women
- The likelihood of unemployment increases age 35+
- Unemployment at age 50+ is higher as a proportion of the whole population
- Unemployment amongst the ethnic minority groups exceeds national percentage levels in Bristol and North Somerset and is highest amongst Black or Black British males.

As of August 2009, there were 75,730 working age people claiming out-of-work benefits in the West of England. Over half of these, some 40,040, are in Bristol. At ward level, there are 28 wards containing significantly above average numbers of workless people. These 28 wards, 4 in Weston-super-Mare and 22 in Bristol, are home to more than half the workless population of the West of England. The highest numbers of workless people are in four key wards.

- Lawrence Hill (Bristol)
- Ashley (Bristol)
- Filwood (Bristol)
- Weston-super-Mare South

In the priority wards defined within the West of England Multi-Area Agreement (MAA) 24% of all working age individuals are in receipt of workless benefits; this is over double the West of England average of 11%. The figure is significantly higher than that in some wards; for example 30% of working age residents in Lawrence Hill are workless. 54% of claimants in the eleven wards are in receipt of Incapacity Benefit; three quarters for over 2 years. In Weston-Super-Mare Central almost a quarter of the entire working age population is on Incapacity Benefit alone. In Filwood, South Bristol 7% claim Lone Parent benefits. This is almost four times the proportion for the West of England as a whole.

On the basis of our assessment the Partnership proposes concentrating its efforts on the following:

- Young People,
- Skills for Employability
- Multiple Deprivation within Neighbourhoods
- Employer Engagement

1.1 Young People

This age group (age 16-24) accounts for a disproportionately large element of the workless population. Youth unemployment represents a serious risk of prolonging the “generational unemployment” issue and hence a long-term cycle of worklessness. In terms of a return on investment this is the cohort of workless most likely to provide the solution to changes in long-term labour demand. Addressing the problem of youth unemployment will require a number of collaborative efforts between national, regional and local tiers of government and other partners, as well as innovative projects to re-engage young people in the labour market. Future Jobs Fund activity in this region has been a huge success and ways must be found to sustain some of its good practice in terms of partnership working, embedding employability skills into work placement and increasing the opportunities for pre-employment work placement for young people.

In addition to the problem of worklessness many young people are not in employment, education or training (NEET) or in jobs with no prospects. Young people account for almost a third of all West of England workless claimants and are twice as likely to be out of work as older people.

7.4% of young people (2,384 young people) across the West of England area are NEET, but within Bristol this figure increases to 10.8%. Analysis into the relationship of socio-economic indicators such as unemployment and NEET rates will help the partnership to identify the extent to which the West of England has a specific NEET problem

1.2 Skills

Skills are the common denominator of worklessness. People in lower-skilled occupations are far more likely to be JSA claimants than those in higher-skilled occupations, across all four local authorities. While 10% of all employment in the West of England is in Elementary Occupations, people whose usual job was in an elementary occupation made up almost 30% of claimants in December 2009.

The proportion of those with no qualifications amongst those claiming benefit is 3 - 4 times higher than for those in work. In the 11 priority wards 55% of all adults are qualified below level 2 and 37% have no qualifications at all (compared to West of England averages of 41% and 24% respectively).

A national survey of literacy and numeracy skills in England (DfES, 2003) identified that around one in six adults (16%) were classified at Entry Level 3 or below. Under half of the respondents (44%) achieved Level 2 or above, which means that approximately 66% of adults have literacy skills below Level 1 or below. Out of 100 jobs, it has been estimated that only 2 are available for people who have literacy, language and/or numeracy skills at a very low level.

A poor skill base presents a major barrier to employment. People lacking appropriate skills are automatically excluded from whole areas of the labour market – including some that are growing rapidly. Even where they are not excluded they compete at a disadvantage.

1.2 Multiple Deprivations within neighbourhoods.

Worklessness frequently sits alongside and contributes to other forms of disadvantage such as poor education, health, poverty, housing, and expectation. National research also shows a correlation between lower levels of literacy and numeracy and socio-economic condition.

A large number of workless individuals are concentrated within small geographical areas that are cut off from the relative prosperity of the rest of the partnership area. The Index of Multiple Deprivation 2007 gives an overall indication of the scale of deprivation within each Lower Super Output Area (LSOA) and is a useful tool to measure the impact of deprivation of population affected. Bristol has a particularly high proportion of its population (16%) living in areas among the most deprived 10% in England.

Labour market research confirms that a real multiplier effect occurs if these individuals are taken out of worklessness. The impact potential is not only on themselves, but also on their family – particularly their children and the wider community.

It is important to recognise that our shared commitment to tackle worklessness, while properly focused on the eleven most disadvantaged wards, extends to other neighbourhoods across all four authorities.

1.4 Employer Engagement

Encouraging employers to invest in work based learning and apprenticeships, particularly for young people will be fundamental in addressing the issues around training. The plan proposes several approaches to employer engagement. Some initiatives attempt to engage

specific employers such as the unitary authorities, whilst others encourage sectoral (Retail & Hospitality) or geographical engagement.

The following recommendations are proposed as points for action:

- Encouraging employers across all sectors to focused on up-skilling and qualifying the employed by making a commitment to increasing apprenticeships and graduate internship programmes.
- Increasing the skills of their workforce to a minimum of level 2.Improving access routes into apprenticeships (FJF, Apprenticeship Guarantee). Promoting sector specific work programmes (prioritising sectors such as Healthcare, Retail and Hospitality.
- Engaging Trade Union Learning Representatives in the process.
- Raising JCP profile with employers to encourage more employer participation.
- Targeting employer engagement activities and encouraging local procurement networks.

2. Mapping Provision

Provision to tackle worklessness across the West of England has been categorised into the national “spine” of government funded provision, FE Provision and local and community Based Provision. The spine is made up of National Programmes (primarily Skills Funding Agency & Job Centre Plus funded) such as Work Focussed Training and Flexible New Deal. The primary focus is currently on young people age 18-24. These are complemented by, a diverse range of other local community based provisions targeting specific ethnic groups and localities long-term worklessness and social exclusion problems.

The region has a track record of strong local partnerships such as Ways to Work, the West at Work activity, for example, Cabot Circus and Bath Southgate and the BANES Learning Services partnership. The partnership area ‘Future Jobs Fund’ programme currently in its second phase has provided support for more than 600 young people from our priority groups.

The area also benefits from a strong and well-resourced FE sector across the five colleges with an enviable record of activity in the area of basic and employability skills.

Some of this provision is at risk due to national public sector funding constraints. The partnership area has already been affected by the reduction in funding for accredited developmental learning, reduced FE allocations, threats to local authority-funded provision and the demise of FJF.

The adequacy of provision is therefore an issue and the partnership is determined to make best use of any new funding available to meet any gaps in provision resulting from the above. Also, of equal importance, is the need to ensure that provision is combined and standardised through more effective integration of DWP provision, continuing joint plans to provide access to jobs for workless people wherever there are major new employment opportunities and innovative approaches to integrated working with specific client groups.

The introduction of the new DWP Single Work Programme is by far the most significant development and represents the most fundamental reform to the “welfare to work” system for decades. Announced at the beginning of July its key features include:

- The creation of a single contracting framework for all government support aimed at moving individuals off benefit and into employment
- A move to payment of contractors on outcomes – effectively deferring the costs to government to the point at which those costs are balanced by savings in benefit payments
- The structuring of the contract system to create a small pool of major contractors operating at a regional or national level with the financial capacity to manage the cash-flow implications of these contracts.

While local voluntary and community organisations could have a role in the new Programme, there will be major financial implications which have still to be fully worked through in their undertaking a sub-contracting function.

The implications for the role of Job Centre Plus are also not clear and are unlikely to be fully defined before the completion of the government’s Comprehensive Spending Review in Autumn.

3. Next Steps

To the best extent possible, the tackling worklessness plan reflects the change in government priorities, which represents the most fundamental reform to the “welfare to work” system for decades. In terms of future action this plan represents a shared statement and plan from the four local authorities and the other key stakeholders who will build upon the work already being undertaken separately and jointly. The evidence we have analysed demonstrates that, as with any other partnership area, the West of England faces a complex and interconnected set of factors and problems in tackling the issue of worklessness. The following actions are proposed in relation to our four priorities:

Skills for Employability: Action Plan 2010-2012 Partnership Owner: Antony Merritt (South Gloucestershire Council), Lead Officer: Sue Attewell

Objective(s)
1. Improve the provision of labour market intelligence (growth, skill gaps, etc) shared with providers
2. Develop an enhanced skills accounts proposition to provide additional resources to disadvantaged areas. Explore ways by which these accounts could be topped up with S106/ESF funding
3. Promote a ‘wrap around apprenticeship service’, offering more flexible entry points for workless people into apprenticeships and sustained employment, also further progression to L3, to improve sustainable employment
4. Develop an effective skills pledge proposition (worklessness strategy)- with a preventive focus to ensure that vulnerable people already in work are supported and retained, especially within the public sector
5. Develop a Green/Digital Skills Proposal

Young People: Action Plan 2010-2012 Partnership Owner: Jane Taylor (Bristol City Council), Lead Officer: Lucy Woodman

Objective(s)
1. Target remaining 300 FJF places (phase 2 not phase 1) within deprived areas, incorporating young people in short-term employment.
2. Develop a new sub-regional 'Young People into work' funding proposal that is based around the learning outcomes of the Future Jobs Fund.
3. Develop a single strategy for young people in Jobs without training as well as those that are NEET.
4. Develop a working model to support young people leaving care into employment. <i>Link with mentoring programmes running in S Glos and Bristol schools either through ABLAZE or own programmes</i>
5. Develop a strategic model for 'raising the aspirations' of young people aged 10+, to include parents, carers, employers and educational institutions. <i>Link with and build on existing Aim Higher programmes (e.g. ; priority neighbourhood family learning initiative in S Glos)</i>
6. ESF funding to be targeted at those young people most susceptible to disengagement/becoming NEET

NB, where the plan refers to young people it means young people who are aged between 16-24 (up to day before 25th birthday) as agreed by the Young People Working Group

Multiple Deprivation within areas: Action Plan 2010-2012 Partnership Owner: Karen King (Bristol City Council), Lead Officer: Rashida Hartley

Objective(s)
1. Multi Agency Approach
2. To develop and share best practise around developing a 'no wrong door approach'
3. Utilise Section 24a powers to align funding streams and flexibilities around sub-regional priorities identified by the Skills and Competitiveness Board
4. Community Leadership & Engagement
5. Develop a 'Bridges Into Work' proposition for the partnership Area
6. Develop pilot activity to support separate cohorts from areas of multiple deprivation and also test the Customer Journey.
7. Using lessons learnt from the pilot develop a sub-regional strategy to support those in areas of multiple deprivation into work

Employer Engagement: Action Plan 2010-2012 Partnership Owner: Alan Madge (Jobcentre Plus), Lead Officer: Catherine Mazza

Objective(s)
1. Create a marketing document for businesses to reflect one point of contact i.e. the public sector in WoE.
2. Increase the engagement of businesses in the 'Tackling Worklessness' agenda, particularly in areas of multiple deprivation and champion increased linkages with schools in these areas.
3. Create a common approach to Section106 and planning processes to increase the availability of work experience placements and apprenticeships within the construction phase of new developments.
4. Create a model to use with key sites when approaching end-user employers about employment opportunities for young people and people living within the deprived areas of the sub-region.
5. Develop a graduate improvement programme between employers and universities.

The next steps in the process for us will be:

1. Securing the formal endorsement of all partners to this interim plan through the Skills and Competitiveness Board
2. Building detailed programmes and outcomes for a three year period for each of the priorities outlined above
3. Incorporating within each of those programmes a response to any policy changes in skills or welfare funding which may impact on delivery locally.

4. Monitoring and Management

On behalf of the Operational Group, the Worklessness Sub Group will be responsible for monitoring and reviewing both the Tackling Worklessness Plan, and the Action Plans on a monthly basis, and will report progress against the action plans to the Skills & Competitiveness Board.