

Bath & North East Somerset Council

MEETING:	Early Years, Children and Youth Panel
MEETING DATE:	21.May.12
TITLE:	Skills and Employment
WARD:	ALL
AN OPEN PUBLIC ITEM	
List of attachments to this report: Appendix 1: Skills and Employment: Rationale and Business Plan Appendix 2: Workplan January 12 – April 13	

1 THE ISSUE

- 1.1 The Council corporate objectives prioritise the needs of people.
- 1.2 This report gives the Panel an oversight of how people's needs in respect of skills, work and worklessness are to be met.
- 1.3 This new area of the Council work is transformational in its philosophy, action and organisation and hopefully in terms of delivering outcomes.
- 1.4 Skills and employment provides a coherent response to a hidden problem.

2 RECOMMENDATION

The Early Years, Children and Youth Panel are asked to:

- 2.1 Accept this brief, understand the intended outcomes and be aware of the context for Skills and Employment within the District,
- 2.2 Articulate opportunities and linkages to support the work of Skills and Employment,
- 2.3 Champion and commit to delivering the ambitions for people through Skills and Employment and
- 2.4 Commit to continue to review the Skills and Employment Division in terms of its budget, value for money and effectiveness.

3 FINANCIAL IMPLICATIONS

- 3.1 The budget agreed for Skills and Employment by Council in February 2012 for the financial year 12/13 is £300,000.
- 3.2 The budget proposal for Skills and Employment was not presented as an item of growth. Funding has been redirected from within the People and Communities Directorate's existing resource, including a requested carry forward of £120k. A one off amount from Development and Major Projects of £87,000 has been identified (as some resource within that Directorate was specifically to tackle skills).

4 THE REPORT

Background and Context

- 4.1 Bath and North East Somerset is a prosperous and vibrant area within which are thriving communities and industrious individuals.
- 4.2 This provides a sound basis from which to grow, strengthen and diversify the economy.
- 4.3 Economic growth is important as it generates the wealth which allows people to make choices about their lives, build resilience and to contribute to society to tackle issues such as climate change that cannot be tackled by individuals alone.
- 4.4 The local economy has structural weaknesses however; for example it is too reliant on a public sector that is reducing in size and industries that typically pay low wages such as retail and tourism. In response to this Council has adopted an economic strategy that is based upon growing sectors of the economy that are highly productive and generate wealth such as digital, creative and science based industries; commonly referred to as "knowledge" industries.
- 4.5 A key factor in securing business success is how skilled the workforce is. Typically Britain remains less productive than competitor countries, one reason being skills levels in Britain are lower. Within B&NES resident skills levels are higher than the national average whereas workplace skills are lower. This pattern is reflected in wage levels. A practical demonstration of this impact is the amount of commuting in and out of the district for work.
- 4.6 A further anomaly within the district is that 9% (approximately 9000) of working age people are not working and are claiming out of work benefits. This is a human tragedy, waste of resources, lost potential and a cost to society (cost in benefits, healthcare etc.).
- 4.7 Within this number only about 2500 are claiming Job Seekers Allowance (JSA) which is the number used to define unemployment. The remaining numbers represent groups such as Lone Parents on Income Support and many of the long term unemployed who are on Incapacity Benefit (IB)/Employment and Support Allowance (ESA).

- 4.8 People can be out of work for a whole variety of reasons from lack of jobs, to caring responsibilities, ill health, lack of skills, poor motivation etc.
- 4.9 Typically worklessness is distinguished from unemployment by several of the above factors colliding to ensure that work, or seeking it is not likely. This requires a solution that tackles not just the work issue but the other social and personal issues affecting someone.
- 4.10 Growing the economy without addressing the skills and employability of residents will likely mean that more people will migrate in to work. This will exacerbate the challenge we all face with increased commuting and demand for housing.
- 4.11 Another facet of not dealing with this problem is the spiralling costs associated with supporting people who cannot sustain themselves.
- 4.12 The Council has historically focussed on growing the economy through enabling development of offices, infrastructure and commissioning support to business. A clear Vision and economic strategy exists to drive the delivery of this.
- 4.13 The focus has now been sharpened to address the labour market:
- (1) To support the economy
 - (2) To enable individuals to realise their aspirations and potential and
 - (3) To reduce the need for and cost of service to assist people when they cannot help themselves
- 4.14 This is in alignment with the Councils corporate objectives.
- 4.15 Organisationally the Council is changing too; to reduce its costs and to deliver better services. One manifestation of this change has been the establishment of the People and Communities Directorate. This has afforded new opportunities to respond to citizens needs in a different way as is evidenced by the establishment of Skills and Employment as a Division.
- 4.16 As partners in Government, the Council has a big role to play in delivering the Governments policy. Several areas of Government policy are focussed on the Skills and Employment 'arena':
- (1) Department of Business Innovation and Skills (DBIS) – changes to funding for Universities, National Apprenticeship initiatives, Local Enterprise Partnerships (LEPs), Further Education etc.
 - (2) Department for Work and Pensions (DWP) – introduction of the Universal Credit, Work Capability Assessments, Job Centre Plus, the Work Programme, Youth Contract etc.
 - (3) Department for Education (DfE) – Academies, careers service etc.
 - (4) Department of Communities and Local Government – introduction of the Complex Families initiative within which worklessness is a key focus.

4.17 Local priorities, local needs and national changes all are driving the need for a response from the Council.

The Response

4.18 The starting point when considering the response to the facts around Skills and Employment has been to set out a clear philosophy to underpin an action plan. That is;

- (1) Everyone has capabilities and aspirations
- (2) We need to work alongside people to hear what they want from us to enable them to realise their goals

4.19 This philosophy has been turned into a plan of action (with associated budgets, resources and timeframes). Broadly this work plan has two themes with a number of projects under each:

(1) Worklessness

- a) Placement Plus Programme – personally tailored long term placements of practical work experience alongside which job coaching and specific support around the other social difficulties in someone’s life is provided. The person is supported by an Engagement Worker who works to develop a plan with the individual focussed on a result of getting work.
- b) Healthy steps to employment – in due course a co-designed pilot project with the Clinical Commissioning Group around extending social prescribing and work based adaptations to ensure those who experience health difficulties can remain in work
- c) “Man, van and apprentice” – a pilot project to develop a ‘bank’ of qualified labour to support small self-employed operators who cannot risk taking on permanent labour but whom need sessional help in competing for certain jobs

(2) Skills

- a) Value based commissioning – ensuring that the money that the Council spends contributes to growing the economy and labour market opportunities. For example ensuring that decisions about procurement are not just based on price but what they contribute more widely to our economy
- b) Development obligations – using Section 106, Community Infrastructure Levy (CIL), development agreements and licences to meet the needs of the economy and the labour market. For example ensuring developers employ apprentices etc.
- c) The Council as an employer – in recognising the Council is a major employer working to develop policies, targets and procedures that ensure teams can engage placements, interns, work experience and volunteers in a positive way that supports local people in gaining new skills and experience

- d) Data – Knowledge – Action – understanding the labour market now and in future and cross referencing this with economic growth plans to ensure businesses have skilled local people when they need them. Some sectors such as engineering struggle to recruit staff. Anticipating future needs allows schools and colleges to train people up
- e) Events – promote apprenticeship initiatives such as the recent Skills Fair.
- f) Communication – developing a narrative that articulates clearly why work pays, its value and benefits: especially targeted at those with low motivation or poor attitudes to work.
- g) Partnership Development – B&NES has a strong Learning and Skills Partnership and we are part of the West of England Local Enterprise Partnership (LEP). The focus of this work is to make sure B&NES residents needs are met by education and job agency providers as well as being articulated through the LEP economy initiatives
- h) Graduate Retention – working to build upon work already done to attract and retain graduates; especially those who create and build new businesses
- i) Evaluation – finding a way of measuring our impact more than just economically but socially too and reviewing what else we can do.

A copy of the Rationale behind the Division and a workplan are included in Appendices to this report.

4.20 Skills and Employment can only deliver these ambitions with others. This is because worklessness is not just about work. It is about complex social, economic and personal reasons.

4.21 People and Communities Directorate affords great opportunities to work across teams to ensure that for the client it is seamless, common sense and coherent. It is about joining up the dots.

4.22 One specific example of this is in regard to Looked after Children and the Council's role as a Corporate Parent. The ambition is clear; all children in Local Authority care should have the skills required to get and retain a job. To that end the Council has employed an Engagement Officer specifically to work with looked after children and get them on a pathway to work.

4.23 External to the Council there are many providers, partners and operators who work on one or more aspect of worklessness in peoples lives. Dialogue and projects with Job Centre Plus, Work Programme Providers, Skills Funding Agency, National Apprenticeship Service, Local Businesses, business organisations like the LEP, Colleges, Universities and schools are being joined up, aligned and focussed.

4.24 The Panel are asked to work with the People and Communities team in delivering this step change in provision for local people.

5 RISK MANAGEMENT

5.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

6 EQUALITIES

An Equalities Impact Assessment for this report has not been completed as this was done as part of the Service Planning Process within Childrens Services.

CONSULTATION

6.1 Section 151 Finance Officer; Chief Executive; Monitoring Officer

6.2 The above officers were provided with copies of this report. Their views were sought and incorporated on earlier drafts.

7 ISSUES TO CONSIDER IN REACHING THE DECISION

7.1 Social Inclusion; Customer Focus; Sustainability; Human Resources; Young People; Corporate;

8 ADVICE SOUGHT

8.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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Background papers	Corporate Plan and Objectives Service Action Plan for Childrens Services
Please contact the report author if you need to access this report in an alternative format	