

REPORT TO: Executive Board
DATE: 6th March 2007
REPORTING OFFICER: Strategic Director of Environment
SUBJECT: City Employment Strategy
WARD(S): Borough-wide

1. PURPOSE OF REPORT

- 1.1 To seek authority to proceed with the implementation phase of the City Employment Strategy (CES) through Knowsley Metropolitan Borough Council acting as the accountable body for the CES partnership.

2. RECOMMENDED: That

- 2.1 **Executive Board approves that Knowsley Metropolitan Borough Council be designated as the accountable body for the Liverpool City Region City Employment Strategy.**

3. SUPPORTING INFORMATION

Background

- 3.1 The City Employment Strategy (CES) concept as developed by government is that local consortia are formed of public, private and voluntary sectors which will work together to target those wards with the highest levels of worklessness i.e. worklessness above 25% of working age population. In Halton, the Department of Work and Pensions have identified - Windmill Hill, Castlefields, Riverside, Halton Lea, Grange and Kingsway. The six local authorities in Merseyside submitted a joint business plan to the Department of Work and Pensions that was successful and the area is now one of the national pilots.

Progress to Date

- 3.2 The draft Business Plan is expected to be signed off by the Department of Work and Pensions in the next few weeks. Appendix One contains a summary of the key points of the plan.
- 3.3 The first meeting of the City Employment strategy Board has recently taken place. Chaired by the Chief Executive of Knowsley it comprises representatives from – 6 Local Authorities, Job Centre Plus, Learning and Skills Council, Trade Unions, Voluntary Sector, The Mersey Partnership, Merseyside Employers Coalition and the Government Office. The Halton Representative is the Operational Director, Economic Regeneration.

- 3.4 The North West Development Agency (NWDA) is formally considering a funding application for £3m made by Knowsley Council on behalf of the Partnership. The cash flow has £2.7m in 2008/09 and £700,000 in 2009/10. The key project within this application is aimed at reducing child poverty by working with both the unemployed and the low paid. A national child poverty tool kit is shortly to be launched and will provide information on a local authority basis to enable targeting to take place. A team is to be established to work across all six local authorities to implement the project. This joint working across the strategy area is an essential part of the City Employment Strategy and the lessons learnt through this project will be applied to future joint working.

Issues and Next Steps

- 3.5 The Board is to hold an away day, hopefully in March. It was agreed that as there is a significant amount of work for it to do in a tight timescale, having one dedicated day was the most sensible way forward. Issues for decision at that time will include – signing off of the NWDA package, establishing the commissioning framework and group, agreeing the structure of the small central team, considering progress of the MAA and development of a formal critical path programme.
- 3.6 The development of the plan has been through an inter agency working group with Liverpool City Council leading. As the partnership is now moving from strategy development into the implementation phase, responsibility for management is being passed from Liverpool City Council to Knowsley MBC. This aligns with the developing Multi Area Agreement (MAA) for which Knowsley has the lead on employment and skills.
- 3.7 Looking to the future, the CES partnership will be making a number of funding submissions such as the present request to the NWDA. As such, there needs to be a formal agreement as to which organisation should be the accountable body for the CES partnership. Given that Knowsley is the lead in the MAA and is overseeing the management of the CES, it is proposed that it should be designated as the accountable body.

4. POLICY IMPLICATIONS

- 4.1 Being part of a city region consortium City will help the Council and the LSP achieve targets within the Community Strategy and Corporate Plan, most notably under the Employment, Learning and Skills Theme.

5. OTHER IMPLICATIONS

- 5.1 No other implications.

6. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES.

6.1 Children and Young People in Halton.

Young people that are not in employment, education or training are a key target group within the CES strategy.

6.2 Employment Learning and Skills in Halton

The CES will increasingly enable joint working across the 6 local authorities all aimed at reducing worklessness and unemployment. A key element of this will be the agreement of best practice provision across the area.

6.3 A Healthy Halton.

Supporting people who are on incapacity benefits back into work is a key action within the CES. As such, the Board at its first meeting agreed to extend membership to cover health. Discussions are to take place with the Strategic Health Authority and the Merseyside Health Commission.

6.4 A safer Halton

No implications identified at this time.

6.5 Halton's Urban Renewal

Whilst the CES seeks to enable workless/unemployed people into work, the urban renewal work that is underway in Halton (and elsewhere in the partnership area) is critical in attracting business and jobs to the area. Increasing the number of jobs is a fundamental activity that must take place if the CES is to succeed.

7. RISK ANALYSIS

7.1 There are a number of risks associated with this programme, but they are considered acceptable and manageable at this time. The key risks are

- Potential delays in finalising any enabling measures that are allowed
- The uncertainty as to how local LSPs will allocate the new Working Neighbourhood Fund.

8. EQUALITY AND DIVERSITY ISSUES

8.1 Equality and diversity are key aspects in the CES plan with a number of key groups being identified for priority actions.

9. LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT

9.1 None under the meaning of the Act.

Contacts

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City Employment Strategy- Summary of Key Points

Spatial priorities. The Consortium will have a general focus on those Deprived Area Fund wards with the worst concentrations of worklessness as well as targeting activities on smaller areas within these wards where the worklessness rate is above 25%.

Areas covered by CES and Deprived Areas Funding

Local Authorities	DAF Wards	Working Age Population	Total IS/IB/JSA
Wirral	6	44,587	19,058
St. Helens	5	24,894	9,135
Sefton	6	43,206	15,825
Liverpool	23	172,183	79,236
Knowsley	16	57,107	24,195
Halton	6	19,478	7,265
Totals	62	361,455	154,714

In Halton, these are Castlefields, Windmill Hill, Halton Lea, Grange, Riverside and Kingsway.

Priority groups; lone parents, Incapacity Benefit claimants, people with no / low qualifications, young people Not in Employment, Education or Training, over 50s, workless people in the Black and Racial Minority (BRM) communities, women returners, residents of low income households where children are living in poverty.

Strategic strand 1 – supporting employers for greater productivity

These actions aim to improve the service to employers both in the public sector which continues to be important, and the private sector where the goal is to support business productivity, investment and growth.

Action	Description
Liverpool City Centre recruitment and skills	Liverpool City Centre recruitment support project for a forecast increase of some 10,000 jobs by 2009, mostly in retail, hospitality and leisure. The project opens up access to the new jobs for residents of the DAF wards across Merseyside.
Public Sector Demand-led Routeway Programme for Unemployed Adults and Young People	Customised training programme reflecting the priorities of each Local Authority District, for 1500 unemployed adults and young people to access public employment opportunities whilst enabling the public sector to benefit from a skilled labour force.
Sector employment and skills strategies, Employer HR Forum and Business Champions	<p>A substantial programme to develop a demand led / business facing approach;</p> <ul style="list-style-type: none"> ▪ Action planning for labour and skills demand in the 13 Merseyside growth sectors – as integral elements of sector development plans, extending existing sector action plans. ▪ Joint work with participating employers to develop specific customised employability, recruitment, retention and workforce skills solutions through an HM Forum. <p>A package of activity to engage champions from the business community for the ESS including businesses championing specific areas, adopting the ESS training charter and promoting the ESS through their supply chains</p>
SME pilot programme	SMEs are key drivers of economic growth but smaller businesses often find it difficult to recruit and many do not have workforce training plans. This pilot project will support small businesses with a comprehensive package of service support.
Social enterprise programme	Social businesses are an important part of the economy with a major role in providing employment opportunities for workless people. This measure will support social businesses to increase the scale of their support & improve their workforce skills
Simplified action menu, information, contact and relationship management	To improve business engagement the Consortium will develop streamlined arrangements for business contacts including relationship management protocols and vacancy sharing agreements and will consider the possibility of a single portal / single branding for the ESS.
Business Forum	The development, support and facilitation of a Business Forum, to provide better connectivity between existing business and sector networks and practical means by which employers can inform the content and delivery of the ESS. This project will provide key links between all the elements of this action strand.

Strategic strand 2 – neighbourhood targeting and renewal

These actions will aim to improve targeting of effort and resources on the areas of highest worklessness integrated with neighbourhood management services, investment in housing and local infrastructure, to provide a comprehensive package of support to individuals and households and therefore better value for money through multiple goals:

Action	Description
Local Authority ESS neighbourhood targeting action plans, Partner Engagement Plan, and Housing renewal and housing investment	Building on LAA action plans Local Authorities will produce an action plan for neighbourhood targeting in their area, building on their existing programmes and introducing common best practice elements, linking LAA targets for worklessness with the ESS Delivery Plan. Identifying cross-border activities for those DAF wards that span Local Authority Districts but which are effectively the same neighbourhoods as far as residents and / or employers are concerned. This action will seek integration between the ESS and housing renewal.
Improved local data for more effective targeting	Data management and access project to enable outreach projects to target workless households & individuals more effectively and monitor the outcome of referrals.
Supporting diversity and equal opportunity	The BRM employment rate is well below that of Merseyside as a whole and in some areas is very low. This project will bring together the existing raft of diversity provision to develop a common standard and to accelerate the rate at which BRM communities can start to close the gaps.
Financial services and debt counselling	Many beneficiaries of the programme will have been out of the labour market for considerable time and will need specialist advice and support to manage the financial transition into work. This project will develop a common approach to these services across the six areas.
LEGI and ESS	This action will seek to ensure full integration and alignment between the two LEGI programmes (St Helens and Liverpool / Sefton) and the ESS in the areas covered by both of these.

Strategic action strand 3 - the employment and skills continuum

Central to the ESS approach is the delivery of a seamless continuum of services to employers and individuals to increase the employment rate, build a highly skilled and flexible workforce and help more people leave poverty and acquire lifelong employability and a career.

Action	Description
Outreach & engagement programme	Programme of intensive outreach targeting areas within the DAF wards with worklessness above 25% via outreach teams, local RSLs, GP practises, community & voluntary groups, schools, Job Centres and local employment projects.
Information advice and guidance	Better coordination and enhancement of existing Personal and Careers Adviser teams for young people (aged 16 – 19) and adults (25 +) to provide universal access for individuals to support in career planning and development, across all the partner organisations. The project will create a single gateway to careers information, advice and guidance for individuals in the DAF wards.
Pre-employment support	<p>Firstly, improved targeting & better integration of existing services.</p> <p>Secondly, it will review existing programmes and develop a new extended menu of provision such as Skills Passports and customised training tailored to employer needs.</p>
Transition into work	The Consortium will improve the quality of recruitment services to employers and individuals including vacancy matching, referral of potential candidates, jobs fairs in conjunction with the HR Forum, sector networks and key participating employers. The affordability and adequacy of childcare provision will be reviewed with all key barriers or gaps in provision.
Retention	Employers will be engaged to provide work-based support. Individuals will be supported either by Personal Advisors and / or Trade Union workplace learning mentors.
Work-based skills development	Many residents in the targeted areas have low or no qualifications or outdated skills, or skills that are not currently in demand from employers. To help individuals into sustainable employment, and to support the development of a more flexible and highly skilled workforce, the consortium will work with individuals and employers to put demand-led and appropriate skills provision in place.

Skills passports and skills escalators	The Consortium will co-ordinate, refocus and expand measures such as workbased mentors, Skills Passports and Skills Escalators into the menu of provision. It will also work with Unionlearn to join up support services to employers and individuals.
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Strategic action strand 4 - building strategic and operational capacity

The ESS is a new strategic model that aims to deliver a more integrated suite of employment and skills measures through more effective deployment of existing resources. In addition to the specific measures identified in Action Strands 1, 2 and 3, partners have identified the following further actions to strengthen strategic and operational capacity;

Action	Description
Joint labour market intelligence system, single programme and targeting framework and programme management & monitoring systems	The Consortium will consolidate and expand existing Labour Market intelligence systems. Building on the mapping of current programmes and services, the Consortium will establish a joint single programming and targeting framework as a key tool for improved planning, monitoring and co-ordination of activity.
Joint Commissioning Group	The Consortium's strategic and fund holding partners will establish a Commissioning Group with the remit of managing the pooling and alignment of funds and for the commissioning and procurement of provision via funding from NWDA, ESF, DWP, DfES, and other appropriate funding streams.
Best practice & knowledge management	A key function to be delivered by the Co-ordination Team will be to capture, evaluate and disseminate best practice across the partner agencies, to provide the basis for a joint training and development programme, to inform the rolling out of a common approach and to feed into the Consortium's annual programme review and business planning cycle.
Provider network	To support a real step change in the effectiveness of service delivery, the Consortium will facilitate a provider network to bring together existing networks and delivery organisations from the public, private and community & voluntary sectors for a common work programme of sharing of best practice,

	professional development and training.
New delivery mechanisms	In Year 1 the Consortium will review existing delivery mechanisms and explore options for new models for more employer facing and neighbourhood focused, integrated delivery.

Proposed Governance Arrangements

