SCRUTINY TOPIC GROUP

EMPLOYMENT LEARNING AND SKILLS AND COMMUNITY POLICY PERFORMANCE BOARD

"BETTER JOBS TO MAKE BETTER LIVES".

REPORT

MAY 2019

CONTENTS PAGE

1.0 PURPOSE OF THE REPORT

In February 2018, the Employment Learning and Skills and Community Policy Performance Board (PPB) agreed to establish a Scrutiny Topic Group for the Municipal Year 18/19.

The Topic to be investigated was given the working title "Creating Better Jobs in Halton".

The starting point for this topic was an acknowledgement that a significant number of jobs have been created in Halton Borough during the last five years.

This has led to a gradual reduction in the number of people seeking work. However, if the borough's economy is to grow and thrive in the future, then there needs to be a drive towards the creation of better paid quality jobs.

An initial desk top survey revealed that the borough was performing well in this regard.

However, the PPB proposed that it would be useful to ascertain to what extent the jobs being created were being accessed by local people, and what the Council and its partners were doing or could do to support local people in accessing these jobs?

2.0 STRUCTURE OF THE REPORT

The topic group report is structured with an introduction, a brief summary of methodology followed by evidence, analysis with findings conclusions and recommendations.

Milestones are attached to the recommendations from the scrutiny review.

3.0 INTRODUCTION

3.1 Reason the Scrutiny review was commissioned

Members receive regular reports on the borough's economic performance and each year the ELS and C PPB receives a Local Economic Assessment. In summary, this outlines how Halton's economy is performing, for example, providing statistics on employment rates, business growth, skills and qualifications in the borough.

During these briefings members received information confirming that job creation in the borough is strong, but questions remained concerning the 'take up' of 'better paid' jobs by residents.

3.2 Policy Performance Board

As a result of these discussions, this report was commissioned as a Scrutiny Topic for the Employment Learning and Skills Community Policy and Performance Board.

3.3 Membership of the Scrutiny Topic Working Group

Membership pf Scrutiny Topic working group included.

Members	Officers
Cllr A MacManus (Chair Cllr C Plumpton Walsh Cllr G Logan Cllr P Wallace Cllr J Roberts Cllr A Teeling Cllr R Leck Cllr L Whitley	Wesley Rourke Neil McSweeney Siobhan Saunders

4 METHODOLOGY

To respond to this topic brief, Members agreed to adopt six sigma principles to guide the review. The aim of this approach was ultimately to consider how residents would be actively encouraged to access these jobs and establish if, and how, processes could be improved.

The statistics referred to above, had revealed that earnings per household in the borough were low compared with regional and national averages. On the other hand, compared with other areas, the costs associated with living in Halton (accommodation; food), are relatively low. Nevertheless, at a work base level, wages are higher in Halton compared with other areas regionally and nationally, and therefore, a conclusion could be drawn that some better paid jobs are accessed by workers who do not live in Halton. The possible reasons for this were considered as part of the review and a significant amount of work was undertaken to understand the "baseline position".

Members of the Topic Group referred to the synergy between, and learning accrued from, other previous Scrutiny Topic Groups such as "Barriers to Employment from an employee perspective", "Barriers to Employment from an Employer perspective", and also "Barriers to Learning".

However, it was noted that these reports are a number of years old, and during this time, the policy and funding landscape has changed.

Six Sigma and "DMAIC"

As mentioned above Six Sigma was used to manage and structure the topic group meetings, and the "DMAIC" framework, provided a focus at each meeting as follows:-

<u>Define</u> – The topic group firstly defined the problem, undertook an initial assessment of the situation and defined the scope and goals of the topic group.

<u>Measure</u> – Work was then undertaken to gather statistical information on employment rates, skills levels and vacancy rates, and these were used to measure future performance and measure where improvements were being made.

<u>Analyse</u> – The next stage was that the views of partners and customers were sought to better understand processes, procedures and policies applied to helping people secure and retain work and consider specific relevant areas where performance could be improved.

<u>Improve</u> – a discussion took place on whether it was feasible for systems or services to be improved over time.

<u>Control</u> – Finally the topic group set out recommendations for how any changes could be applied and retained in the future.

5 EVIDENCE

DEFINE

The "define" element of the scrutiny topic was the most difficult aspect of the work to progress.

There was initial uncertainty in respect of to what extent the project brief should/could take into account the following:-

Geographic Focus – targeting more or less deprived areas.

Demographic Focus – targeting an age group Economic regeneration zone focus on specific sites

Thematic Focus – targeting a specific growth sector or type of company in Halton.

Another factor was the need to ensure that the topic group provided "added value" to a complex landscape.

Therefore, the first session of the topic group operated as a workshop, whereby the group defined the problem i.e. "jobs are created but higher paid jobs are not accessed by local people" and started to get a better understanding of the service area.

An affinity diagram was used to define Smart Objectives in order to:

- Consider the information to be gathered
- Identify key issues
- Understand the key ingredients needed to create a strong economy.

The purpose and scope of the scrutiny topic became **to improve the proportion of local people that confirmed are accessing high paid jobs in the borough**.

Arising out of this work the topic group gained a better understanding of the suppliers, inputs, processes, outputs and customers involved in helping residents find work. See Table 1 below.

DEFINE PHASE (3) Suppliers, Inputs, Process Outputs, Customers

- SIPOC Table

Suppliers	Inputs	Processes	Outputs	Customer
Data from CIU	Requests for Service	Identify best service provider	Training	Members
HPIJ Talent Plan	Residents	Key elements needed to create jobs	Apprenticeships	Residents
Training Providers	Customers	Right focus	Jobs	Businesses
	Contractors			Partners (HEP)

Furthermore, the topic group also determined who the customer(s) was/were and what was important to them. This was a useful exercise in arriving at the conclusions and recommendations outlined in sections 7&8 of this report.

Table 2

"Sorting the voice of the customer"

Main Customer Groupings

Members MPs	Businesses	Residents	Partners
A vibrant borough	A workforce that meets business needs	An opportunity to find well-paid and sustainable employment	Shared, efficient employment and skills service
		Specific Needs Statement	Output Characteristic (KOMY) current x vs target y
I find it difficult to find a job	I want to find a job within 6 months		Number of job vacancies reduced by x%
It takes too long to find an employee			% of vacancies filled by local residents
I want a resident with the right skills to meet my business needs			

MEASURE

The topic group then moved to the measure phase of the review. This phase involved a detailed investigation of the issues relating to the topic brief. Members considered the type of performance indicators that were available, or could be made available in the future. Indicators would be used to evaluate success and referred to Key Performance Indicators (KPIs) provided through the PPB's Quarterly Monitoring Reports. It was suggested that this work could be used to inform the KPIs presented to the PPB in the future

The measure phase revealed that a large amount of data had been gathered which provided information on how employment schemes operate, lessons learned and areas for improvement.

A research directory (appendix 1) was produced. In addition, a summary of the research was also provided (appendix 2).

Members observed that most of this research considers the barriers and challenges that individuals will face in seeking, securing and retaining employment.

Members also considered some of the processes the Councils and its partners used to help people into work determining where there were opportunities for greater efficiency.

During the define and measure stages of this topic group, Members acknowledged that the research and data collected provided a useful context, but Members were been to ensure that the topic group should not be a reaffirmation of "what we already know", but that added value could be provided by better understand "why things were happening?" and what were we going to do about this"?

Table 3 below summarises 'the moments of truth' i.e. what was felt by the Topic Group as important to the customer.

Measure (3) – Moments of Truth

Priority Places (identify Gaps)

- What has to go right for the customer?
- - Job vacancies identified by employers are filled by the right people with the right skills, knowledge, attributes
- - 'Customers' are signposted to the right job vacancies that meet their skills, knowledge, attributes
- - Customers are provided with the right job vacancies that meet their skills, knowledge, attributes
- - Customers are provided with the right support to ensure that they have the right skills, knowledge, attributes to access job vacancies.
- - Providers have up to date information on vacancies / jobs available.
- - Customers are made aware of job vacancies that are available.
- - Providers are aware of the appropriate support services available to help people find work.
- - Education institutions know which courses, qualifications that need to be provided to help people find work.
- - Education institutions are made aware of the vacancies available

6 ANALYSIS

The research reaffirmed that a lower proportion of Halton's residents are employed in higher level occupations, and in turn, earnings per resident are generally lower.

The subsequent analysis of this data revealed that 'professional, scientific and technical' is the largest employment sector in the borough and there has been a significant increase in the number of people employed in these occupations. (Appendix 3). Equally, the research demonstrated that Halton had seen a significant growth in its business base, with above average business starts and above average business survival rates.

In analysing the data, members started to draw the conclusion that there were other factors that were having a bearing on local people accessing these higher paid jobs.

One of the Topic Group Sessions specifically considered some of these wider determinants including:

- behaviour change; and the feasibility of identifying determinants in relation to data held by Public Health professionals and whether 'nurture and nature' played a role in determining a person's future job prospects and how influences early in life will have a bearing on this. Some examples of this are highlighted in appendix 4.

- Reference was made to Pupil Premium and whether it was possible to extrapolate the benefit of this in relation to a pupils future employment prospects.

- A discussion took place regarding family learning and interventions through the troubled families' initiative.

Members were advised of the work that the Council had been pursuing on a Talent Strategy with Joint Venture partners at Sci-Tech Daresbury. The work was responding to skills shortages at Daresbury, and actions which were aimed at opening up the employment opportunities that existed to ensure that local residents capitalised on this.

One future work area might be to further assess where the borough's higher qualified young people might move to Higher Education and what courses they might be pursuing.

Some research was available which might help the Council and its partners to 'target' potential future employees at an earlier stage for example, as undergraduates whereby they could be mentored or sponsored by would be future potential employers.

It was proposed that this was a major piece of work and could be a specific item at a future PPB meeting.

The Scrutiny Topic Group Members had reflected on the 'define' phase of the review, phase of the review, whereby one of the key lines of enquiry to consider had been 'geographic' and this was considered to be more preferable at this stage.

Members also referred to the possibility of undertaking a mapping exercise to identify where existing resources are supporting residents to find and obtain employment, and where there are gaps in this provision.

Following on from this, Members undertook a further analysis of the employment services provided in the borough.

To assist with this, the Chief Executive of the Chamber of Commerce attended a topic group session to act as an expert witness. Information was provided on the role of the Chamber in promoting the Halton Business Growth Hub, a vehicle for supporting businesses and entrepreneurship in the borough, and its interface with the Halton Employment Partnership.

The Divisional Manager for Employment Learning and skills also attended to provide information on the role and remit of the Halton Employment Partnership approach to delivery employment and skills services had been successful particularly when supporting larger recruitments.

The session again raised some interesting points concerning some of the perceived barriers employers face when recruiting local people to jobs in the borough. Interestingly, it was noted that businesses would not generally consider the post code of a potential employee, but access to work may be determined by the accessibility of recruitment agencies and where they draw their catchment area, and clearly this could be a huge barrier in any future recruitment of residents.

Members proposed that it would be useful to further analyse data gathered at a geographic level to ascertain whether further opportunities should be provided to encourage residents in more disadvantaged areas to pursue these services. The areas chosen for analysis were Windmill Hill and Riverside. As a comparison two more affluent wards were identified, Birchfield and Daresbury.

Information was provided which identified services that the Council and its partners were providing in these areas.

It was reported that the Council's Community Development had also commissioned a big local 'service mapping exercise' and in the future, this could be used to better understand the types of services provided. (Appendix 5).

Data provided by the Council's Employment Learning and skills division demonstrated that there was a good take up of residents on Adult Learning classes (Appendix 6).

It was suggested by Members that it would be useful to understand how enrolment levels matched the demographic profile of the borough and in particular, statistics relating to unemployment levels. Consequently, further analysis was undertaken to look at customers using the Council's Adult Learning Services, how they are referred and how they find out about the services (Appendix 7).

7   CONCLUSIONS (DMAIC IMPROVE phase)

Members will appreciate that this is a vast subject area, and therefore, the Scrutiny Topic Group has focused on a small part of a wider theme. It has reached a number of conclusions.

- Significant numbers of jobs are being created in the borough and, proportionately, Halton residents access the lower paid rather than the higher paid jobs. (The definitions are: "Low pay is defined as the value that is two-thirds of median hourly earnings and high pay is defined as the value that is 1.5 times median hourly earnings").

- However, Halton when considering the annual survey of hours and earnings (2016), the borough has seen the largest increase in the LCR in both Full and Part time earnings over the past 5 years (higher than regional and national averages)

- However, it is apparent from the research undertaken by the topic group that there are a number of wider factors (health, skills, qualifications, access) that have a bearing on whether Halton residents would take up employment opportunities in the borough. This is evidenced by the comparative data which was analysed in respect of the borough's disadvantaged and more affluent wards.

- The Topic Group concludes that the borough's residents receive good support from the Council in accessing employment, learning and skills. This is evidenced by performance indicators showing the number of people who have been supported into work over a five – seven year period and presented to the PPB through quarterly monitoring reports.

- There are examples of specific community focused services provided by the Council and its partners aimed at encouraging residents to find training and employment.

- There are constraints that the Council faces in being able to deliver these services which are considered to be 'non-statutory'. Whilst funding is available it is often time-limited and is focused on specific actions, and, therefore, less flexible.

- There is more promotional and marketing work that could be done to raise awareness of the employment, learning and skills services provided by the Council. A good example of where this has worked has been seen in the increase in enrolments on adult learning courses.

- Build on the analysis of, for example, of adult learning enrolment information and Households into Work data which would assist in better understanding how referrals/enquiries to Council services materialise (for example, word of mouth, marketing campaigns, and or direct referrals).

- However, the ability to do this is obviously determined by available resources. Furthermore, any increase in demand needs to be managed in line with existing resources and also in line with how the Council's Employment Learning and Skills division can procure and access support services, for example, IT, communications and marketing, alongside other competing Council priorities.

8   RECOMMENDATIONS

In light of the conclusions drawn in section 7 of this report, there are a number of recommendations made. Recommendations have been put forward having assessed resources that are available and their deliverability within a realistic timeframe. The recommendations will be led and delivered by the Council's Economy, Enterprise and Property Department, with support from the Halton Employment Partnership

- Identify and work with recruitment agencies that operate outside the borough to encourage them to access a labour force from within Halton. (March 2020)
- Apply the learning from Public Health data collection and community engagement to gauge take up of Employment Learning and Skills services in the borough's disadvantaged areas. (September 2019)
- Awareness raising relating to employment learning and skills services provided – Develop Communications and an engagement plan. (March 2020). This could include actions such as:
- Summarising HBC ELS services on business rates bills;
- Posting messages via Member profiles on Facebook;
- 'what businesses do' orientation boards in key employment areas; build on Hidden Halton theme raising the profile of 'unknown' businesses in the borough.
- Present an overview of the Sci-Tech Daresbury Talent Strategy to a future PPB (September 2019). This could include reference to how jobs in the medical services industry are promoted.
- Enrolment Data gathered by the Council's ELS Division is expressed as a proportion of the working age population and unemployment statistics rather than as raw percentages. (Now)
- Alignment with Business improvement and growth team with larger employers in terms of recruitment needs. (Now)
- Introduce new KPIs for the ELS and C PPB based on Topic Group conclusions (November as part of the business planning cycle). N.B. To set out targets that relate to an ambition to increase numbers of local residents accessing the better paid jobs
- Consider outsourcing of IT activities to specialist providers of IT in schools/colleges