

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – ECONOMY 17 JANUARY 2013

UPDATE ON PROGRESS: REDUCING UNEMPLOYMENT IN EXETER

1.0 PURPOSE OF REPORT

1.1 To update Members on progress to reduce the level of unemployment within Exeter.

2.0 BACKGROUND

2.1 In September 2012 this Committee received a report on trends in unemployment within Exeter as measured by those claiming Job Seekers Allowance (JSA) and also the nature of support available to help people into work.

2.2 In summary the report highlighted that:

- JSA claims had continued a downward trend
- claim rates remained higher for men
- fewer young people were claiming JSA for 6 to 12 months, but the number claiming over 12 months had increased
- the Council aimed to recruit 6 apprentices
- work with local employers had encouraged some to take on apprentices
- the City Development Unit was looking to strengthen its role in securing skills and employment for local people arising from proposed developments

3.0 UNEMPLOYMENT

3.1 Figure 1 illustrates JSA claimant rates as a percentage of the working age population for the South West. In November 2012, Exeter's rate stood at 2.4%, a decrease from August's rate of 2.5%, a reduction of 135 claimants.

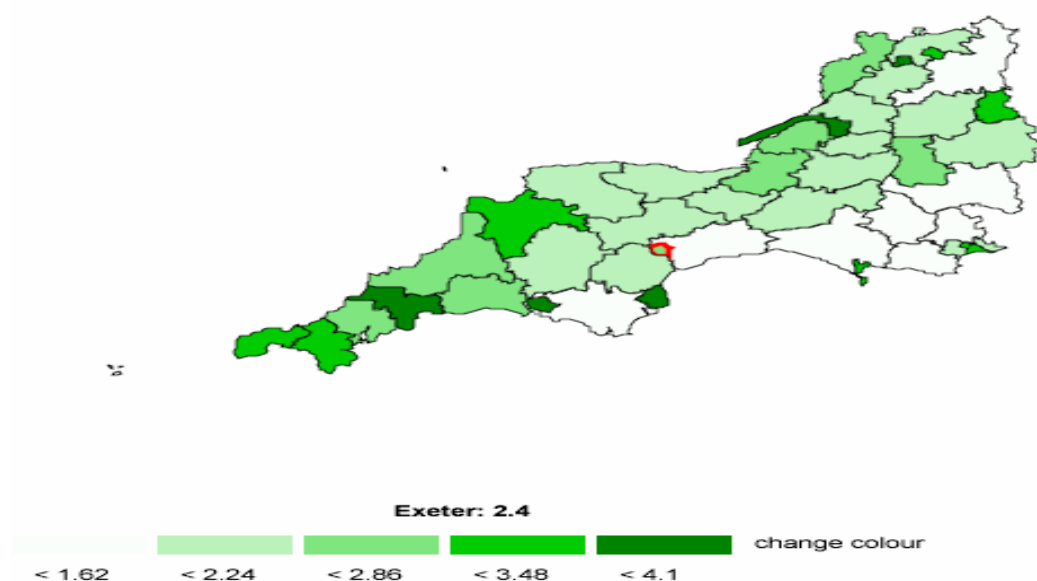


Figure 1 – JSA Claimant Rates for the South West – November 2012

3.2 Table 1 below highlights the change since August 2012 in JSA claims over the past 3 months of available data. The results illustrate the following:

- The total number of JSA claims has continued a downward trend
- Claim rates remain higher for men
- Fewer young people are claiming JSA for 6 to 12 months. The number of young people claiming for 12 months plus has stayed the same

	Aug	Sept	Oct	Nov	Plymouth	SW	E & W
* ¹ Total no. of JSA Claimants	2,085 (2.5)	2,005 (2.4)	1,990 (2.4)	1,955 (2.4)	6,130 (3.7)	84,910 (2.6)	1,334,875 (3.7)
No. of Males	1,395 (3.3)	1,345 (3.2)	1,330 (3.2)	1,305 (3.1)	4,140 (4.7)	55,875 (3.4)	861,115 (4.8)
No. of Females	690 (1.7)	660 (1.6)	660 (1.6)	650 (1.6)	1,990 (2.3)	29,035 (1.8)	473,760 (2.7)
No. 16 – 24 years	610	610	570	575	2,045	24,480	369,370
No. 25 – 49 years	1,125	1,085	1,100	1,065	3,285	45,525	748,500
No. 50+ years	345	315	320	310	800	14,905	217,005
* ² Claiming 6 to 12 months	360 (105)	320 (90)	305 (75)	275 (70)	945 (320)	12,390 (3,065)	207,105 (50,445)
* ² Claiming 12 months +	530 (115)	520 (115)	510 (115)	490 (115)	1,685 (440)	20,305 (4,215)	371,920 (68,920)

*¹ Figures in brackets indicate the rate of JSA claimants as a percentage of the working age population; *² Figures in brackets represent the number of young people aged 16-24 years claiming JSA

4.0 PROGRESS

4.1 Progress on activities raised in the September 2012 report to this Committee is set out below under each of the recommendations made.

Apprenticeships

4.2 Recommendation – *develop a Council apprenticeship employment strategy, and explore the financial viability of employing up to 10 young people as apprentices within the Council.*

Progress made – The Council has recruited 5 apprentices out of the 6 targeted for this year. Two of those recruited are in administrative positions, two are in Parks and Gardens and the fifth is a Culture and Heritage apprentice, placed in the Museum. An additional vacancy within the Museum is still available. There is now a waiting list of other departments interested in taking on an apprentice, although the target for 2013 has not yet been set.

4.3 Recommendations -

- *work to influence local major employers to establish a recruitment programme that employs collectively upto 100 new apprentices suited to business needs*
- *work to influence local major employers to provide work placements for at least 300 Exeter resident job seekers*

Progress made – the Council has built on the foundations of the existing, Employment and Skills Board led “Get Devon Working” campaign, which started in March 2012, dedicating officer time to generating new referrals.

Since 1 June 2012, on behalf of the Board, officers have contacted 125 local employers to discuss skills and recruitment pathways. The combined efforts of the City Council officers and partners has resulted in a total of:

- 15 additional apprenticeship positions being created
- 10 larger employers referred to the National Apprenticeship Scheme (NAS)
- 5 employers referred to the University for Graduate/Student internships; of which 4 have so far joined the scheme offering vacancies
- 2 work experience placements

Overall the “Get Devon Working” campaign has raised awareness through a series of articles placed in the Express and Echo and through promotion on the Council’s website – www.exeter.gov.uk/getdevonworking .

Of the 125 employers contacted 28% had already taken on apprenticeships in the previous 12 months creating 116 apprenticeship places; 9% had offered work placements providing 70 work experience opportunities and 10% had employed graduates on a placement creating 124 internships between them.

In addition, the labour market intelligence obtained via contact with employers revealed:

- information about skills issues and hard to fill vacancies; this information will be used by the Employment and Skills Board to influence local training provision
- that many employers felt “they were too small to take on an apprentice;” this view was held despite businesses half their size having been active employers of apprentices
- the majority of businesses in the legal and accountancy sector do not appear to employ apprentices. This appears to be based on the view that “school leavers would not have the necessary skills and new staff progress through the usual professional qualifications route”. However, employment in larger firms will also include IT and administration, for which apprenticeship routes are available.

Recommended: the Council continue to work with the Employment and Skills Board and the local partners within the Get Devon Working Campaign to:

- encourage small businesses to take on apprentices, showcasing local examples and also raise awareness of alternative recruitment methods, e.g. the Apprenticeship Training Association (ATA) model which enables businesses to share an apprentice

- promote the grants available to businesses to employ apprentices
- to encourage apprenticeships within the local professional sector by working with NAS and the Chamber of Commerce to promote the wide range of apprenticeships available.

4.4 Recommendation – *explore with the Employment & Skills Board and NAS how small local charities may be enabled to employ local people on apprenticeships*

Progress made – NAS completed their research across the South West to examine good practice in the support required to assist local employers within the voluntary and social enterprise sectors to take on apprentices. They have been in contact with Exeter CVS and Exeter CAB, and the Fruit Tree for Business (representing social enterprise interests) to take this project forward via a small working group.

Recommended: officers monitor progress with NAS and provide support as required.

Planning Process

4.5 Recommendations –

- *within the Council, develop an approach that aims to secure agreement and achieve agreed outputs (expected jobs, work experience, skills, and apprenticeships) through procurement and planning activity over which it has an influence*
- *develop a policy with NAS that secures increases in employment, skills development, and apprenticeships arising from the procurement of major projects through the Council's approval of planning developments*

Progress made – collaboration between the City Development Unit and the Economic Development Service and the Employment and Skills Board continues to explore practical options to secure employment and workforce skill development outcomes through the planning processes. Recent progress in shaping the planning process has been made in the following areas:

- a jobs and skills analysis produced in 2010 for Exeter and Heart of Devon area is currently being updated. This will form part of the evidence base to support new planning policies, such as the new “Access to Jobs” policy within the Site Allocations & Development Management Plan (currently entering its second round of consultation, anticipated for adoption in early 2014 subject to a timeline for evidence submission which is currently being drafted by the City Development Unit)
- the City Development Unit's on-going system's review is re-visiting the approach to be used in relation to requirements for planning applications. Officers will report back on progress made. In the meantime, the Employment and Skills Board Project Coordinator is meeting City Development officers in January to agree an approach regarding access to developers at the pre-application discussion stage. The aim is to discuss employment and training opportunities and how their development could help assist in addressing unemployment and skills shortages
- there is a considerable amount of housing and commercial development within Exeter and the wider economy which provides many jobs and

potentially even more opportunities for local people and businesses. The Employment and Skills Board have secured from Jobcentre Plus the provision of 2 full-time staff (December 2012 for two years) who will be based within the Economy Unit. They will establish a centrally coordinated focal point for skills and training activity associated with developments. Work will include working with developers and gaining their commitment to, and supporting delivery of, employment and skills strategies and brokering for local people skills training, apprenticeships and full-time jobs.

Recommended: officers work with the Employment and Skills Board to ensure the planning process effectively works towards the creation of opportunities to influence the employment and skills opportunities for local people.

Work Experience

- 4.6 Recommendation – *seek to establish a work placement strategy for up to 25 job seekers within the Council*

Progress made – discussions with staff within Human Resources (HR) indicate that the Council provides around 30 work placements opportunities each year. These are taken up by school pupils and unemployed people seeking employment; since April 2012, some 11 people have been on Council work placements

Recommended: officers work with HR staff to review how the process of creating work placements within the Council could be replicated as a model that could be rolled out for adoption by local employers in the city.

Supporting Volunteering

- 4.7 Active participation in voluntary work provides opportunities for unemployed people to maintain and/or grow their confidence, to sharpen their current skills and learn new ones – all of which can enhance their employability.

Recommendation – *work with the Employment and Skills Board and voluntary sector to explore ways of enabling local charities to recruit and support more volunteers of working age*

Progress made – Exeter CVS continue to provide “introduction to volunteering” sessions in parts of the city and also deliver from time to time employability courses to people referred to them by Job Centre Plus.

Recommended: officers monitor progress on volunteering activity via Exeter CVS and provide support, as required, if promotion of volunteering (subject to available opportunities) needs to be extended into other wards that are particularly affected by unemployment.

Work Clubs

- 4.8 Recommendation – *explore with Forward 25 Careers and other providers of work clubs how unemployed people can be supported on projects enabling them to go onto further training, apprenticeships, employment or self-employment*

Progress made – Forward 25:

- have met with Westward Pathfinder, the outcome of which has resulted in the latter being able to offer skills training via NVQ qualifications for people participating in work placements created by Forward 25
- have completed a successful trial where work placement individuals received one to one mentoring during their 8 week project. Consequently they have been in discussions with Job Centre Plus to roll out the offer on a wider scale. In addition they have applied for funding to deliver an initial 16 week programme with Job Centre clients running from January that aims to support 32 work placement individuals
- will draw on Westward Pathfinder's offer of NVQ training if an individual has learning needs
- are working with higher education contacts aiming to undertake research in January with clients of Job Centre Plus to assess barriers to youth employment in Exeter; the results should be published in March and may include a break down of results to ward level.

Recommended that:

- officers maintain contact with Forward 25 and Westward Pathfinder to monitor progress and provide support, if required, to encourage joint working with other work clubs if appropriate
- when the research into youth employment by Forward 25 becomes available, officers to work with the Employment and Skills Board, review results and assess if the Council should encourage bespoke projects to reduce youth unemployment in Exeter

Raising Awareness

4.9 Recommendation – *work with partners to facilitate support and stimulate awareness [of support available to recruit unemployed people] which addresses gaps in helping people into work*

- In November 2012, the Department for Work and Pensions published the performance of the Work Programme which is designed to help people back into work. People supported in the work programme include claimants who are under 24 years of age, those with multiple disadvantages, ex-offenders, homelessness, people not in education or employment, people who are disabled.
- The providers in Exeter are Working Links and Prospects. They have been working with 1,120 unemployed people in the city since the programme's national launch in 2011.
- Media coverage has stated that to date, only 40 had stayed in employment for six months or more, a 3.6 per cent success rate. The Government's target is 5.5 per cent.

Progress made –

- Officers have contacted the two providers in Exeter. A response has been received from Working Links. They have indicated their performance data for Exeter secured a rate of 5.36%, marginally below the Government's target for individuals employed for 6 months or more.
- Barriers to employment in Exeter for individuals on the Work Programme include a continual lack of awareness amongst employers

of the services and incentives available to employ them. These include for example, wage incentives which form part of the Government's Youth Contract initiative and work experience support for 18-24 year olds and people returning to the labour market following health problems.

Recommended: officers look to develop an effective approach with the Work Programme providers raising awareness interest from local employers with a view to securing an increase in the 6 month + employment rate for local individuals.

- officers have worked with Exeter CVS's 'Business for Exeter Communities Group' (BECG) and planned and participated in their all day workshop held in October last year for 12 young unemployed people. The young people were guided on job hunting and interview techniques; subsequently 2 of them secured employment. BECG have indicated they may run a similar event in the Spring of 2013.

Recommended: subject to staff availability, officers continue to provide adhoc support to BECG's initiatives as requested.

- to help stimulate awareness of the support available to recruit unemployed people, a leaflet summarising the support for employers to take on apprentices, work placements and graduate internships was produced and distributed by email to Exeter Chamber of Commerce and Industry (now promoted on their website) and the local Federation of Small Businesses (FSB); the leaflet is also displayed on the Employment and Skills webpage hosted within the City Council's website

Recommended: officers to continue to promote employment support and recruitment opportunities for local employers via city business networks.

- Officers explore with the County Council a proposal that arose, namely 'Project Search' – an American model for helping young people with a learning disability get into work. The County Council has funding to establish 3 Project Search sites in Devon, one being within Exeter. There is a need to secure an employer in the city able to offer a range of internship situations.

Progress made –

- The County Council have been working with Exeter College and Pluss (a Devon organisation which offers employment, development, and training opportunities for people who have disabilities) and have been in discussions with RD&E Wonford.
- The project intends to secure 8 to 10 long-term internships for people with learning disabilities. However, it is unlikely to be ready for launch until September 2013.
- The interns will gain experience of work across a range of hospital departments. The type of outcomes anticipated from Project Search will be paid employment for some individuals within the hospital and for all to be better prepared for work with improved employability skills.

Recommended: officers maintain contact with the County Council as the Project Search activity proceeds in Exeter and provide support as necessary to assist in promoting internships for local people with learning disabilities in the city.

- 4.10 Finally, Members may be interested in the wider activities undertaken by the Employment and Skills Board which supports the Council's ambitions to reduce unemployment (directly and indirectly) in the city. In this context, the Board has:
- established a not-for-profit company, led by the employers as Directors – this will become the delivery arm for the Employment and Skills Board (ESB) and be used as a vehicle to compete for and facilitate consortium funding bids
 - launched a new award for young people (16-19 years old) – the award aims to develop core “employability” skills and better prepare individuals to meet the needs of the labour market. The Award will run as a pilot from January and involve – the four colleges within Exeter and the Heart of Devon, 100 students and include the support of 20 business mentors
 - worked with E.ON. to coordinate an energy-themed training programme to up-skill unemployed residents. To date, 55 unemployed individuals have received free training and 5 have progressed to achieve a City & Guilds qualification
 - 6 sector-focused case studies have been disseminated and accessed by hundreds of employers – the aim is to increase the take-up of apprenticeships and increase opportunities for local job seekers
 - to date produced 20 “Skills Maps” for a range of employment sectors. The maps help employers identify and address the skills needs and gaps in their workforce. In addition, they help young people understand the type and level of skills employers look for. Training providers and NAS now use the maps which were designed by the Board across Southern England to engage and educate thousands of employers and learners about workforce skills.

5.0 FINANCIAL IMPLICATIONS

5.1 There are no financial implications arising from this report other than staff time.

6.0 RECOMMENDATION that:

- 6.1 Members comment on progress made.
- 6.2 Officers pursue activity outlined in section 4.0 and report back on progress to future meetings of this Committee.

RICHARD BALL
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Local Government (Access to Information) Act 1985 (as amended)

Background papers used in compiling this report:

'Unemployment in Exeter' (31 May 2012) and 'Progress Report: Unemployment in Exeter,(6 September 2012) reports to the Scrutiny Committee – Economy, Exeter City Council