EMPLOYMENT AND SKILLS UPDATE

Report of the Corporate Director for Place Management & Regeneration

1. INTRODUCTION AND PURPOSE OF REPORT

1.1 This report is an update on employment and skills data, issues and initiatives in Stockport. The report covers the current key data on Stockport’s labour market and benefit claimants, outlines local context and provides information on employment and skills initiatives in Stockport, including the Councils’ new Inclusive Growth strategy.

1.2 Key issues covered are employment rates, worklessness and employability, particularly in priority neighbourhoods; skills gaps and the changes within wider skills, education and training provision. As well as delivery, the Council plays an important role in influencing providers of services, such as the Further Education Colleges, other training providers, Stockport Homes and Job Centre Plus.

2. Developing a Stockport Approach to Inclusive Growth.

2.1 The Council is aware of the risk that not everyone will experience the benefits of the major investment that is going in to the capital projects in the town centre. As a response to this risk, an approach to Inclusive Growth is being developed that will seek to reduce inequalities, achieve social and economic outcomes, make the public pound go further and harness the potential of the private sector.

2.2 This work is at an early stage but one of the aims is to get as close as possible to achieving the OECD definition of “economic growth that creates opportunity for all segments of the population and distributes the dividends of increased prosperity, both in monetary and non-monetary terms, fairly across society”.

2.3 There are three areas of focus for an Inclusive Growth framework; Growth, Work and Skills, and Neighbourhood Inclusion. Further information about Inclusive Growth will be brought to Members in due course and the Council’s work around employment and skills will become an integral part of the Stockport approach to Inclusive Growth.

3. Current Key Data.

3.1 Unemployment, Employment and Economically Inactive Rates.

3.1.1 The unemployment, employment and economically inactive rates data is provided in appendix 1. The rates for Stockport compare very favourably with the rates for other GM authorities and the UK. The rates for youth, ages 16-24, show Stockport as the best performing authority, apart from the economically inactive figure where we are just behind Wigan. The rates for 16-24 year olds, for every aspect, are behind the rates for 16-64 year olds, indicating that there are additional challenges for young people in accessing the labour market.
3.1.2 Whilst the 16-24 rates are promising, it should be noted from the data in the table in appendix 2, that 16-24 year old JSA / Universal Credit claimant numbers, despite falling over the period shown, still make up just over one fifth of the claimants in Stockport.

3.1.3 Stockport has taken advantage of the employment programmes for young people that have been made available through GM funding, and the improvement in the figures shown above reflects this. For example, Greater Manchester Talent Match is a Big Lottery-funded programme bringing together the private, public and voluntary sectors to support young people aged 18-24 who have been out of employment, education or training for twelve months or more and who need extra support to help them along their pathway to work. The table in appendix 3 shows the number of young people registered on the programme for each GM authority, and the number going into employment or self-employment.

3.1.4 As part of our Devolution agreement, Greater Manchester received control of the Greater Manchester Apprenticeship Grant for Employers (GM AGE). This is an incentive scheme for employers who have not employed an apprentice, either in the last 12 months or at all. It provides a grant to help support an employer’s costs associated with employing and training a young person, aged 16 – 24, on an apprenticeship. This initiative has also been successfully deployed in Stockport as can be seen from the tables in appendix 4.

3.2 Priority Area Data.
Previous employment and skills update reports have shown the benefit claimant data for the priority areas. The latest relevant data is shown in the table in appendix 5. However, it should be noted that, following the DWP’s introduction of Universal Credit, the rates of JSA claims have reduced as people have moved on to the new benefit and we are not able to get the data on Universal Credit claims disaggregated for the priority areas. This means that the JSA claimant rate show an improved picture, but it’s not the full picture.

3.2.1 Stockport has a lower rate of JSA claimants than Greater Manchester, the North West region, England and the United Kingdom. Stockport’s JSA claimant rate is the second lowest out of the ten AGMA local authorities, with Trafford lowest at 0.8%.

3.2.2 The priority areas listed are showing a significant decrease in JSA claimants year on year (subject to the Universal Credit claims issue referred to above). However, the claimant rates in these areas remain significantly above the rate for Stockport as a whole. The Central area continues to be the priority area with the highest JSA claimant rate and overall number of claimants in the borough.

3.3 Universal Credit Data.
Appendix 6 shows the table of data. Other areas of Greater Manchester have higher numbers claiming UC, due, in part, to an earlier start than in Stockport. This will particularly impact on the JSA youth unemployment statistics, as the majority of UC claimants are aged under 25. Hence in reality the other areas will have both higher youth unemployment and overall unemployment figures for their respective areas than evidenced in the JSA statistics. Stockport had 2,883 UC claimants at the end of December 2016.

3.4 NEET Data.
Appendix 7 shows the table of data. In December 2015 (annual measurement point, data from December 2016 not yet available), 318 individuals, equalling 3.7% of
Stockport’s 16-18 year olds were classified as NEET. This is a reduction on the 14/15 figure of 4.0%.

3.4.1 Levels of NEETs are still significantly higher across all four of the priority areas that are listed. Adswood & Bridgehall has a NEET rate of 11.4% (25 individuals), compared to 11.2% in Brinnington (26 individuals), 8.2% in Central (13 individuals) and 5.9% in Offerton (10 individuals). All Neighbourhood Management areas have seen year on year falls in the NEET rate.

3.5 Qualification Rates.
Appendix 8 shows the table of data. Stockport’s residents have relatively high levels of qualifications. The percentage of Stockport’s resident population (16-64) with qualifications is higher than the national average at most of the key NVQ levels. Nevertheless, 5.0% of working age Stockport residents are estimated to have no qualifications; however, this is a lower percentage of residents with no qualifications than GB.

4 Employment and Skills Initiatives in Stockport.

4.1 GM Working Well Programme.
The pilot phase of this initiative was created to support Employment Support Allowance claimants who left the Work Programme after 2 years without moving into sustainable employment. The aim was to reach a performance level of 20% of the claimant cohort going into sustainable employment. The pilot phase is now coming to an end, referrals ceased in March 2016 and the providers are able to work with the clients on programme until March 2018.

4.1.1 The Working Well provider for Stockport is Ingeus, and they have performed well on the pilot programme, making effective use of the integrated service offer arranged by Stockport Council. The integrated services offer access to support with issues that claimants may have around housing, mental health, addiction dependency, debt, family issues, skills needs and employability support.

4.1.2 The performance for Stockport and the other GM authorities is shown in the table in Appendix 9. The performance data shows that Stockport has 33 claimed job starts against a baseline target of 31. There may be further job starts as the provider continues to work with the clients up to the end of the contract in March 2018. The data also shows that Stockport has achieved 7% of the job start volumes despite the contract size for the area being 5%. This is a very good level of performance.

4.1.4 Sustainability of jobs is calculated over a 50-week period in work, and the GM programme office are currently gathering the evidence for these outcomes and will provide information for each local authority area in due course.

4.1.5 Following the Working Well pilot, an expansion phase of Working Well was procured for GM by the Programme Office. The expansion phase commenced in April 2016, initially for one year and this increases the cohorts beyond Employment Support Allowance claimants leaving the Work Programme, to include a much wider range of benefit claimants such as Jobseekers Allowance (JSA) claimants who have completed the Work Programme, Lone Parents on Income Support where their youngest child is aged 3 or 4 years and Universal Credit claimants who are in work and subject to in-work conditionality to increase their wages, for example.
4.1.6 In addition to the expanded cohort, GM has commissioned two additional services for the expansion: Mental Health – Therapeutic Interventions and Skills for Employment. These services provide enhanced and intensive support with talking therapy input and bespoke support including English and maths, employability and vocational skills training, together with wrap-around support to motivate and build confidence and self-esteem.

4.1.7 Stockport continues to perform well in the expansion phase of Working Well, achieving referral and attachment targets for the programme with 911 people being referred and 410 people currently attached to the programme. There was a delay in the number of referrals due to some staffing changes at Job Centre Plus, but this is now resolved and Ingeus have recruited additional key workers to increase the attachments and to do the ongoing work. Stockport currently has 48 job starts for this programme, a significant increase on the number achieved in the pilot programme.

4.1.8 The GM Working Well Programme will eventually be superseded by the GM Work and Health programme which is a GM version of the national programme being commissioned by the DWP. GM’s Working Well programme has been the model used by the DWP to design the Work and Health Programme and it draws on a lot of the key lessons learned and the successes achieved by the GM programme. The GM programme is being procured at the moment and will be in place to start in April 2018. GM Programme Office are finalising arrangements to provide an interim programme between the end of the Working Well expansion and the start of the Work and Health programme.

4.2 Supporting Families Programme.

The table in appendix 10 shows the data for the last two quarters’ activity for the Council’s Employment and Skills Advisers. Quarter 2 was very positive 30% of the clients works with achieving positive outcomes into either employment, volunteering, training or education. Quarter 3 showed a reduced number of positive outcomes but this was largely due to the timing of the start of education and training opportunities compared to quarter 2.

4.2.1 The Advisers delivered a targeted GOALS cognitive behavioural therapy intervention for clients of the Brinnington Children’s Centre in July 2016. Out of the 6 participants, 2 have started college courses at level 2 (health and social care, beauty therapy), 1 started volunteering as a receptionist and 1 became self-employed.

4.2.2 In addition to the Council’s Employment and Skills Advisers, Job Centre Plus have co-located a Troubled Families Employment Adviser (TFEA) in the Council to support the employability work for the programme’s clients. Since April 2016, the TFEA has supported 6 complex customers into work and referred 6 customers that have successfully started on Working Well. The TFEA has 8 families on her caseload that are affected by the Benefit Cap of between £71 to £5 per week shortfall, 5 of these families are actively working with the TFEA looking for work.

4.3 Local Employment and Skills Agreements – Construction.

The Council is now asking for employment and skills outputs as part of the planning agreement for major commercial developments in the borough. The table in appendix 11 shows the range of KPIs being asked for and the relevant number of each by development.
4.3.1 There are a good range of employment and skills outcomes being demanded as a condition of granting planning approval. Additional outputs are required for the later phases of the Exchange development and officers have been creating the list of requirements for further major developments that are at an early stage of applying for planning approval. It should be noted that this approach will also support the Council’s Inclusive Growth agenda, with one of the apprentices on the Redrock scheme being a young woman from Brinnington, for example.

4.4 **Stockport Council Work Clubs.**

The Council currently runs four work clubs each week. The four are:
- Brinnington – Monday, 9am – 3pm.
- Bridgehall – Tuesday, 9am – 3pm.
- Lancashire Hill - Wednesday, 9am – 3pm.
- Offerton – Thursday, 10am – 4pm.

4.4.1 The work clubs offer support to people who need to create a CV, do on-line job search and applications or who would like advice and support with preparing for interviews. Recent follow up with 70 work club clients gathered the following impact information:
- Got into a job – 38 (54%).
- Returning for support – 10 (14%)
- Referred to other services for support – 3 (4%)
- No longer seeking work – 19 (27%)

4.4.2 The verbal feedback given by clients about the quality of the service received by them at the Council’s work clubs is very positive, some examples are given below:

"Lovely to meet you today and thank you for the advice. It was a massive help, much more than the job centre. There, they don’t seem to actually care so much about getting you back into work, just making sure boxes are ticked. Services like you provided at the job club are invaluable, as it is more about the person and getting them into work. You gave me some good information and a few new ideas of things to try. Some of it I wouldn’t have even thought to look up online, so you provide more than an internet search. Plus, having someone to actually talk to, who wasn’t just asking stock questions to tick off in a report, was massively beneficial and has helped me feel much more positive. Thanks again."

"I have been a member of Stockport Job Club Offerton for over 2 years. I have now been offered a vacancy with Stockport Homes (caretaker). I would not have this employment without the help of this vital service. There skills and polite attitude towards all members: so I thank Barbara and all job club staff for the help and advice this service provides. Thank you."

4.4.3 The Council’s officers have recently supported Life Leisure with establishing their first work club in Avondale Leisure Centre, and the work club run in Marple by All Saints Church is also promoted by the Council to people seeking support with employment. The Council is also supporting the GM Universal Services approach by hosting a Work Coach from Job Centre Plus in its work clubs. This provides a hub for local people to access support from more than one agency.

4.5 **Jobs Fairs.**

The Council has an annual jobs fair in the Ballroom each year, usually around September in order to support employers and people seeking work to find work in the Christmas period, when employers are typically seeking to take on additional staff for the busy period. This will be arranged again for this September.
4.5.1 In addition to the usual annual event, the Council is arranging a specific jobs fair for jobs based at the airport. This will take place on the 31st March to target the vacancies available for the busy summer period, and currently has around 8 employers taking part with over 500 positions available. Partners from TfGM will also be present to advise about travel planning and associated issues. Stockport College will also be promoting their Airport Academy so that people who are not quite work ready for the roles on offer can access pre-employment training and support to apply for roles with the airport employers at a later date.

4.5.2 A further jobs fair event is being planned to support the recruitment to roles that will be available with the end-user employers in the new Redrock development. We are in contact with the businesses that will be taking up the units to offer support with recruiting to the roles and this will include the offer to run a specific jobs fair for them.

4.6 Apprenticeships.
The Council has been working with partners, such as, training providers, the Skills Funding Agency, JCP, the chamber of commerce and Stockport business forums, to explain the changes in Apprenticeships and to encourage more employers to offer Apprenticeships. In particular, The Apprenticeships Store has hosted several events over National Apprenticeship Week for employers, parents and would-be-apprentices to explain the 'new standards' and the 'Apprenticeship Levy'. The store celebrated its third anniversary in January 2017, and now has a wide range of employer partnerships, including with Deloittes, who recruit for their apprenticeship scheme at the store.

4.6.1 The council is working in partnership with the local schools and colleges to promote independent careers advice and guidance with regards to Apprenticeships. The participation of 16-17 year olds in Apprenticeships in October 2016 was 6.7% which is .9% higher than the England average of 5.8%.

4.6.2 The Council continues to offer Apprenticeships to its most vulnerable residents through the Supported Apprenticeship Scheme for Children in Care, Care Leavers, Special Educational Needs Learners and young carers, as well as recruiting new apprenticeship posts at level 2, 3, 4 and 5, in business admin, creative and digital, leadership and management, engineering, to name just a few. It will also offer degree apprenticeships from April 2017.

4.7 Employment Premium Scheme.
This was a local initiative that came out of the Employment and Skills Scrutiny Review. A partnership between the Council and Stockport Homes was established to offer a financial premium to people that agreed to take up employment, over the first six months of their work. Following an inconclusive pilot scheme, the scheme was slightly revised and offered for a further year to new participants. It was found that there was no demand for this initiative and so it was ceased without any further take up. Stockport Homes recycled the funding they were providing (£5k), into other employment support initiatives of their own.

4.8 Other Initiatives.
The Centre for Ageing Better has commissioned the Centre for Local Economic Strategies (CLES) – in partnership with the Learning and Work Institute – to carry out research and co-design work to address worklessness and job insecurity amongst people aged 50 and over in Greater Manchester. This project is part of a partnership between Ageing Better and the Greater Manchester Combined Authority (GMCA) with one of the key aims of supporting people aged 50 and over back into
work. The research and co-design project will develop and test a new approach to support these people and is part of Ageing Better’s commitment to help more people live good later lives. Being out of work or in low quality work in your 50s is associated with poor health, financial insecurity and social isolation, and impacts negatively on wellbeing.

4.8.1 As part of this research, the Council is facilitating access to the community in Brinnington who were identified as being a particular community of interest to the researchers. Following the initial research phase engaging people over 50, or who are out of work or in low paid work, the information gathered about their own lived experience will be used to design new approaches. The most promising ideas will then be tested and their impact evaluated.

4.8.2 The Council has been successful in bidding for a total of £133,500 funding from New Economy. This is the left over money from a GM Jobs with Training initiative, being recycled back out to GM LAs. The official title is GM Commitment to Youth Employment Jobs with Training Projects.

4.8.3 There are two projects:

- £68.5k for involvement in an Intermediate Labour Market (ILM) service for unemployed young people aged 16 – 24, based on the same arrangement that Manchester City Council have in place for their ‘My Future Project’. The programme provides paid work placements to develop the skills, knowledge and experience of the NEET young people in Stockport to allow them to compete in the labour market. It has been developed in partnership and collaboration with the Manchester College and Manchester City Council to offer young people from Stockport aged 16 to 24 years old the opportunity to carry out work placements. It consists of a 4 week pre-employment programme and then 13 weeks paid employment. The young people are being employed by The Manchester College and paid at National Minimum Wage then seconded to a host employer that has recruited them for 3 months.

  The funding will help 18 young Stockport residents go through the programme and the aim is to get at least 60% of them to achieve positive outcomes (employment, training or volunteering). Most of these outcomes we would expect to see the young people obtaining apprenticeships or permanent employment. This project will be led and managed by Learning & Employment in Place Directorate.

- £63k for a project to secure sustained employment in sustainable jobs for young people aged 16-24 who are unemployed/NEET Stockport residents by providing an incentive to employers to encourage them to offer apprenticeship opportunities. Therefore supporting the objectives of the GM Commitment.

  The project will provide a targeted apprenticeship grant of £1,000 to employers who take on an apprentice from one of the following categories:

  16-24 year old who lives in one of Stockport’s priority areas (14 grants available).
  16-24 year old who is LAC, a care leaver or a young carer (20 grants available).
  16-24 year old who has learning disabilities and/or difficulties who has either an Education Health Care Plan or LDA (5 grants available).
  A recent graduate who lives in Stockport (5 grants available).

  An additional £1,000 will be given to employers taking on a young person from a priority area to top up the apprentice’s wages so they receive at least
the minimum living wage of £7.20 an hour. There will be 14 grants available. This will recognise how difficult it is for young people to find employment from a disadvantaged area/background. This project will be led and managed by the 14-19 Service in People Directorate.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1 The Council is involved in either directly delivering or facilitating and enabling partners’ delivery of a wide range of activity that supports employment and skills in Stockport. As the Council’s approach to Inclusive Growth and the strategic framework for this is developed, a work and skills plan will be written to capture the activity and provision that is available in the borough. The Inclusive Growth Work and Skills Plan will bring coherence and increased effectiveness to these activities by avoiding waste and duplication in the offer being made available, and by joining up people who need employability support with the best opportunities for them.

5.2 The Committee is asked to consider the data and issues in the report.

BACKGROUND PAPERS

Appendices are attached in a separate document.

Anyone wishing to inspect the above background papers or requiring further information should contact Richard Mortimer on telephone number Tel: 0161 474 3864 or alternatively email richard.mortimer@stockport.gov.uk