



## Belfast City Council

<b>Report:</b>	Development Committee
<b>Subject:</b>	Stakeholder Engagement – Citywide Employability Support
<b>Date:</b>	29 January 2013
<b>Reporting Officer:</b>	John McGrillen, Director of Development, ext 3470
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<b>1</b>	<b>Relevant Background Information</b>
1.1	Members will be aware that, in April 2012, approval was given to support the work of West Belfast and Greater Shankill Employment Services Board (ESB) for a period of 9 months, to end of January 2013. The cost of the work was £58,500 and a work programme for the period was drawn up, focusing on supporting the Council in some of its employability-related activity.
1.2	This was the third tranche of funding that ESB had received from the Council to support employability-related activity. In March 2011, a request for £15,000 interim funding was made as the organisation expected to receive funding under the proposed Social Investment Fund (SIF). By June 2011, the funding still had not been released so ESB made a further request for an additional 6 month's funding (£30,000), again in anticipation of SIF support. In the period January-March 2012, the organisation received funding from a private sector sponsor.
1.3	Members will be aware that SIF funding has not yet been allocated and that all work to be undertaken must be publicly tendered. That being the case, ESB has not been able to identify another source of funding for its activities so the organisation has approached the Council to request funding for a one year programme of work.

<b>2</b>	<b>Key Issues</b>
2.1	Members may be aware that the Employment Services Board (ESB) was established in 2001 as part of the West Belfast and Greater Shankill Task Forces. Along with the Employers' Forum (managed by Business in the Community (BITC)) and the Jobs Assist Centres (JACs)), it was intended that they would provide a support framework for developing targeted initiatives to help those furthest from the labour market to find employment.

2.2	ESB was funded by DETI and DEL initially to perform a range of functions but, since March 2011, it has had no core funding and has been seeking support from a range of sources.
2.3	ESB is a stakeholder organisation, bringing together a range of organisations including the Area Partnership Boards for West Belfast and Greater Shankill; Belfast Trust; Department for Employment and Learning (DEL); Social Security Agency; training organisations and the Employers' Forum. Belfast City Council is also represented at both officer and Member level.
2.4	<p>Since April 2012, ESB has carried out a number of city-wide activities on behalf of the Council under a Service Level Agreement (SLA), at a cost of £58,500. These included:</p> <ul style="list-style-type: none"> <li>– Assisting Council in the creation of model to maximise the impact of internal work placements, apprenticeships and internship opportunities on key target groups</li> <li>– Maximising volunteering opportunities presented by investment in festivals, cultural &amp; arts initiatives and major city events.</li> </ul>
2.5	ESB also carried on a range of additional activities targeted at the west Belfast and Shankill areas specifically, including employability support for the Neighbourhood Renewal Partnerships (NRPs) in those areas.
2.6	Members will recall that, at the 16 October 2012 meeting of the Development Committee, a proposal to support the work of the Employer's Forum – in conjunction with DEL and private sector partners – was endorsed. An annual work programme was approved at the 4 December 2012 Development Committee and the annual funding contribution of £25,000 towards this work was approved – to be matched by DEL and private sector contributions. The Employers' Forum – like the Employment Services Board – was created by the Task Forces and therefore had a specific focus on opportunities in west Belfast and Shankill. The Forum is now operating on a city-wide basis but employers are committed to maintaining a focus on the areas of the city where targeted interventions are required.
2.7	In developing the programme of work, employer representatives on the Employers' Forum suggested that they supported a "dual structure" of employer representatives and employability stakeholder bodies as they considered that this had functioned well in the case of the work in west Belfast and Shankill (role that had previously been performed by ESB). As such, they said that they would find it useful to engage with a forum where employability bodies (statutory bodies/providers) could be brought together to find practical solutions to challenges that they presented.
2.8	The Employment Services Board has indicated that they would be keen to carry out this function, building on the work that they carried out in the west Belfast and greater Shankill area. However, at this stage, the Employment Services Board does not have access to any additional financial resources as the Department for Employment and Learning (DEL) has suggested that it is not prepared to fund the organisation. As such, Belfast City Council would have to fund 100% of costs.
2.9	Members will recall that, as part of the Investment Programme, a commitment has been made to create a citywide employability and skills group. A number of

	<p>meetings have taken place recently involving DEL; Office of the First and Deputy First Minister (OFMDFM); Social Security Agency; Invest NI and Department for Social Development (DSD) to gain consensus around the citywide model and to begin to prioritise activities. In parallel, OFMDFM is in the process of rolling out the Social Investment Fund and one of the priority areas of activity is “Pathways to Employment”. Steering groups have been established in the north, south, east and west of the city. These groups have now prioritised a range of employability activities which will be developed and implemented in the coming years. Belfast City Council representatives on each of the groups have been keen to endorse the notion of city-wide schemes where possible, particularly on the employability theme.</p>
2.10	<p>As a result, the Council recognises the need for strategic-level engagement of statutory partners in order to gain consensus on the key employability challenges for the city and to prioritise and develop activity which will support the city's economic growth and target those furthest from the labour market. In taking this function forward, there are two options:</p> <ul style="list-style-type: none"> <li>– Undertake the function internally, using staff resources, ensuring an appropriate level of commitment to take account of the intensive range of engagement, development, collaboration and leadership required for this function</li> <li>– Commission an external organisation – such as the Employment Services Board – to undertake the work, based on a contract for services/service level agreement.</li> </ul>
2.11	<p>Members should be aware that advice was previously sought from Legal Services in relation to the council's support for ESB. At the 27 June 2011 meeting, the Legal Services Manager outlined the Committee's options to provide funding under the special powers set out under Section 37 of the Local Government Finance Act (Northern Ireland) 2011. Key stipulations of this act include:</p> <ol style="list-style-type: none"> <li>1. The Council has the power to incur expenditure, subject to it being satisfied that a direct benefit will accrue and that the benefit will be commensurate with the payment made;</li> <li>2. The Council must objectively assess that there will be a direct benefit in terms of the objectives of the organisations as opposed to contributing to the running costs.</li> </ol>
2.12	<p>Therefore, if Members wished to commission an external organisation to carry out this work, consideration may have to be given to undertaking a procurement exercise for this work.</p>
2.13	<p>Following a meeting with Employment Services Board, indicative costings for the city-wide stakeholder engagement work were provided. Based on one Member of staff and administration support, ESB suggest that the service would cost around £95,900 (if they were to provide this service). Adding in another development officer to support the work would bring the costs to around £133,000.</p>
2.14	<p>If the Council was to carry out this function directly, it would involve allocating a member of staff (likely at level PO3 – tannual costs around £40,000) with some administrative support – total costs likely to be in the region of £50,000 annually.</p>

<b>3</b>	<b>Resource Implications</b>
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