Subject: Employability and Skills: Strategic Engagement and Partnership Working

Date: 5th June, 2019

Reporting Officer: John Greer, Director of Economic Development

Contact Officer: Ruth Rea, Economic Development Manager

Restricted Reports

Is this report restricted? Yes ☐ No ☐

If Yes, when will the report become unrestricted?

After Committee Decision ☐
After Council Decision ☐
Some time in the future ☐
Never ☐

Call-in

Is the decision eligible for Call-in? Yes ☒ No ☐

1.0 Purpose of Report or Summary of Main Issues

1.1 The purpose of this report is to:

- update Members on the work being undertaken by the council on employability and skills development activities, in conjunction with a number key strategic partners; and
- seek approval to refresh the Belfast Employability and Skills Framework in order to inform the areas of priority investment for future Council engagement in this area of work.
2.0 Recommendations

The Committee is asked to:

- note the work being undertaken to engage with strategic employability and skills partners to develop and test new approaches to addressing key city challenges including educational attainment, economic inactivity and youth unemployment;
- approve the delivery and associated budgets for “test and learn” pilots to be undertaken in partnership with the Department for Communities (DfC) and the Department for the Economy (DfE); and
- provide budgetary approval for the joint commissioning of independent expertise to refresh the Belfast Employability and Skills Framework and support the development of the BRCD.

3.0 Main Report

3.1 Key Issues

At the City Growth and Regeneration Committee meeting on 6th March, approval was given for a series of activities under the Working and Learning pillar of the Belfast Agenda. One of the thematic areas of this plan focused on strategic engagement, working in partnership with the government departments with statutory responsible for employability and skills. The purpose of this activity is to develop joint areas of working to facilitate better alignment between regional employment interventions and the needs of the Belfast labour market and skills pipeline.

3.2 As reflected within the Working and Learning pillar of the Belfast Agenda, key areas of focus for the city include:

- addressing economic inactivity: currently around 30% of the working age population is classified as economically inactive. This has a significant impact on achieving the Council’s ambitions around inclusive growth. Likewise – at a time of when the unemployment levels are at an all-time low, there are opportunities to consider how these individuals can create a talent pool to meet the growing demand from Belfast’s employers; and
- creating effective pathways for young people to progress into employment, education and/or training: while the city has a very youthful population, there is also worrying levels of unemployment and economic inactivity among this demographic. Educational
3.3 Attainment levels are clearly one of the causal factors and recent research undertaken as part of the Belfast Skills Barometer has highlighted the fact that the low levels of educational attainment tend to be concentrated in the city’s more deprived neighbourhoods.

To achieve any real impact on these priority areas highlighted, it is recognised that the Council must work in partnership in order to achieve the city’s ambitions. Statutory responsibility and associated budgetary control for employability and skills remains within the remit of a number of government departments, principally the Departments for Communities, Economy and Education. To this end, the Council is actively engaging with these partners, using its community planning authority as a convenor to focus on these challenges and develop collaborative solutions. This work is being explored under the banner of the Working and Learning Board.

3.4 Following preliminary engagement with the key partner organisations, a number of areas have been prioritised, focusing on addressing educational attainment and enhancing access to employment opportunities for those who are unemployed and/or economically inactive. In addition to these wider partnership forums, the Council is actively engaging with Departments around specific areas of work as outlined below.

**Collaboration with DfC**

3.5 DfC is a key strategic partner for the Council in tackling long-term unemployment and economic inactivity. As the mainstream provider of employability support for the unemployed and those with health conditions and/or disabilities, the department has a central role in tackling this issue. Over the next three years, many of the mainstream employability programmes including Steps to Success, Workable (NI) and Access to Work will come to an end. The Department is working towards a solution or series of interventions that will aim to provide a flexible support offer, targeting the unemployed and economically inactive and providing them with the assistance that they need to move into sustainable employment.

3.6 Given the potential scale of this intervention, the Department has created a Programme Board involving representation from across all the government partners and agencies (including Social Security Agency, Department of Justice and Department for Education). Belfast City Council is also represented. The Board is particularly keen to try out new and flexible approaches in advance of committing to the full new programme. As a result, they
have been encouraging a series of “test and learn” pilots to explore these new approaches on a smaller scale over a time-bound period during this development phase. Belfast City Council has committed to working with the Department in three specific pilots, namely:

- **Enterprise Pathway**: this will create a new approach to helping economically inactive individuals to start a business. It will involve refocusing the existing “Go for It” programme as well as providing additional mentoring support for the first 12 months of the businesses operation. Personal and skills development support will also be provided along with financial support of up to £3,500 against business start-up costs. The model also integrates the Universal Credit start-up option through which individuals can remain on benefit for the first twelve months of the business’ operation. This builds on a similar model that has previously been tested in west Belfast under the SIF programme. Up to 35 individuals are expected to be supported through this pathway in the course of the coming year.

- **Employer Engagement**: there are around 15,000 businesses in Belfast across a range of sectors and varying from micro businesses to large-scale FDI companies. The majority of businesses are classified as micro and small businesses (employing less than 50 staff). Recent research with employers has identified that over 62% of businesses in Belfast have not engaged with mainstream employability and skills support, despite the range of support available and the number of organisations working in this field. Statutory partners recognise that there should be a more coherent approach to employer engagement and they have committed to undertaking work to look at options for how this might be achieved. This might include co-location of services; increased education and awareness-raising on the offer from respective partners or development of new services to meet gaps in the current provision. The scoping work on this model will be developed by Autumn 2019 with a view to exploring whether specific approaches might be piloted in particular sectors or specific geographical locations.

- **Advice provision**: The Council – working with the Department for Communities – currently provides a support service using the advice sector across Belfast. One example of this support is through Advice Plus, led by North Belfast Advice Partnership. This project will trial a new relationship aimed at linking benefits and work-focused advice in a community setting. The Council will directly link its employment programmes such as Employment Academies into this network as a means of providing a direct route into employment for advice sector customers.
Collaboration with Department for the Economy (DfE)

To inform DfE’s NEET (Not in Employment, Education or Training) action plan, officers are working with the Department to trial new approaches to support young people at risk of becoming NEET. At present, we are involved in two “test and learn” pilots. Jointly funded with DfE, these pilots will support up to 40 young people at a high risk of becoming NEET, many of whom will have some experience of the justice system and/or anti-social behaviour. Pilots are testing different approaches for engaging participants on a local area and a city-wide basis with a focus on flexible interventions developed around a core mentoring offer to address the specific circumstances of the individual. The first pilot is a place based approach will be delivered in the Short Strand/Lower Newtownards Road area. The second approach is sectorally focused aimed at creating aspiration for young people to want to work in key sectors and supporting them to create a pathway to realise their ambition. Pilots are also engaging with a range of stakeholders including Youth Justice Agency, Education Welfare Officers, community organisations providing mental health, drug, and alcohol support. Pilot projects are expected to continue until March 2020 with a minimum of 20 participants progressing into positive destinations such as employment, further education and/or training. The outcome of these pilots will help to inform regional approaches to tackling the challenge around youth unemployment, specifically focused on NEETs.

Refining the work programme moving forward

In 2015, the Council developed a 10 year Employability and Skills Framework for the city with the purpose of creating an agreed vision and priority action areas for action by the Council and its partners. The ambitions contained within the framework formed the basis of the “Working and Learning” pillar in the Belfast Agenda and the associated targets in the Agenda were drawn from the research undertaken as part of the framework development.

Over that period, the role of the Council in this area of work has changed considerably, with the majority of delivery focused on employer-led engagement to develop innovative solutions to help the economically inactive in particular to enter the workforce. While this work has had some significant success, it is important to ensure that the Council investment remains focused on those areas in which it can make an impact. In planning ahead, it is proposed that the Council engages external expertise to help focus its priority workplan for the coming 3-5 years, to be appointed through a competitive procurement process. This research will take account of the changing economic environment, a new approach to
employability support by the Department for Communities (DfC), the development of the Belfast City Region Deal (BCRD), the wider ambitions for the city and a shared commitment to inclusive growth. It will help articulate the scale of interventions required to make a significant impact on the employment and skills levels in the city and will help identify some priority actions as a basis for engagement with our wider government and private sector partners, as well as the associated budgetary implications of these investments. It will be an important tool for consideration as part of the medium-term financial planning approach of the Council.

Employability and skills is an underpinning pillar of the BRCD. Comprising of a range of projects spanning across infrastructure, regeneration, tourism, innovation and digital. Delivery and implementation of these projects is expected to result in up to 20,000 new and/or better employment opportunities. To identify the employment and skills implications of these projects, at both construction and operational phases, there is a need to better understand the skills requirements aligned to specific requirements for each project. Additionally there is a need to look at innovative approaches to delivering inclusive growth ensuring the benefits of the BRCD are spread across the city and wider region. To achieve this there is a need to access technical expertise to develop our understanding of skills needs, the scale of interventions required to make a tangible impact within our economy and developing a progressive approach to inclusive growth. The outcome of this work will be crucial in designing the employability and skills interventions required to support BRCD delivery. Commissioning of technical expertise will be undertaken through a competitive procurement process.

### Equality and Good Relations Implications

Each of the activities outlined within this report is informed by statistical research, stakeholder engagement and complementary policies and strategies. New projects or service areas are equality screened and rural needs assessment completed. Consideration is given to equality and good relation impacts at the initial stages of project development. Officers will work closely with the Equality and Good Relations team on this activity.

### Financial and Resource Implications

The financial resources to deliver the activities within this report will be resourced from the Economic Development 19/20 budget which has already been approved by this Committee. A breakdown of the budgetary costs is set out below:
Enterprise Pathway pilot: the financial contribution from the Council to enhance start-up activity for the economically inactive is expected to be £100,000, with the remaining costs expected to be provided through in-kind support from DfC and existing mainstream business start-up provision. This will support up to 35 potential start-ups;

Employer engagement pilot: the research and development work to support the development of a city-wide employer engagement service will require a financial contribution from the Council of up to a maximum of £20,000;

NEETs pilot: no financial contribution required from the Council – in-kind support to be provided through staff resources;

Revision of employability and skills framework to shape the work plan for the coming 3-5 years: maximum budget of £28,000 required for this work; and

BRCD employability and skills technical expertise: maximum of budget of £25,000 as part of a wider partner funding package.

4.0 Documents Attached

None