



Subject:	Employability NI Update and ESF support
Date:	12 May 2021
Reporting Officer:	John Greer, Director of Economic Development
Contact Officer:	Sinéad O'Regan, Employability and Skills Manager

Restricted Reports			
Is this report restricted?	Yes	No	X
If Yes, when will the report become unrestricted?			
After Committee Decision		<input type="checkbox"/>	
After Council Decision		<input type="checkbox"/>	
Some time in the future		<input type="checkbox"/>	
Never		<input type="checkbox"/>	

Call-in			
Is the decision eligible for Call-in?	Yes	<input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report
1.1	<p>The purpose of this report is to:</p> <ul style="list-style-type: none">• Update members on progress in regard to the Belfast Inclusive Labour Market Partnership (LMP) and the emerging priorities to be considered as part of the action plan for 2021/22• Update members on performance of the five ESF projects in receipt of council match funding and request continuation of council support for the remaining two years of the projects, subject to relevant assurances.

2.0	Recommendations
2.1	<p>The Members of the Committee are asked to recommend that, in accordance with the Council decision of 4th May, the Chief Executive exercise her delegated authority to:</p> <ul style="list-style-type: none"> • Note the update on Employability NI and the Belfast Labour Market Partnership; • Agree to consider the draft Action Plan at the June 2021 meeting of the City Growth and Regeneration Committee; and • Note and approve the match funding requests of £240,000 for the European Social Fund projects for the financial year 2021/22 and agree, in principle, to committing the £240,000 allocation for the final year of project delivery (2022/23), subject to satisfactory monitoring and formal confirmation of the funding from DfE, as well as budget availability within the core budget agreed through the 2022/23 revenue estimates process.
3.0	Main report
3.1	<p><u>Employability NI</u></p> <p>Members will be aware that Employability NI is the new approach to helping unemployed individuals to get back into work. It is led by the Department for Communities but is intended to be a cross governmental approach to co-designing a sustainable future strategic employment offer, providing a tailored level of support proportionate to need. It has been designed in order to:</p> <ul style="list-style-type: none"> • Deliver a reduction in economic inactivity and long-term unemployment to bring NI closer in line with UK rates • Provide increased support for those further from the labour market such as those with health conditions (esp. mental health) and disabilities • Create a mechanism for government to collaborate with councils and other Departments to offer local solutions.
3.2	<p>The governance of the Employability NI Programme includes 11 Labour Market Partnerships – one in each council area. These partnerships are responsible for:</p> <ul style="list-style-type: none"> • Providing leadership and leading on the integration of services • Developing local area plans including setting targets for performance • Managing devolved funding and its delivery • Managing arrangements for the evaluation of local interventions.
3.3	<p>DfC has encouraged local councils to make progress on the establishment of the Labour Market Partnerships in their respective areas, based on a suggested range of representatives.</p>

The Partnerships will be responsible for the development and oversight of a local action plan: initially this will be a one-year plan but, following this initial year, the Department will welcome three year action plans. The Belfast Labour Market Partnership has now been established and has met on two occasions. It is chaired by the council and includes senior representation from the following organisations:

- Department for Communities
- Department for Economy
- Invest NI
- Advice Sector
- VCSE Panel
- Belfast H&SC Trust
- Belfast Metropolitan College
- Belfast Chamber of Commerce
- CBI People & Skills Forum

3.4

At present, officers are working on the details of the strategic assessment. This will provide the intelligence to underpin decision-making and inform the priorities for action. It will take cognisance of key issues such as:

- Supply-side perspective including an analysis of current structure and composition of labour market, taking account of short-term impacts arising from Covid-19 as well as long-term structural challenges around economic inactivity, long term unemployment and geo-spatial deprivation.
- An analysis of labour market demand including the short-term demand pinch-points (such as logistics, social care and construction), sectors experiencing a skills mismatch (such as digital) and opportunities that can be built upon (such as the green economy).
- High-level map of provision including the performance of existing interventions.

3.5

The LMP will utilise the strategic assessment to agree an Outcomes Based Accountability baseline for Belfast and identify themes for improving Belfast's labour market which will then be detailed in an Action Plan submitted to the Department for Communities in June 2021. DfC has confirmed that they were successful in securing budget for the work of the LMPs through the recent budget round. The details of the budget allocations to each council area are currently being finalised. The allocations are based on population and relative levels of deprivation and, as such, it is expected that Belfast City Council will attract the largest budget settlement across the 11 council areas.

3.6 The advantages to working with DfC on Employability NI include:

- Ability to target employability interventions in line with need, ensuring a more inclusive approach to economic growth
- Enhanced level of insights on the localised nature of employability and inactivity challenges – and ability to tailor resources in line with need
- A more responsive series of employability interventions – with enhanced progression and employment outcomes for those engaging in the activity
- The potential to move towards a more formal strategic leadership role for council in this area of work.

3.7 With specific regard to the Belfast Agenda and the Inclusive Growth commitments, the following are important to note:

- Any interventions or activities within the LMP Action Plan will involve voluntary participation rather than mandatory engagement. It will be reliant on building a trusted network of referral points and creating a seamless approach to engaging with individuals who often present with very complex needs.
- The focus will be on those further back in the labour market including the long-term unemployed and economically inactive. This challenge is going to be even more significant in a post-Covid economy – where jobs numbers are significantly reduced
- Given the reasons behind our economic inactivity problem in Belfast, it is likely that there will be a significant focus on health-related economic inactivity. This will require a much better way of working with the Health Trust and other health partners
- A critical element will be to consider how it can be outcomes-based (i.e. progressing in training/towards or into employment) while focusing on what is right for the individual. Given the range of organisations that are likely to be involved in delivery of this service, there are likely to be some challenges in getting this right.

3.8 Proposed approach for LMP

Based on our recent engagement with DfC – and taking account of the pressing nature of the unemployment challenge – officers consider that the best way forward on this is to:

- Engage with stakeholders such as QUB on the underpinning labour market intelligence (LMI) that will drive the work of the partners, particularly the linkages between employment/unemployment and deprivation as well as barriers to accessing a job (e.g. childcare, skills). We are working to develop rich sources of intelligence that will drive delivery and focus resources

	<ul style="list-style-type: none"> • Engage with LMP members to understand likely demand and to develop targeted interventions, focusing particularly on LTU/economically inactive • Understand how local level insights and engagement can make the delivery of existing interventions more effective • Explore how council interventions can add value to the LMP – particularly the Employment Academies model which is extending into new areas (including transport and logistics) and exploring emerging areas of work (including sustainable construction, green economy and technology) • Co-design interventions that can help move people back into work as quickly as possible – this will be particularly important for the “new unemployed” • Review the progress of specific interventions regularly to understand what is working and to share insights with partners.
3.9	<p>In our engagement with DfC, we have underlined how this work is wholly consistent with the Community Planning approach and is a good example of developing a partnership approach to address an entrenched challenge that requires input across a range of organisations. As part of the work to look at the existing Community Planning structures, we have embedded the Belfast LMP within the Community Planning Partnership governance and the respective Boards.</p>
3.10	<p>Officers will update members at the June 2021 Committee as the detail of the Action Plan emerges, and in advance of the formal submission to DfC.</p>
3.11	<p><u>ESF Match Funding</u></p> <p>Members will be aware that the council has previously given in-principle commitment to match fund five European Social Fund (ESF) projects over the current funding period. The five projects are:</p> <ul style="list-style-type: none"> • LEMIS+ consortium • Workforce Learning • USEL • Specialisterne • Springboard.
3.12	<p>These projects are currently entering year four of what was originally expected to be a four year delivery timeframe. However, the Department for the Economy has recently confirmed that the funding is to be extended for another year, ending in the next financial year. While</p>

the last year was undoubtedly challenging for all organisations working to help people into work, collectively these organisations engaged with 1411 participants and helped 596 individuals to find a job (against a target of 2664 people engaged and 579 into employment – note: figures to end December 2020 only).

3.13 ESF projects and other community-based engagement and training are key elements of the pipeline of support for the Employment Academies work. DfE has confirmed that funding levels allocated to each of the five supported projects will be maintained into year four of delivery and has also officially confirmed that ESF will be extended for another year (to 2022/23). It is therefore proposed that the council maintains its previously-agreed match funding contributions for this financial year (2021/22), with total funding of £315,518 (£240,000 Belfast City Council and £75,518 Urban Villages funding (UV funding to Springboard, Workforce and LEMIS+ projects only)). The funding allocations from council as well as indicative participant numbers and job outcomes for the individual projects are detailed below:

Organisation	Overall budget 2021/22	Council financial allocation 2021/22	Participant nos (est.)	Job outcomes (est.)
Springboard	£340,983.10	£27,244.55	Engage with 130 participants	52 participants into employment
Workforce	£241,536.00	£54,699	Engage with 120 economically inactive and unemployed participants	26 participants progress into employment
USEL	£965,589.80	£50,000	Engage with 50 participants who are unemployed or economically inactive living with a disability	Support 15 participants to enter employment upon leaving the programme

Specialisterne	£74,188.75	£9,080	Engage with 7 participants who are unemployed /economically inactive and disabled (including autism)	Support 1 participant to enter employment upon leaving the programme
LEMIS+/Belfast Works	£3,070,421	£98,966	Engage with 2,375 participants	487 participants to enter employment per year

3.14

Given DfE's official commitment to run the programme for one more year, it is also proposed that the committee gives in-principle approval for the levels of match funding set out above to be committed to the projects in the next financial year. These allocations will be subject to satisfactory monitoring and formal confirmation of the core funding from DfE, as well as budget availability.

3.15

Financial and resource implications

Employability NI/Labour Market Partnerships

No specific additional financial contribution required from council at this point. It is expected that we will make available our initiatives such as Pathway to Enterprise and Employment Academies as part of the solution to create employment opportunities in key sectors experiencing employment demand across the coming year.

DfC has confirmed that it will provide resource support for the management and administration of the partnerships, alongside budget for programme delivery. Details of support available are currently being finalised. In the interim, officers are working to re-focus existing staff resources to support this important programme of delivery.

European Social Fund

£240,000 allocation within the Employability & Skills budget for 2021/22 with a renewal of this £240,000 for 2022/23. The £240,000 set aside within this financial year was part of the overall

