

TACKLING WORKLESSNESS

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SUMMARY:

This report sets out an overview of our developing framework to tackle worklessness within Copeland. It highlights progress and current activity and sets out our approach and potential priorities.

1. DEFINITION

We have a working definition. Worklessness includes unemployed and economically inactive people of working age (16 to official retirement age). It includes the claimants of out of work benefits, such as the Job Seekers Allowance, Income Support and Incapacity Benefit. Of the claimants of these benefits only the JSA claimants are considered as economically active as they should be actively seeking work as a condition of benefit receipt. Worklessness also includes people who do not claim out of work benefits, such as students and people who have retired prior to reaching statutory retirement age.

2. NATIONAL REVIEW

- 2.1 This review, reporting in March 2009, has specifically reviewed the contribution and role of local authorities and partnerships in tackling worklessness. The focus is on how all levels of government can work better with local partners.
- 2.2 The interim report proposes five “aims for government” when considering the role of local government and partnerships in responding to rising worklessness:
 - The position of those communities with the lowest unemployment rates should not worsen;
 - A continued focus on helping those furthest from the labour market and closing employment rate gaps for disadvantaged groups;
 - Doing more for disadvantaged young people;
 - Flexibility to allow local areas to define additional local priorities;
 - Support enterprise as a means to drive demand for employment.

- 2.3 A number of new mechanisms to ensure actions have “maximum impact” and are “co-ordinated and responsive” are also arising from the review:
- A “worklessness assessment” (common understanding of local need)
 - A “work and skills plan” (responses to local economic conditions)
 - A “work and skills integrated budget”
- 2.4 The review suggests more radical approaches and possible interventions on both labour supply and demand and the infrastructure needed to support this.

3. KEY CURRENT PROGRESS

- 3.1 West Cumbrian Perspective
Copeland is working with Allerdale and partners in West Cumbria as part of the Worklessness Floor Target Group. Recent activities have been to provide an up to date overview of service providers and an audit of existing services from all sectors.
Partners are signing up to the development of a West Cumbrian Worklessness Action Plan.
- 3.2 Coalfield Communities Regeneration Programme 2009-12
This three year programme has three priorities within the target coalfield neighbourhoods:
- Tackling barriers in hard to reach areas through targeted grassroots interventions;
 - Engaging incapacity benefit claimants;
 - Developing Intermediate Labour Market Opportunities

Projects will be commissioned during March 2009.

- 3.3 Projects
A range of projects are being delivered and proposed which do not necessarily act as part of a co-ordinated approach within West Cumbria.

4. COPELAND APPROACH

- 4.1 **Work and Skills – an integrated approach**
We are taking the opportunity to set out our priorities so that we can work with partners in Copeland and across West Cumbria to set out an integrated work and skills partnership approach.
Our Copeland Work and Skills Plan will sit within a West Cumbria Skills and Work Plan and will need to incorporate known areas for action including:
- Reducing overall levels of worklessness in deprived communities including young people and addressing poor health impacts;

- Removing barriers to training, skills development and employment;
- Evidence to enable effective delivery and targeting;
- Increasing entrepreneurial activity;
- Effective engagement of people who are workless;
- Stronger partnership and engagement with employers.

4.1.1 Evidence based

Our continuing question underpinning our approach is 'What are our local employment and local skill challenges?'

- a) Our locality working will enable stronger attention to locally based intelligence to further inform the detailed official stats;
- b) The existing LAA targets and strategies draw from county produced profiles and economic assessment;
- c) Copeland will through its Economic Futures approach be keen to work with partners to maintain an annually updated economic and worklessness assessment to enable a common understanding of the issues and needs.

4.1.2 Working Neighbourhoods

Our focus throughout is to recognise that there are a) core Copeland and West Cumbria shared priorities and actions and b) specific neighbourhood and communities issues and interventions. Our commitment as part of the delivery of the Energy Coast Masterplan is to facilitate and support sustainable neighbourhoods and localities within the wider West Cumbrian economic area.

Existing local and parish plans will be expanded as part of Locality working pilots enabling the working neighbourhood element to be fully integrated into each Locality Plan. Existing neighbourhood services locally and further afield offer learning and good practice opportunities to inform and identify potential project interventions.

4.1.3 Employer engagement

Key employers within the borough are sharing and looking to work with their local partners to get a cohesive approach to skills and employment. In particular, the NDA have launched their skills and capability strategy, the Council is looking to strengthen its workforce planning and the health campus approach is being scoped in support of a new proposed hospital development.

4.1.4 Entrepreneurial activity

In line with our low levels of entrepreneurial activity a priority to identify, encourage and increase skills and activity levels fits our overarching aims in tackling worklessness. Are we looking at opportunities to increase activity at all levels from children in school to enterprising community developments to enterprise skill development and business growth support?

4.1.5 Outcome and Impact Delivery focus

Experience and good practice offers some delivery guidance:

- A client-centred, holistic, customised approach is important for effective delivery of interventions in this framework. The type of provider (public, private, community/voluntary) is not a critical factor for success although evidence shows that a high degree of involvement by third sector organisations and particularly social enterprises is advantageous
- A sufficient level of autonomy is required in order to make sure that the intervention is flexible and can adjust to local context and circumstances
- A worklessness assessment would identify the capacity and quality issues for service providers and intervention project delivery.
- Flexibility regarding the need for formal training is an advantage as formal training is not always needed, and can be a disincentive to the engagement of some individuals
- Benefits of multi-agency working , and a partnership approach is essential in realising the potential of improved planning, coordination and delivery of services
- Developing strong links with employers; a clear focus; use of employer placements; and support which is tailored to meet individual needs are critical features of successful initiatives.

Appendix 1

Cumbrian LAA Targets - worklessness and skills

Priority Outcome: Reduce Worklessness

- NI 151 Overall employment rate
- NI 152 Working age people on out of work benefits
- NI 153 Working age people claiming out of work benefits in the worst performing neighbourhoods
- NI 173 Percentage of people falling out of work and on to incapacity benefits

Priority Outcome: Improve skills throughout Cumbria

- NI 174 Number of businesses reporting skills shortages
- NI 163 Proportion of population aged 19-64 for males and 19 – 59 for females qualified to at least Level 2 or higher
- NI 165 Proportion of population aged 19 – 64 for males and 19 – 59 for females qualified to at least Level 4 or higher
- NI 106 Young people from low income backgrounds progressing to Higher Education
- NI 166 Average earnings of employees in the area

Priority Outcome: Support Children & Young People on the pathway to success

- NI 110 Young people's participation in positive activities
- NI 117 16 – 18 year olds who are not in education, training and employment (NEET)

Appendix 2

Evidence Base: Worklessness and Skills Issues

West Cumbria perspective

- Low levels of enterprise and business activity are a feature of our least prosperous neighbourhoods (Cumbria Economic Intelligence Partnership)
- 24% of businesses with 3+ staff reported that they have employees who do not have all the necessary skills to do their jobs effectively and productively
- The number of people taking part in “Personal and Community Learning” (not skills training as such) in West Cumbria is 2728 out of an Adult Population of 99400 which equates to 3% of the population
- In West Cumbria, the Working age population (25–65) qualified to least Level 2 are 15749. For the same age, 4572 are qualified to Level 3 and 14425 are qualified to Level 4+
- In the 16–25 age group 5658 are qualified to Level 2, 2212 are qualified to Level 3 and 1088 are qualified to Level 4+
- The number of people qualified to Level 2,3 and 4+ is less in Copeland than in Allerdale

Source: The State of West Cumbria 2008 – Future Generation Report No: 1

- Copeland has relatively low numbers of businesses (1,755) in proportion to its population
- West Cumbria lacks a strong entrepreneurial culture
- For many people in West Cumbria, the decision to ‘go self-employed’ involves an element of risk and insecurity of income which must be counterbalanced by the individual’s confidence in their ability to sell their own skills. Only 3900 people are self employed in Copeland (8.9% of the population)
- The figures for economic inactivity in Copeland in 2006 was 20.5%, of which 2.3% wanted a job and 18.0% didn’t want a job
- Educational outputs in Cumbria area little ahead of national averages at Key Stage 2. At Key stage 3 Copeland is falling behind the national average.

Source: An Economic Assessment of Cumbria – A Report to the Cumbria Economic Intelligence Partnership, March 2007

- In West Cumbria 20% of working age people have degree level skills, compared to 25% for the North West and 26% nationally. But there are a smaller proportion of individuals with no qualifications in West Cumbria (10%) lower than the North West (17%) or the national average
- A key challenge for West Cumbria is increasing the number of learners progressing from further to higher education. Overall fewer West Cumbria leavers (68%) enter further education compared to the UK average (72%)

Source: West Cumbria Spatial Masterplan

Economically inactive (Jan 2007- Dec 2007)

	Copeland (numbers)	Copeland (%)
All people		
Economically inactive	11, 800	27.7
Wanting a job	3,100	7.2
Not wanting a job	8,700	20.5
Males		
Economically inactive	4,600	20.2
Wanting a job		
Not wanting a job	3,200	14.2
Females		
Economically inactive	7,200	36.2
Wanting a job		
Not wanting a job	5,500	27.6

Qualifications (Jan 2007 – Dec 2007)

	Copeland (numbers)	Copeland (%)
NVQ4 and above	10,700	25.1
NVQ3 and above	18,800	44.0
NVQ2 and above	27,300	64.1
NVQ1 and above	33,300	78.1
Other qualifications	4,000	9.3
No qualifications	5,400	12.6

Total JSA claimants (September 2008)

	Copeland (numbers)	Copeland (%)
All People	1,132	2.6
Males	841	3.6
Females	291	1.5

JSA claimants by age and duration (September 2008)

	Copeland (numbers)	Copeland (%)
By age of claimant		
Aged 18 - 24	470	41.6
Aged 25 - 49	510	45.3
Aged 50 and over	150	13.1
By duration of claim		
Up to 6 months	835	73.9
Over 6 up to 12 months	185	16.5
Over 12 months	110	9.7

Working-age client group – key benefit claimants (February 2008)

	Copeland (numbers)	Copeland (%)
Total claimants	7,450	17.2
Job seekers	1,090	2.5
Incapacity benefits	4,080	9.5
Lone parents	810	1.9
Carers	680	1.6
Others on income related benefits	190	0.4
Disabled	470	1.1
Bereaved	120	0.3

Source: Nomis Official Labour Market statistics (Oct 2008)

National perspective

- Unemployment and jobseekers Allowance (JSA) claimant count have sharply increased since April 2008
- Sharp increase since May 2008 in economic inactivity due to long-term ill health signalling an increase for the first time in three years of the number of Employment Support Allowance and Incapacity Benefit claimants
- Long-term unemployment (over 12 months on JSA) may be starting to increase after ten years at very low levels
- Many people without work suffer from multiple barriers to employment due to long-term disengagement from the labour market

Source: Tackling Worklessness: *A Review of the contribution and role of local authorities and partnerships*, November 2008