



Subject:	Employability and Skills Activity Plan 2017/18
Date:	12 April 2017
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Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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	The purpose of this report is to: <ul style="list-style-type: none">- Update Members on the work undertaken to date to support employability and skills development in the city;- Seek Member endorsement and budgetary approval for priority initiatives, set out in 3.10 to be led by the Council in partnership with other organisations with the aim of responding to economic opportunities and addressing key employability and skill challenges.
2.0	Recommendations
2.1	The Committee is asked to: <ul style="list-style-type: none">- Note the employability and skills activities undertaken within the 2016/17 financial year

	<p>and progress achieved to date;</p> <ul style="list-style-type: none"> - Note and approve priority actions identified for development and delivery in 2017/18 and approve expenditure of proposed budgets; - Agree to development of partnership structures to facilitate the delivery of priority actions where there is alignment of purpose and where there is an opportunity to share resources.
3.0	Main report
3.1	<p><u>Key Issues</u></p> <p>Belfast is a major source of employment not only for the resident population for also for the wider region; over one third of all jobs in Northern Ireland are located within the city. As the economy evolves and becomes more knowledge-based and service industry-focused, it is essential that skills development activity – at all levels – is informed by the needs of the changing marketplace.</p>
3.2	<p>Forecasts suggests that only 1 in 6 of new jobs (16%) in the future will require no or low skills levels (below level 2). At present, more than 30% of the working age population in Belfast fits within this skills profile. The challenge, therefore, is to consider how the current workforce can be skilled up and how the education and skills provision for those not yet in the labour market can be tailored to ensure that there is greater alignment between skills supply and demand.</p>
3.3	<p>One of the most significant challenges to the city’s economic competitiveness is the high level of economic inactivity. Current figures suggest that this is around 31% of the population that could work but that are not active in the labour market. In some areas of Belfast, this figures rises to more than 40%. The reasons behind these figures are numerous and complex. The group is made up of a number of different “segments” including students, lone parents and those unable to work due to reasons of ill-health. Changes to the benefits regime mean that there is some protection for these groups up to 2020. However, after that, there will be a much greater focus on trying to move these individuals into the labour market, and there may be benefit penalties for not doing so. Given the geographically-focused nature of these statistics, the impact on local communities could be significant. It is therefore critical that interventions are developed now to support this target group to move towards employment where possible, taking account of the multiple challenges that they may face in moving back into work. There are, of course, a number of interconnected issues that contribute towards an individual’s ability to enter the labour market such as; poor health and</p>

	wellbeing; family culture; lack of or absence of skills; mobility issues; low paid jobs; access to childcare etc.
3.4	The long term vision for Belfast, as outlined in the Belfast Agenda includes an ambition to create a successful economy where everyone can reach their potential. To deliver upon this commitment, a twin track approach is required: supporting economic growth but ensuring that that growth is inclusive and that the benefits are accessible across the City. Over the next four years, the Belfast Agenda targets reflect this commitment: ambitious targets for economic growth focusing upon new job creation and private sector investment alongside targets to reduce the economic inactivity rate, increase skill levels and address educational inequalities.
3.5	The ambitions of the Belfast Agenda are reflected in wider regional policy including the Draft Programme for Government 2016-21 (PfG) and the NI Industrial Strategy: Economy 2030 (see separate report). Both strategies incorporate commitments to grow the economy whilst also ensuring that growth is undertaken in a sustainable and inclusive manner, benefiting society as a whole. The PfG also highlights the opportunity to develop place-specific approaches by working with Local Government. One of the initiatives proposed is the development of 'Local Works' creating a pathway to employment for those who are economically inactive.
3.6	As Members will be aware, approval has been given for Officers to develop a Council-led employability pathway model. This would provide a full programme of support and intervention which would take key client groups from a place where they are not job-ready to gaining employment in jobs that have been identified by developing close working relationships with employers across a range of sectors. The model focuses on an employer-led approach with interventions designed to equip participants with the skills required for specific employers/industries. Given the wide range of target groups and the complexity of issues that they face in finding a job, this model will require significant investment if it is to produce results of the scale that is required to address the economic inactivity challenges set out above. However, there are opportunities to consider how existing programme activity can be re-orientated to deliver elements of the pathway model. Likewise, there is an opportunity to engage with DfC to see how they might contribute resources to delivery in the context of its commitments in the draft PfG to develop a series of "Local Works" proposals.
3.7	While the Council has increased its financial contribution towards employability and skills

activity in recent years, it still has a limited budget in relative terms and does not have statutory responsibility for education, employment or skills development activities. As a result, it will be essential to engage with government partners to look at how we can influence their investment in this area. The statutory requirement through Community Planning for partners to work with the Council on an agreed plan for the area provides an unprecedented opportunity to work directly with key private and public sector partners and the employability and skills proposals are high on the list of priorities within the Belfast Agenda.

3.8 As Members will be aware, at the 24 June 2016 of the Strategic Policy and Resources Committee, a ten year Employability and Skills Framework for the city and associated year one action plan were approved. The Framework creates a structure for the delivery of employability and skills commitments contained within the Belfast Agenda. It is focused around four main aims, namely:

- Aim 1: increasing access to employment by supporting development of lower and entry levels skills and by addressing barriers preventing access to jobs;
- Aim 2: generate higher level skills which meet the demands of employers and investors;
- Aim 3: facilitate career progression routes across all skill levels;
- Aim 4: develop a culture of entrepreneurship at all levels.

3.9 Activities delivered in year one have focused on interventions primarily associated with aims 1 and 4 of the framework, in recognition of the scale of challenge in these areas, and given that the Council now has statutory responsibility for entrepreneurship and business start. Key activities delivered to date are outlined in Appendix 1.

3.10 Draft Action Plan – 2017/18

In 2017/18, activities will focus on delivery of the aims of the Employability and Skills Framework as well as the Belfast Agenda's "Working and Learning" and "Growing the Economy" priorities. In line with the Employability and Skills Framework aims, the draft programme of activity is set out below:

Aim 1: increasing access to employment by supporting development of lower and entry levels skills and by addressing barriers preventing access to jobs

- Continued support for the five ESF and two match-funded employability projects (as set out in 3.9 above) into their third and final year of delivery targeting the unemployed and economically inactive. Through these projects, it is expected that over 3500

residents will be engaged in the 2017/18 financial year with over 800 progressing into employment. In tandem it is also proposed to independently review all match-funded projects to assess their value for money and alignment to Belfast Agenda and Employability and Skills Framework priorities. The purpose of this review will be to inform the Council's position with regard to a future ESF funding call. Indications from the Department for the Economy suggest that the final call will open for applications in Autumn 2017. Projects will run for a period of three years and will be operational from April 2018. The costs associated with this work will be £240,000.

- Commence phase 1 delivery of the Belfast Employability Pathway Model targeting employers within key sectors including healthcare, retail, construction, hospitality and public sectors. The pathway will be designed to meet the specific skills requirements of each individual sector and, where applicable, will be designed to avail of existing employability provision such as Council match-funded ESF projects and/or existing FE provision. However, it is recognised that bespoke pathway models and/or additional investment in existing provision may be required to create models of delivery which meet industry needs. This is likely to necessitate new forms of partnership working. It is anticipated that over 250 individuals will be supported into employment through this activity. The costs associated with the development and delivery of the model will be £255,000.
- To address educational underachievement of young people, it is proposed to complete delivery of early engagement interventions for those who are furthest removed from the labour market, based on learning gained through the delivery of sports based pilot projects, expected to complete in summer 2017. Current projects are aiming to engage with over 350 young people who are or are at risk of becoming NEET (Not in Employment, Education or Training). Upon completion a review of activity will take place to inform future client groups and optimal approaches for engagement. It is proposed that a new early intervention programme will be developed and is expected to be operational from late Autumn 2017. The costs associated with delivery of the new interventions will be £50,000.
- Feasibility work will be undertaken in this financial year to explore options for the introduction of a "city pledge" for young people. This is in line with the commitment in the Belfast Agenda to ensure that every young person has a positive destination. This will be part of a research budget of £30,000 that will be used to explore this area

of work as well as the review of ESF activity and research into graduate employment/underemployment.

Aim 2: generate higher level skills which meet the demands of employers and investors

- We will work with the major further and higher education institutions to ensure alignment of course provision to meet industry needs. We will do this by engaging with the organisations to share the analysis from our sector development work, for example the emerging Cyber Security Action Plan. The budget allocation for this activity will be met from the sector development plan budget already approved by this Committee
- Through our new Investor Support Service, we will work with Invest NI to engage with new employers to identify specific skills challenges and invest in support services to ensure that there is an adequate skills pipeline
- We will support skills development initiatives within micro and small businesses in order to support staff development and retention. This activity will be supported through our Small Business Support Plan which is also being presented to this Committee for approval.

Aim 3: facilitate career progression routes across all skill levels

- We will continue to work in conjunction with the Department for Communities and the Department for the Economy to organise large scale (city centre-based) and localised job fairs, including the Skills NI career fair. The costs associated with this work will be £20,000.
- We will work with employers as part of the employability pathway to explore the potential for “next steps” training for individuals once they access the entry level employment opportunities. This work will help to create ongoing demand for the entry level jobs and will ensure that individuals feel the financial benefit of moving into employment. The costs associated with this work are part of the budget set aside for the employability pathway work.
- We will continue to support the Council’s ambition of becoming a Learning City

through the ongoing work with the Belfast Strategic Partnership’s Lifelong Learning Group and exploring the potential of becoming a UNESCO City of Lifelong Learning.

Aim 4: develop a culture of entrepreneurship at all levels

There is more detail on the enterprise support activities within the separate report on Small Business Support Activity that is being presented to this Committee for endorsement. However, some of the highlights include:

- Working with Derry City and Strabane District Council on a City Business Start-up programme, focusing on key growth areas across both cities
- Targeted outreach activity for specific areas and key target groups: we will work closely with locally-based organisations to develop bespoke enterprise outreach sessions for key groups such as women, disabled people, ethnic minorities, young people. This will sit alongside our mainstream provision.

3.11 Across all of these activities, the theme of *inclusive growth* will be critical. We will continue to work to drive maximum social and economic benefit of investment decisions by the Council and other Anchor Institutions by implementing a “Social Value Procurement Framework”. We will also work closely with colleagues in the Planning and Place Department to look at opportunities for generating opportunities for employment-related developer contributions.

3.12 Officers are also currently working on a number of education-related activities which will look at how the challenges around low skills and poor educational attainment can be addressed much earlier in a young person’s life. Details of these proposals will be brought back to a future meeting of this Committee for endorsement.

3.13 Financial & Resource Implications

The recommended budget allocations for each of the elements set out in 3.10 are summarised below. These are already contained within existing revenue estimates.

Please note: enterprise support activities (Aim 4) will be supported from the Small Business budget – see separate report:

Match funding of 5 ESF projects and 2 other employability projects.	£240,000
Projects to be funded will include:	
- ESF projects: LEMIS + (£80k), Springboard (£35K), Women’s Tec (£35K) Women in Business (£15K) and Workforce (£25K)	
- Non-ESF projects: Shankill Women’s Centre (£25K) and Lenadoon (£25k)	
Belfast Employability Pathway Model	£255,000

	Early engagement interventions	£50,000
	Career progression activities	£20,000
	Research activities: ESF independent review, city pledge and graduate under/unemployment	£30,000
3.14	<u>Equality or Good Relations Implications</u> Programmes have and will continue to be designed to help remove barriers to participation and promote equality of opportunity.	
4.0	Appendices – Documents Attached	
	Appendix 1 – Activities delivered in Year 1	