

**Employment Learning and Skills and Community Policy and
Performance Board
Business Planning 2015 – 18**

Members Briefing Note – 10th November 2014

The purpose of this briefing note is to provide members of the PPB with an overview of key strategic issues facing the Board over the medium-term.

As you will appreciate this briefing cannot cover all aspects of the delivery of services across all of functional areas that fall within the remit of this Board but will provide details of the primary drivers that will shape the work of services in supporting and delivering the Council's organisational priorities and business needs.

Strategic Context

- **Ongoing Financial Constraints**
- **Difficult Choices**
- **Things that we must do**
- **Lots of change and uncertainty**
- **Maintaining Stability**

The Council continues to operate in an extremely difficult financial climate. We will need to ensure that we continue to meet our statutory responsibilities across all areas of our operations and the Economy, Enterprise and Property Department and the Community and Environment Department will continue to play a key supporting role in this endeavour, for example through effective financial management and the integration of national policy initiatives with

PPB Areas of Responsibility

- **Consider each area in turn**
- **Key issues for each**
- **Overview**

efficient arrangements for service delivery.

An overview is provided for each priority for comment and discussion. Members are advised that some priorities will resonate in other PPBs, for example, Environment and Urban Renewal and Resources.

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- 1. Welfare Reform the Work Programme**
- 2. Private Sector Interface**
- 3. Youth Unemployment - Youth Employment Gateway**
- 4. Mersey Gateway Employment Schemes**
- 5. Sector Skills**

Overview

1. Welfare Reform - The Work Programme

Welfare reform is a key priority for Government and will have a major impact on driving economic growth. The Work Programme was introduced in 2011 with the underlying principle of 'making work pay'.

The Work Programme provides an advice and employability service to long term unemployed people. Those eligible for the Work Programme are mandated for up to two years to the provision offered through our Halton People into Jobs, (HPiJ) team. The Work Programme has required a very different type of employment model to be adopted by the Council's Employment Learning and Skills Division.

Firstly, the Job Centre Plus mandatorily refers long term unemployed residents to the Work Programme. Secondly, income is generated per customer, so the more customers the Employment Officers within HPiJ see, the more income that can be generated. It is a performance oriented model that is driven by volume (quantity). The emphasis is on advising customers and supporting them into employment as quickly as possible.

Despite initial difficulties in managing the Work Programme, the income that the team has earned from getting customers into employment has been significant and has allowed the division to continue to provide a broader employment support offer.

Government is considering extending Work Programme contracts. This would mean HPiJ managing the contract for a further 2-3 years. Our prime contractors are keen to work with us beyond the Work Programme, notably in employment and health related matters. However, before committing to this, an evaluation of our involvement in the Work Programme will be required.

2. Private Sector Interface

Government continues to focus on private sector employment rather than public employment. The emphasis is still on rebalancing the economy both from a sector-led and a geographic perspective and a move to 'shift power to local communities and businesses'; 'increase confidence to invest'; and 'tackle barriers to growth'.

New business support initiatives have been introduced which are designed to encourage private sector enterprise, and create sustainable private sector jobs.

Government policy is to transfer business support services from the public to the private sector. As a consequence, a number of business support measures are channelled through Local Enterprise Partnerships. However, in the Liverpool City

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Region good working relationships exist between the LEP and the Local Authorities and many business support schemes are led by respective Councils as follows:

Halton Business Support Programme

The Halton Business Support Programme, which finishes in September 2015, offers free support to Halton businesses. The programme consists of an initial diagnostic phase which produces an action plan for the business. A subsequent phase offers specialist support for specific areas. Requests for assistance with sales / marketing, strategic business planning and options for ecommerce have been prominent. The scheme is highly successful and continues to engage the Halton business community with 190 companies approaching the Project Team for support. 100 companies have been referred for an initial diagnostic and the creation of an Action Plan for Growth. The programme has, to date, achieved 55 12 hour support outputs and is on course to meet the target of 146 SMEs assisted.

The programme has assisted a range of Halton businesses of Micro to Medium size. A key priority will be to seek funding to continue this activity during the course of this business planning period.

Liverpool City Region Business Growth Grant Programme

The Liverpool City Region Business Growth Grant has been providing grant of between £10,000.00 and £1,000,000.00 to eligible companies across the LCR based on a private sector leverage ratio of 5:1 and the creation of sustainable jobs.

Liverpool City Region Growth Hub

The Liverpool City Region Local Enterprise Partnership (LEP) has developed a proposal to create a 'Growth Hub' for the city region. A Growth Hub is not a physical entity but rather a virtual organisation to provide business support services across the City Region. However, Government is very prescriptive with respect to the form and function of the Growth Hub model they will support. This must include management and strategic coordination and a one stop shop.

The prescribed model suggests a preeminent role for local Chambers of Commerce with support by Local Authorities. Halton Borough Council and Halton Chamber of Commerce and others are, therefore, discussing in detail how the Growth Hub might work in Halton and how best the model might serve the needs of the local business community. This is an important piece of work as it will shape how business support is provided in the future.

Inward Investment

The LEP and Local Authority partners are currently debating the development of an Inward Investment Protocol for the Liverpool City Region. The LEP proposes a co-ordinated agency approach, resourced centrally but led by the LEP, to 'sell' the LCR. It will be necessary for Halton to take a proactive role in these discussions to ensure that Inward Investment interventions are actioned at the most appropriate spatial level.

3. Youth Unemployment – Youth Employment Gateway

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The Liverpool City Region secured £5.9million of Government investment to deliver a programme to reduce youth unemployment across the City Region over the next three years. The programme is called the Youth Employment Gateway. The purpose of the Youth Employment Gateway (YEG) funding is to support 18-24 year olds into sustained employment. Beneficiaries will be offered the opportunity to join the programme on a voluntary basis¹ from 8 weeks of unemployment and will remain 'on-programme' until they have found a job or until they join the Work Programme after nine months of unemployment.²

Each Local Authority has been given an allocation to deliver their scheme in respective areas. Allocations are based on volume and percentage of 18-24 year olds on Job Seekers' Allowance (JSA). This will be a major area of activity for the Council over the next 2-3 years drawing in approximately £450,000 of grant.

4. Mersey Gateway Employment Schemes

The Mersey Gateway Regeneration Strategy highlights the potential physical regeneration benefits that can be obtained following the construction of the bridge and the subsequent traffic improvements.

The removal of the current congestion will open the Borough to new investment opportunities which have previously not been available.

Following construction, both temporary land, and land previously used for highways will be available for development, adjacent sites will benefit from improved proximity to a major road network. Economic growth is located around excellent transport links and with the MG Halton will be able to benefit economically.

Post construction the main economic benefits stem from:

- New development sites being available adjoining the MG
- Improved image of Halton, through the quality of the build and landscaping
- Consistent connectivity between M56 & Liverpool
- Greater opportunities for redevelopment and regeneration of older commercial areas through improved location

However, the scheme proposes 470 permanent full-time equivalent jobs on site during the construction phase. Therefore, a number of employment and employability schemes are being developed including the Volunteer Information Sessions and the Mersey Gateway Volunteer Training programme.

Bespoke Mersey Link pre-employability programmes have also been designed for Traffic Management and Business Administration programmes.

5. Sector Skills

Sector skills development will continue to focus on Halton's key growth areas i.e.

¹ Participants will have to meet JCP requirements for Jobseekers

² This element of the model may need to be amended should any significant changes be made to existing mandatory provision for this age group.

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Infrastructure (including construction);
Logistics and distribution;
Digital Infrastructure;
Science and Innovation.
Low Carbon Economy

These themes are presented in more detail in Halton's response to the Northern Futures debate (October 2014).

The Construction Halton initiative acknowledges that the forecast scale of development and other construction related activity in the borough offers significant potential for moving people from benefits into work.

The aims of Construction Halton are to provide a mechanism that will ensure people from disadvantaged groups and areas within Halton are able to access jobs and training opportunities arising in the construction industry.

Continuation of the Science Halton initiative - the combined Science, Technology & Advanced Manufacturing (STAM) Steering Group and Halton Science Action Group is a priority.

Through our work on the Enterprise Zone at Daresbury working with colleagues at the Science Technology Facilities Council (STFC) and Langtree we have now developed a Skills Strategy for Sci-Tech Daresbury.

Halton's strategic position and proximity to a wide range of water, as well as other infrastructure assets is being further exploited with the proposed developments Widnes Waterfront and 3MG.

Delivering fibre broadband to all premises will bring considerable benefits to Halton's residents and businesses. Fibre broadband will offer a step change to SME businesses allowing them to live and work locally while competing globally.

We are working with partners in the City Region to exploit the commercial opportunities for low carbon and the marine economy associated with the port, river, off shore renewables, hydrogen resources, specifically for decentralised low carbon energy, transport and resource efficiency.