

<b>TITLE</b>	<b>Employment Hub</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 25 March 2021
<b>WARD</b>	None Specific
<b>LEAD OFFICER</b>	Director, Place and Growth
<b>LEAD MEMBER</b>	Executive Member for Business and Economic Development - Stuart Munro

**PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

The pandemic is predicted to have a significant and long-lasting negative impact on the economy. These impacts will include increased unemployment and a challenging jobs market. Wokingham Borough does not have any DWP / Job Centre Plus presence with residents having to travel to Reading or Bracknell to access support. This creates additional barriers and costs especially for those facing greater challenges or the 'hidden' unemployed. Accessible local service provision will encourage take-up of services and positive employment and skills outcomes that in turn will improve well-being as well as supporting economic recovery. As a new initiative that will require prioritisation in the context of scarce resources an Executive decision is required.

**RECOMMENDATION**

That the Executive:

- 1) approves in principle the establishment of an Employment Hub as outlined in this report;
- 2) delegates final approval of detailed proposals to the Executive Member for Business and Economic Development in consultation with the Deputy Chief Executive and Director, Place and Growth;
- 3) approves a supplementary estimate of £90k to cover the implementation and first year running costs of the Employment Hub and notes a £10k p.a. pressure regarding running costs in future years.

**EXECUTIVE SUMMARY**

The pandemic is predicted to have a significant and long-lasting negative impact on the economy which most commentators expect to be exacerbated by our leaving the EU, at least in the short / medium term despite a 'deal' now being in place. These impacts will include increased unemployment and a challenging jobs market. A smaller economy with employers in survival mode, recently redundant skilled workers and new graduates competing for the same jobs as school leavers will all make rising unemployment inevitable and the need for a coordinated response essential.

Recognising this DWP nationally are significantly increasing their capacity to support people and in particular young people. In this context it is particularly noteworthy that Wokingham Borough has no DWP (Job Centre Plus) facility with residents having to

access services at Bracknell or Reading, creating a significant additional barrier, particularly for the more vulnerable. DWP have confirmed that if we were able to establish a hub that in particular met the needs of young people then they would look to resource with a dedicated Work Coach that could work in partnership with other local services to provide a comprehensive all-age employment support service.

Wokingham Borough has considerable experience of successfully delivering a comparable service through its previous involvement in the Berkshire-wide 'Elevate' project. The proposed employment and training support hub would mirror this model led by Economic Development and NEET Prevention teams and the Optalis Supported Employment Service (SES) with the involvement of a range of partners:

- DWP Job Centre Plus;
- National Careers Service;
- Other local providers (e.g. apprenticeship and training providers such as Prince's Trust and Prevista, FE colleges and local voluntary sector);
- Employer support services.

Officers are currently assessing potential locations in or close to Wokingham Town Centre that will maximise local accessibility across the Borough and developing detailed, costed proposals based on the specification of requirements.

As Government business support schemes come to an end, especially the furloughing of staff (scheme now extended on a tapering basis to September), there are widespread predictions of a further spike in unemployment on top of the increases already seen. There is therefore a degree of urgency to expedite proposals and implementation to ensure support is available in a timely manner to meet increased local need.

## BACKGROUND

The pandemic is predicted to have a significant and long-lasting negative impact on the economy which most commentators expect to be exacerbated by our leaving the EU, at least in the short / medium term despite a 'deal' now being in place. These impacts will include increased unemployment and a faster pace of digitalisation and automation leading to a challenging jobs market, particularly for those who need to retrain mid-career. A smaller economy with employers in survival mode, recently redundant skilled workers and new graduates competing for the same jobs as school leavers will all make rising unemployment inevitable and the need for a coordinated response essential. Whilst the impacts on opportunities for young people are likely to be particularly severe it is anticipated that they will be felt across all age-groups.

The Local Enterprise Partnership (LEP) analysis of the pandemic's impact on Berkshire's labour market concluded that:

- The employment impacts of Covid 19 have been greater for young people and job entry for them could be significantly affected by future recruitment freezes. A higher than average proportion of young people in Berkshire (7.5%) will enter the labour market in the next 5 years;
- Demand has fallen considerably in sectors such as retail, aviation, hospitality, tourism, admin & support services, arts and entertainment and recreation;
- The full extent of the impact of Covid 19 on the economy in Berkshire is not yet known but there will be long term implications on the availability of entry level and lower skilled jobs;
- Young people, women and low skilled workers will be disproportionately affected.

Recognising the scale of impacts, DWP nationally are significantly increasing their capacity to support people and in particular young people. Arguably the most important action the Council could take to support people through this employability crisis would be to enhance the level of locally available, accessible and individually tailored support. In this context it is particularly noteworthy that Wokingham Borough has no DWP (Job Centre Plus) facility in the Borough with residents having to access services at Bracknell or Reading, creating a significant additional barrier, particularly for the more vulnerable. DWP are particularly keen to establish and strengthen 'youth hubs' and Slough, Bracknell and Reading are all planning to re-open / strengthen their young people hubs in addition to existing Job Centre Plus facilities. DWP have confirmed that if we were able to establish a hub then they would look to resource with a dedicated Work Coach and would, in addition, encourage a separate bid for such a hub to employ an additional support / co-ordinator post. Whilst DWP are particularly focused on meeting the needs of young people, in Wokingham Borough we believe that this could be incorporated within an all age service to meet wider employability support needs in the context of smaller (albeit still significant) numbers in comparison with our neighbouring more deprived authorities.

Previously WBC was a partner in the Berkshire-wide 'Elevate' Project established to tackle youth unemployment and funded by the European Social Fund (ESF). Not only did this demonstrate an underlying and unmet need in the Borough, even in more 'normal' times, it also proved the efficacy of the model and the capability locally to work collaboratively with partners to deliver positive outcomes – indeed WBC was the only authority to meet all of its targets in a programme complicated by the significant burden of ESF rules and bureaucracy. Led by the Economic Development and NEET

Prevention teams and the Optalis Supported Employment Service (SES), Elevate was located in Wokingham library with the involvement of a range of partners:

- DWP Job Centre Plus
- National Careers Service
- Other local providers (Princes Trust and Colleges etc).

The Elevate hub was closed in September 2019 after ESF funding came to an end.

## BUSINESS CASE

The Elevate hub, at the time focused on young people with very significant barriers to employment, delivered positive and hugely valued outcomes for local young people even in a period of high employment, especially in Wokingham Borough. Needs and likely demand are already significantly greater as a result of the pandemic with the position anticipated to deteriorate further, especially when the furlough scheme comes to an end. As at the end of December 2020 (the latest available figures at the time of writing) unemployment in Wokingham was as follows, with comparator figures for December 2019:

### Claimant count by age - not seasonally adjusted (December 2020)

	Wokingham (Level)	Wokingham (%)	South East (%)	Great Britain (%)
Aged 16+	3,550	3.4	5.2	6.3
Aged 16 To 17	5	0.1	0.2	0.4
Aged 18 To 24	700	6.2	7.6	8.9
Aged 25 To 49	1,910	3.4	5.6	6.8
Aged 50+	930	2.8	4.1	4.9

### Claimant count by age - not seasonally adjusted (December 2019)

Age	Wokingham	Wokingham	South East	Great Britain
<b>All categories:</b>	1,085	1.3	2.4	3.6
<b>Age 16+</b>				
<b>Aged 16-17</b>	0	0	*	*
<b>Aged 18-24</b>	170	1.6	*	*
<b>Aged 25-49</b>	660	0.8	*	*
<b>Aged 50+</b>	255	1.3	*	*

Source: ONS Claimant count by sex and age

Note: % is number of claimants as a proportion of resident population of the same age

These figures represent a very substantial increase even before the full employment impacts of the pandemic emerge:

- There has been a 227% overall increase in people claiming unemployment benefits;
- There has been a 312% increase in young people 18 -24 claiming benefits ( the hardest hit group);

- The over 50s have seen a 265% increase;
- There has also been a 68% increase in young people 16 -18 who are not in employment education or training (NEET) over the same period.

In addition to these official claimant figures we also know that for Wokingham Borough in particular 'hidden' unemployment is a significant issue with young people supported by parents and older people relying on savings rather than claiming benefits.

To respond to this high level of existing and predicted increasing need it is proposed to establish a local employment and training hub in or close to Wokingham town centre which offers access to a range of services which will help people to overcome barriers and support them to access sustained employment or further education. The hub would seek to incorporate existing local employment services: NEET Prevention (a service that irrespective of this proposal requires to be re-located and fulfils the statutory duty WBC has to ensure young people 16 & 17, and up to 25 for those with SEND, participate in education), Optalis SES, National Careers Service and possibly Wokingham Job Support. It should also be able to accommodate partnership working on an outreach / sessional basis, for example:

- Early Intervention
- Youth Service
- Youth offending service
- Leaving care
- Youth counselling services
- Education and training providers (e.g. Princes Trust, Colleges, Adult learning providers)
- JCP staff
- Business Support

The hub would also offer access to IT so that service users can undertake independent careers research and job hunting activity.

The aim is to create a space in which people can access expert advice and support to help them navigate their way into sustained employment or education and also provide an access point to local employers for advice on employing local people and / or participating in linked initiatives such as the Kickstart programme for young people, the national adult social care recruitment campaign, apprenticeships, supported employment and volunteering or work experience. This would include embracing the Council's own role as an employer with links to relevant services and, in partnership with Optalis SES, as an exemplar for delivering employment outcomes for those with disabilities and young people. Initially based in Wokingham but offering a Borough-wide service, over time as the Employment Hub develops it is anticipated that it will be able to offer a 'hub and spoke' model with outreach to other localities in the Borough.

The Employment Hub would particularly focus on:

- Those with low or limited skills to enable them to compete in a very competitive labour market;
- Young people to meet DWP funding requirements whilst offering an all age service;
- Retraining older people to get back into work;

- Recruiting into the caring professions that support the well-being of our residents, for example care worker training to meet the workforce needs of our care homes across the Borough.
- Opportunities in growth sectors or where there is employer demand, for example the green economy or film production;
- Short training opportunities for high demand employment sectors such as the CSCS card (required for work on construction sites), safe lifting (for work in the care sector) and food Hygiene etc.;
- Jobs matching service to meet local employer needs.

Options are currently being explored based on the following accommodation requirements:

- Town centre location with good access to public transport open five days per week;
- Accessible to people with mobility issues;
- Publicly available computers to support people to job hunt independently and to deliver training and digital skills;
- Welcoming reception area;
- Space for at least 4 permanent members of staff and dedicated interview spaces ideally with a confidential area;
- Space for other employment support agencies to work from the centre on a sessional basis;
- Accommodating the staff team and other agencies will require a minimum of 6 desks;
- Space for a range of information related to employment training and education e.g. college prospectus' traineeship and employer information, careers information.
- Space to deliver training and employer facing workshops / meetings.

It is estimated that floorspace of approximately 150 m2 could accommodate these needs if appropriately configured.

Work is currently underway to identify suitable premises and this work will be expedited to ensure timely delivery along with more detailed proposals and costs.

## **FINANCIAL IMPLICATIONS OF THE RECOMMENDATION**

***The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)			
Next Financial Year (Year 2)	£90k	£90k	£80k Capital £10k Revenue
Following Financial Year (Year 3)	£10k	£10k	Revenue

<p><b>Other Financial Information</b></p> <p>Costs are likely to be building / location specific and until suitable premises are identified cannot be fully determined. Based on experience with accommodating the Elevate project it is anticipated that capital costs of refurbishment and fit-out to meet the requirements for an employment hub would be in the region of £80,000 with annual premises running costs of approximately £10,000 p.a.</p> <p>Unemployment has significant social and economic costs to the public purse both direct and indirect. Whilst the majority of these relate to benefits and health that are not the responsibility of the local authority we do know that unemployment also causes stress on individuals and families that can result in increased demands for Council services, although this is difficult to quantify.</p> <p>Whilst funding the establishment and running costs of the Employment Support Hub directly will fall on the Council, it will benefit from partner contributions in terms of the services offered and associated staff resources.</p>
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<p><b>Stakeholder Considerations and Consultation</b></p> <p>A public and client facing communications plan will be developed alongside project implementation to promote availability of the service and take-up.</p>
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<p><b>Public Sector Equality Duty</b></p> <p>The project will focus on those disadvantaged in the labour market and is therefore likely to positively impact on those with protected characteristics. It is proposed that an equalities assessment is undertaken once a location for the employment hub has been identified so that accessibility issues can be fully addressed.</p>
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<p><b>Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i></b></p> <p>Insofar as local access to employment support services will obviate the need to travel further afield then some positive impact on emissions will accrue. There is scope to link the employment support hub to the promotion of employment opportunities in the ‘green economy’ as a growth sector.</p>
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<p><b>List of Background Papers</b></p> <p>None</p>
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