



LEP – Sub Committee

LEP - Lancashire Skills and Employment Advisory Panel

Private and Confidential: NO

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Employment in Lancashire

Appendix A refers

Report Author: Sara Gaskell, Strategic Partnership Manager,
sara.gaskell@lancashirelep.co.uk

Executive Summary

This paper provides an overview of the activity developing in Lancashire, as a result of the government's 'Plan for Jobs' announcements. Provision is primarily aimed at supporting people into work. The paper aims to stimulate a discussion in regard to the emerging landscape of support, how it meets the needs of Lancashire's people and businesses, and, in particular, views from employer members in regard to how the provision aligns with the skills and employment needs of sectors and businesses across Lancashire.

Recommendation

Committee members are asked to review the contents of the paper and contribute to a discussion at the meeting regarding the evolving landscape of support that aims to move displaced and unemployed people into jobs.

1. Background

- 1.1 The COVID-19 pandemic has affected the lives of everyone in the country and has had a devastating effect on people and businesses. Lancashire has seen a significant rise in unemployment with claimants on Universal Credit increasing from 33,615 claimants in March 2020 to 61,120 as of December 2020. This is an increase of 27,505 claimants, which constitutes an 81.8% increase. As of September 2020 Lancashire's economic inactivity rate stood at 22% compared with the National figure of 21%, having risen by 0.7 basis points in Lancashire compared to 0.4 basis points nationally. As of December 2020, the claimant count in Lancashire was 6.6% this is 0.3% above the national figure and 0.3 below the North West average. As of 31st October 2020 (most recent data), there were 46,700 jobs being supported by the Coronavirus Job Retention Scheme in the Lancashire LEP area. This has continued to fall since August



2020, whereby there were approximately 62,000 individuals furloughed in Lancashire. The current rate of furlough in Lancashire is 7%, which is in line with the North West figure, and is slightly below the national figure of 8%.

- 1.2 The government's ['Plan for Jobs'](#) was introduced to support the longer-term recovery of the UK as part of the Autumn Spending Review. The Spending Review detailed the government's aims to: invest in public services, to support innovation and growth-enhancing infrastructure with a National Infrastructure Strategy, to seize global opportunities and to level up opportunity across every region and nation of the UK.
- 1.3 The Chancellor of the Exchequer set out a 'Plan for Jobs' to Parliament on 8 July 2020 and then on Wednesday 25 November 2020, the Chancellor delivered the 2020 Spending Review, setting out plans for Government spending for 2021/22. The Spending Review confirmed the funding for a number of activities set out in the 'Plan for Jobs' paper.
- 1.4 The key priorities within the 'Plan for Jobs' included:
 - Job Retention Bonus to encourage firms to keep on furloughed workers
 - supporting people with direct help to find work and to gain the skills they need to get a job
 - protecting jobs in the hard-hit hospitality, accommodation sectors and attractions by supporting local demand for these businesses, giving them confidence to reopen
 - creating jobs by increasing and bringing forward infrastructure investment, and by making homes greener, warmer and cheaper to heat
- 1.5 Following the Spending Review a number of initiatives and changes were chronologically introduced:
 - doubling the number of DWP work coaches
 - increased activity for the National Careers Service
 - funding for high value courses for school and college leavers
 - expansion of the Work and Health Programme
 - introduction of the Kickstart Scheme
 - funding to triple the number of traineeships available
 - additional incentives for employers to take on apprentices
 - new funding for sector-based work academies
 - a new online, one-to-one job finding support service (Job Finding Support Service)
 - intensive support to those who have been unemployed for at least three months (Job Entry Targeted Support - JETS)
 - a new, large-scale employment support offer (Restart)



2. Overview of support

An overview of the support available under the 'Plan for Jobs' is provided in Appendix A.

3. Alignment with existing provision and enabling effective referrals

- 3.1 The Lancashire Adult and Employer Skills Forum brings together publically funded partners currently responsible for delivering skills and employment provision in Lancashire, including DWP locally and providers who deliver the European Funded Projects (ESF) and mainstream provision, such as the Work and Health Programme. A number of the ESF projects have been extended until 2023. The Forum has been fundamental in the development and design of the Lancashire Skills Escalator, and the allied on-line referral tool Escalate, both of which aim to 'join the dots' on support available to Lancashire people and businesses and aid effective referrals, with view to moving people into sustainable employment.
- 3.2 Escalate was developed in response to requests from partners and referrals agencies to map out provision available, to support effective client referrals. The tool, which is on-line, enables provision to be searched by distance from the labour market, characteristics, interests and location, so that the most relevant support can be easily found. All of the provision on the system is kept up-to-date.
- 3.3 In response to the pandemic, a partner data pack has been developed alongside the initiation of stakeholder briefings so that providers have the most up-to-date information in regard to the needs of different geographical areas, target groups of people, impact on sectors and vacancy data.
- 3.4 The Skills Hub will engage any new providers into the Forum as new provision emerges, for example, the lead delivery body for the JETS provision is a member of the Forum and the offer has been embedded into Escalate.
- 3.5 As per the update paper, procurement is underway by DWP for the 'Restart' programme under the Commercial Agreement for the provision of Employment and Health Related Services (CAEHRS) Framework. The Skills Hub has been working collaboratively with the DWP policy and commercial teams with responsibility for CAEHRS and Restart, and neighbouring LEAs and MCA (Cumbria, Cheshire and Warrington, and Liverpool City Region), who make up the Contract Package Area for the Northwest, to support the procurement process. In support of the process, meetings have also been held with Tier 1 providers, and a standard set of information provided in regard to local labour market intelligence, Lancashire's priorities and existing provision.



4. **Discussion Points**

- 4.1 The ultimate aim of the 'Plan for Jobs' and wider landscape of employment provision is to get people into jobs. Thus employer engagement is critical, in ensuring that programmes are supporting people to develop their employability skills and wider skills in-line with the needs of businesses, to enable effective transition into the workplace.
- 4.2 From an employer member perspective, what does the 'Plan for Jobs' and wider provision mean for your sector? How can we ensure that programmes are flexed to meet the changing demands of the labour market (for example, health and social care needs, and needs when the tourism and hospitality sector starts to re-open)? Will the programmes respond to supporting the re-engagement of furlough workers and the need to reskill and reintegrate employees into a potentially new working environment? How can we ensure that we are moving people into good quality jobs to minimise churn – so that people are not moving in and out of employment?
- 4.3 From a provider perspective how does the offer through the 'Plan for Jobs' complement the wider offer to Lancashire people and businesses and are we, as a committee, doing enough to 'join the dots' to maximise impact?

List of Background Papers

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A