

## THE NORTH WEST JOINT REGIONAL RESPONSE TO THE LABOUR MARKET DOWNTURN - SUMMARY

# RSEB

### Introduction

In response to the economic downturn, key agencies in the North West have developed a coordinated response to support individuals to acquire the necessary skills to secure and maintain employment. This is part of a wider package of support for businesses and individuals led by the NWDA.

This plan has a particular focus on the Offer to support:-

- Individuals at risk of redundancy
- Newly redundant individuals;
- Long term unemployed and workless
- New entrants to the labour market.

This individual Offer is complemented by a joint offer to employers.

The plan draws on existing provision and resources where it can, but also seeks to extend that support to meet additional needs arising from the economic downturn. It provides a regional framework enabling sub-regional and local partners to prioritise the investment of local discretionary resources to ensure that local needs are most effectively met.

### Intelligence gathering

An effective regional response relies on accurate and up to date intelligence on current economic and labour market conditions. This may be in the form of official data such as detail on redundancy numbers and claimants, but also less structured information about the impact of the recession on local employers.

The NWDA and Business Link NW will establish a '**data warehouse**' to coordinate intelligence for business support providing intelligence reports at a regional, sub-regional and local level on 'structured data' wherever possible.

Additionally, partners will generate and disseminate broad labour market intelligence to inform both the focus of JCP and Nextstep Advisers and the sectoral focus of provision. This activity is likely to include the publication of regular reports and data to regional and sub-regional partners

### Commissioning and funding

Increasing alignment of key partners' planning has led to a more strategic approach to commissioning, whether through the Multi Area Agreements, the IES trials or in the commissioning of ESF, ERDF and NWDA 'Single Pot' funding.

The LSC and JCP have already deployed in excess of £111million ESF in the North West to address issues of worklessness. Additional ESF resource has now been made available following currency revaluation and both the LSC and Job Centre Plus are extending and flexing their ESF funded provision to support those most affected by the recession.

- **JCP** will vary existing contracts to focus new funds on JSA clients who are facing greatest disadvantage in the labour market and particularly those who have been unemployed for 6 months or more.
- The **LSC** will use ESF to provide individuals affected by the downturn with careers guidance services and to equip them with new vocational skills to access alternative employment. Vocational provision will be secured from existing Train to Gain providers who last year worked with over 10,000 businesses – an important source of employment opportunities.

The LSC programmes are identified in Table 1 below, and will be in place by April 2009

**Table 1 Northwest (including Merseyside Phasing-In Area)**

	£ Additional ESF funding	£ match from existing LSC activity	£ total funding
<b>Priority 1</b>			
Nextstep delivery	5,190,300	5,828,007	11,018,307
Nextstep capacity	549,058	549,058	1,098,116
Administration and Management	637,707	-	637,707
<b>Priority 1 Total</b>	<b>6,377,065</b>	<b>6,377,065</b>	<b>12,754,130</b>
<b>Priority 2</b>	£ Additional ESF funding	£ Additional 'new' Train to Gain match Funding	£ Total new funding
Pre-redundancy	2,869,517	3,188,352	6,057,869
Response to significant redundancies	2,869,515	3,188,351	6,057,866
Pre-employment education and training	5,739,033	6,376,703	12,115,736
Administration and Management	1,275,341	-	1,275,341
<b>Priority 2 Total</b>	<b>12,753,406</b>	<b>12,753,406</b>	<b>25,506,812</b>
<b>Total Northwest</b>	<b>19,130,471</b>	<b>19,130,471</b>	<b>38,260,942</b>

LSC Co financing Plan for the North West of England Jan 2007 -Dec 2010 – Supplementary Plan December 2008

## The Offer

### Individuals at Risk of Redundancy

Support for individuals in companies where redundancies have been notified as well as those most vulnerable in a downturn such as low skilled and those with higher skills needing to retrain.

- Where redundancies have been notified, JCP will convene multi agency **Rapid Response** teams to coordinate and tailor support to the needs of employees under threat. **The Rapid Response Fund** will be used, as a fund of last resort, to fill any gaps that arise due to specific circumstances.
- The Nextstep service will offer face to face **careers information, advice, and guidance** and/or via the **Careers Advice** web and telephone service.
- **Vocational Training** customised to individual circumstances and the local labour market conditions providing:-
  - Job-change training
  - Updating existing skills to continue employment in the same sector
  - Customised provision linked to other vacancies
- **Skills for Life** support to develop IT, numeracy, literacy and employability skills.
- Workplace projects supported by the **UnionLearn Learning and Skills for All Fund**

- Support for **Apprentices** threatened with redundancy,
- **Business start up/ social enterprise/ self employment advice**

## Newly Redundant Individuals

Those made redundant who require early and urgent support to enable re entry to the labour market as soon as possible. Provision will meet the needs of higher qualified JCP clients as well as those with employability skills needs.

- **Job search, benefit advice and referral to other services**
- **Day One Programme Centre** eligibility, supporting customers in looking for work.
- **Access to Work** – support for employers and individuals with disabilities to help them return to or stay in work
- The Nextstep service will offer **careers information, advice, and guidance** including **Skills Health Checks** in IES trail areas. The **Careers Advice** web and telephone service will also be available.
- **Vocational Training** customised to individual circumstances and the local labour market conditions providing:-
  - Job-change training
  - Updating existing skills to continue employment in the same sector
  - Customised provision linked to other vacancies
- **Skills for Life** support to develop IT, numeracy, literacy and employability skills.
- **Business start up/ social enterprise/ self employment advice**

## Long Term Unemployed and Workless Individuals

As the economic downturn bites, those further from the labour market such as the long term unemployed/inactive are in danger of becoming more isolated as better qualified and those with employability skills are prepared to take lower level jobs. NW partners recognise the necessity to continue with the strategy to support the long term unemployed. Services will include

- **Job search, benefit advice and referral to other services** including core components of the IES trials.
- **Pathways to Work.**
- **JCP ESF Programme** - specialist help with finding work, particularly focused on the harder to help.
- **Flexible New Deal (FND)** - a tailored package of support suited to individual jobseeker needs. This will be phased in from April 2009.
- **Access to Work** – support for employers and individuals with disabilities to help them return to or stay in work.
- The Nextstep service will offer **careers information, advice, and guidance** including **Skills Health Checks** in IES trail areas. The **Careers Advice** web and telephone service will also be available.
- **Support to access and sustain training** including broader advice services to offer a holistic package of support to tackle barriers – the **Adult Advancement prototype** model.
- **Vocational Training** customised to individual circumstances and the local labour market conditions providing:-
  - Job-change training
  - Updating existing skills to continue employment in the same sector
  - Customised provision linked to other vacancies

- **Skills for Life** support for IT, numeracy, literacy and employability skills.
- **Business start up/ social enterprise/ self employment advice**

## **New Entrants to the Labour Market.**

Previous recessions have had a disproportionately negative impact on vulnerable groups and young people. Actions planned include:

- Maximising **progression to higher education** for young people achieving Level 3 particularly those from disadvantaged groups
- **Support for vulnerable young people** to engage and retain in learning
- Use the introduction of the **National Apprenticeship Service** to stimulate new Apprenticeship opportunities, particularly in the public sector, and minimise the number of Apprenticeship redundancies
- **Work trials**
- **Vocational provision** for young people in IES trials.
- Development of programmes to place young **graduates into employment.**
- Work with Connexions to ensure appropriate **advice and support** to young people entering the labour market

## **Working with Employers**

The economic downturn has seen a significant increase in job losses and business closures particularly in manufacturing, financial services, construction & real estate, professional services, retail, hospitality & leisure. To complement the Offer to individuals, partners will deliver the following services to employers:

- A range of **Business Stabilisation measures** provided through NWDA and Business Link to support employers whose businesses are at risk of being destabilised by the current economic climate.
- **Local Employment Partnerships (LEPs)** to strengthen the relationship between Government and employers and open up recruitment opportunities to disadvantaged job seekers. Promoted through partners LEPs offer:
  - Bespoke **pre-employment training followed by Train to Gain** support once employment secured.
  - **Public Sector Skills Hubs** to maximise take-up of new vacancies in the public sector by redundant people.
  - **Work Trials** offering a risk-free way for employers to try out a potential employee for up to 30 days at no cost to the business.
- **Additional support for employers** to employ individuals with more challenging circumstances

## **Equality**

Current evidence in the NW suggests that certain groups are more vulnerable to the impact of the recession including women, BME groups, workless families, offenders, ex offenders and care leavers. Where appropriate such groups will be offered additional support to retain or access employment, training or voluntary opportunities with skills development.

## Management Arrangements and Implementation

The NW Regional Skills and Employment Board (RSEB) and its sub groups provide the infrastructure within which partners including the LSC, Jobcentre Plus, NWDA, GONW and Sub-regional Partners can develop and deliver this plan for the Region.<sup>1</sup> The RSEB works closely with the Joint Economic Council (JEC) chaired by the Regional Minister, Beverley Hughes.

Within the RSEB management arrangements, organisations have distinct roles and responsibilities. These build on protocols/frameworks for joint working between partners which already exist in the region ensuring a co-ordinated response and integrated referral processes. These are detailed separately in a Joint Investment Framework drawn up by NWDA.

### Communication

If this Regional Response is to have the impact required, it is crucial that communications are clear, effective, and appropriately targeted. The Offer is a complex collection of products and services, some of which were previously available, others newly developed. They bring together the resources of partner organisations, and may vary from area to area because of particular local initiatives or pilots.

A programme of communication activities is underway including:

- **Capacity building for delivery partners** to understand the Offer
- **Communication events with key stakeholders and intermediaries** to understand the Offer in each area.
- A **Joint Redundancy Blueprint** is being prepared to support all partners, particularly those operating at a local level to guide employers and individuals to appropriate support and provision.
- **Clarity for employers** about what the Offer can help them with e.g. recruitment, training, staff retention.
- **Clarity for individuals** about what the Offer can help them with e.g. Careers advice and guidance, job search, vocational training

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<sup>1</sup> The North West RSEB membership: North West Development Agency, Learning and Skills Council, Job Centre Plus, The Alliance of Sector Skills Council, TUC, Government Office North West, Higher Education Funding Council, Universities, Association of Colleges, 5 x Sub regional partnerships and 4 North West, as well as sub groups to include employers, sectors, and the third sector