

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Strategic Environment Cabinet Committee

Date: 30 November 2020

Reporting officer: Assistant Director (Communities)

Subject: Response to Rising Unemployment.

Purpose and summary of report:

To report the steps that the Council is taking to respond to the growing unemployment position in the Borough through working effectively with its partners and as a major employer by expanding opportunities into work for young people.

Recommendations:

1. Members of the Committee are invited to consider the actions outlined in this report with a view to assisting the Cabinet in the shaping of the Council's response to the changing local unemployment situation.

1. INTRODUCTION

- 1.1 COVID-19 is having a considerable economic impact on businesses, employment and job opportunities for young people, especially as they leave full time education and enter into work or are looking for work experience relevant to their chosen career paths.
- 1.2 The impacts locally in Gravesham are only just beginning to be revealed and it is anticipated that the unemployment situation may yet get worse, before it improves. A co-ordinated response is needed to ensure that local people have access to the available jobs and are signposted to skills training and work experience opportunities, if appropriate. The Council is working with a range of agencies, including Department of Work & Pensions (DWP), North Kent College and others and steps are being taken to strengthen partnership working in the months to come.
- 1.3 Ensuring that the local workforce is equipped with the skills to access work opportunities is a key theme identified in the draft economic growth strategy and has risen in prominence and urgency within the context of the pandemic.
- 1.4 With responsibilities extending to the economic welfare of its residents and businesses and as one of the largest employers in the Borough, the Council is uniquely placed to support collaboration amongst agencies and has a duty to consider work opportunities for young people.

- 1.5 This report outlines a number of initiatives that are being explored, including the Kickstart scheme, and it is timely to seek the Committee's views on the development of these.

2. UNEMPLOYMENT IN GRAVESHAM

- 2.1 4,835 people (16-64 year olds, October 2020, ONS) are currently claiming unemployment benefits - Jobseekers Allowance or Universal Credit - in the Borough. This is an increase of 128% over the year and represents an unemployment rate of 7.4%, higher than both Kent (6%) and UK (6.3%) averages.
- 2.2 Of particular concern is the number of young people (18-24 year olds) claiming benefits. 965 young people in the Borough are unemployed. Again the rate, 12.7% is higher than Kent (9.9%) and UK (9.2%) averages.
- 2.3 This is against a backdrop whereby the numbers of unemployed may continue to increase. The Government has extended the Job Retention Scheme until March 2021, deferring redundancies for the time being, and there will be further cohorts of young people leaving school, college and university next year.
- 2.4 Some sectors have been particularly hard hit by the pandemic, notably within the hospitality, leisure and retail sectors where young people have traditionally found it easier to access work. Business retraction is likely to reduce apprenticeship opportunities and the capacity of employers to mentor and support placements is more challenging at a time when physical restrictions apply in the workplace.
- 2.5 Competition for jobs is fierce. Vacancies have declined by 34% nationally, with decline across all industrial sectors, except for within utilities and construction. Again, the largest decline has been seen in retail, hospitality and leisure sectors (>-50%) and the number of vacancies per 100 jobs nationally has declined from 2.6 to 1.7 over the year.

3. KICKSTART SCHEME

- 3.1 As part of the Government's 'Plan for Jobs' announced in July, it established the Kickstart Scheme – a £2 billion fund to create high quality 6-month work placements for young people (16-24 year olds). Guidance on the Kickstart scheme can be found at <https://www.gov.uk/government/collections/kickstart-scheme>.
- 3.2 Funding for each Kickstart job placement will cover the National Minimum Wage for 25 hours a week, plus associated National Insurance contributions and employer automatic minimum enrolment contributions. There are options for employers to pay a higher wage and/or for more hours, but the funding available will not cover this. They will need to be topped up by the employer.
- 3.3 For each job placement, employers will receive a payment of £1500 to cover setup costs and to support the young person in developing their employability skills, including CV and interview preparation, training, such as team work and communications to help them move into sustained employment after they have completed the placement.
- 3.4 Grant funding to cover the young person's salary will be paid to employers in arrears, once DWP know that the young person has been enrolled onto the payroll and are being paid. Payments will be made to employers at month 4 for the first 3 months and then at month 7 for the last 3 months.

- 3.5 Employers will submit Kickstart job placements to local job centres and young people who have been claiming Universal Credit for at least 6 months, and therefore are at risk of long term unemployment, can apply or be referred to a placement by their Work Coach. Employers will be able to interview potential applicants and select the best candidate to fulfil that role.
- 3.6 Kickstart placements must be new jobs and not replace existing or planned vacancies. Placements will last for 6 months and can then be filled by another candidate.

Kickstart Placements within the Council

- 3.7 Council officers have been tasked with identifying where there is capacity to provide work placements within their service areas and to date in excess of 30 positions have been identified, with the potential to create a variety of opportunities where they might bring and acquire different skills.
- 3.8 The next step is to turn these into valid job descriptions and to apply to the Kickstart scheme. It is likely that January 2021 will be the earliest start date for any placements. That fits well with the scheme, where the Government's current commitment to fund this scheme runs until the end of December 2021.

Council as Kickstart Gateway

- 3.9 Employers are required to have a minimum of 30 job placements to apply to the Kickstart Scheme. If they are unable to provide that many vacancies, they will need to partner with another intermediary organisation, known as a Gateway.
- 3.10 The Council has expressed an interest in acting as a Gateway to partner with other local businesses. This is a positive role, especially if that leads to more Kickstart job placements forthcoming locally. It will also enable the Council to collaborate with businesses to source training and to encourage the sharing of good practice, especially on matters such as mentoring.
- 3.11 Each Gateway will receive £300 per placement within the partnership to cover administration costs, such as promoting the scheme to businesses, undertaking initial checks on those businesses, uploading job placement applications, and administering the payments to businesses.
- 3.12 The Senior Economic Development Officer has sought expressions of interest from local employers and that has identified an additional 30 plus placements. This is likely to expand as the scheme is promoted further to businesses. An online application form has been designed to enable local businesses to apply as soon as the Council has applied to act as a Gateway.

Additional Potential

- 3.13 Nationally, a number of different models of delivery of Kickstart placements are being explored, e.g. employing teams of young people to take forward creative projects or digital transformation activity. These will expand the number of placements.
- 3.14 Larger organisations and agencies are also seeking to persuade their contractors to put in place Kickstart placements and the Council could also explore a similar route with its contractors.

- 3.15 Kickstart has the potential to form part of a wider offer for young people that the Council can help to shape locally, in conjunction with the business community and other partners. However, it needs to be noted that not all young unemployed people will be eligible, as they are required to be registered as income support claimants or unemployed for 6 months or longer.

4. COMPLEMENTARY ACTIONS & INITIATIVES

Kickstart Training

- 4.1 North Kent College is putting in place a 'wrap around' training scheme to support Kickstart placements locally and across Kent in partnership with other Colleges and the Kent Invicta Chamber of Commerce, focusing on employability. This will be delivered online throughout the placement, in conjunction with a self-assessment survey at the beginning and end of each Kickstart placement.

Youth Hubs

- 4.2 One of the prospective initiatives that is being explored as part of the Kent Employment Taskforce, is a series of Youth Hubs across the County. Supported by a range of partners these will aim to draw together support at a local level and could be virtual or co-hosted with existing provision for young people within physical locations.

DWP Flexible Support Fund

- 4.3 DWP has made it known that additional resources are available from their Flexible Support Fund to help enhance youth employment services locally and officers are in discussion with other parties who may bid to provide services for the benefit of Gravesham residents.

Digital Development Teams & COVID-19 Recovery Fund

- 4.4 The South East Local Enterprise Partnership (SELEP) has announced a £2 million Skills COVID-19 Recovery Fund - an employer-led programme to trial new ways of skilling/re-skilling people of all ages. North Kent College are considering a partnership bid to this Fund, which the Council can support. The Fund is likely to support digital skills, industry growth sectors and innovative delivery.
- 4.5 SELEP's Digital Skills Partnership (DSP) has identified 3 pilots to create a 'hands on' Digital Development Team in Local Authority areas. The Teams would comprise individuals who are enthusiastic and knowledgeable about digital skills, to act as practical advisors to small businesses, to "hand-hold" getting people trading and earning online. The pilot projects depend upon 'virtual teams' drawn from across the public and private sectors, to provide a face-to-face consultation with a diagnostic tool and then signposting to relevant training or further help.
- 4.6 Prior to the advent of new national restrictions which have since impacted delivery priorities, the Council's economic development team lobbied SELEP's DSP and consequently has been invited to become a 4th pilot area for a Digital Development Team. The pilots do not attract funding, but are intended to provide a 'proof of concept' which will then improve the likelihood of successful pilot areas being able to access specific SELEP digital skills funding streams. Officers are exploring the full implications of this.

Skills Academy / (Business) Sector-Specific Skills

- 4.7 North Kent College and other providers are scoping the potential to invest in new training courses, aligned with new and emerging demand for skills from local businesses in growth sectors of the economy. This includes a potential Skills Academy which might be tailored to professional and trade skills required for major North Kent infrastructure schemes, as well as an Institute of Technology bid to attract specialist tutors and enable investment in cutting edge equipment.
- 4.8 A collaborative skills and economic development forum has been established in response to the Lower Thames Crossing proposals as a model for how local communities can maximise the jobs and supply chain opportunities associated with a series of major projects, committed or planned for North Kent.

Kent Employment Plan

- 4.9 As part of the emergency response to tackle significant increases in unemployment across Kent, the Kent Employment Taskforce has been set up by Kent County Council with representatives from the Department for Work and Pensions (DWP), Further Education providers, business and other local authorities.
- 4.10 The group is developing a Kent Employment Plan which will seek to balance the considerable emergency response to unemployment which is being implemented by DWP through Job Centres and schemes like Kickstart, with other measures to support the skills required to equip residents for the jobs available within current and future growth sectors.
- 4.11 Gravesham is the only Kent District to benefit from the presence of a Group Training Association (the Thames Skills Academy), for example, which is part of a national network of 40 public-private learning partnerships in key industrial areas, where member employers subscribe to off-the-job training centres to provide expert skills delivery.
- 4.12 Group Training Associations (GTAs) have an established history of providing training pathways into vocational careers in response to skills gaps with local employers. In response to feedback from the economic development team, the draft Kent Employment Plan includes reference to examining how collaborative models of training delivery, including GTAs specifically, could be built upon in support of the County's future economic development and the talent pool it needs to help local communities attract investment and well paid employment opportunities.

5. POTENTIAL WORK OPPORTUNITIES FOR YOUNG PEOPLE WITHIN THE COUNCIL

- 5.1 The Council has a long tradition of providing apprenticeships, work experience and other opportunities for young people and is undertaking a review of how these are organised in support of widening opportunities for young people at a time when fewer placements are available in the wider economy.

Apprenticeships

- 5.2 The Council currently employs 19 apprentices across a range of services and there are 2 vacant posts. The current review is looking at:
 - 5.2.1 the distribution of apprenticeships across the organisation

- 5.2.2 expanding the range and the variety of qualification levels, linked to careers and job progression within the Council
- 5.2.3 the frequency of commencement within the year – potentially two tranches
- 5.2.4 introducing an element of corporate project work to develop team working and presentation skills
- 5.2.5 prioritising placements for young people living in the Borough
- 5.2.6 enhancing supervision;
- 5.2.7 emphasising their role as training posts, as opposed to permanent posts;
- 5.2.8 adding greater flexibility with movement between posts within the Council, if required.

Work Experience

- 5.3 To date, work experience within the Council, has happened in a relatively ad-hoc manner, depending on how approaches have been received. Placements have been diverse in respect of experience, duration and level of education.
- 5.4 The Council's Youth Democracy Scheme has also made a positive contribution to students in the preparation of CVs and UCAS applications. 9 young people took part in 2019/20, with the outcome of the scheme being reported to the Community & Leisure Cabinet Committee earlier this month.
- 5.5 Consideration is being given to advertising work experience placements for students resident in Gravesham at the beginning of each year so that they can be planned for more effectively. These could comprise project focused placements, designed to give students a specific outcome as well as making a positive contribution to the work of the Council. Placements may also need to be carried out remotely, given current Covid-19 restrictions.

Career Graded Posts

- 5.6 The Council has some experience of career graded posts and is exploring extending this commitment to identify a series of career graded posts for 18-25 year old age group resident in Gravesham. These would ideally suit applicants who have recently completed Level 3 or 4 qualifications and be linked to service areas where there have been difficulties recruiting into posts or where there has been a real growth in activity during the pandemic.

Further Considerations

- 5.7 Any additional Kickstart, apprenticeship or career graded posts will represent an expansion to the Council's establishment, requiring consideration against the backdrop of an increasingly challenging financial position. Cabinet/Council authority will be required. Similarly, if additional staff resources are needed to give oversight and administrative support to an expansion of placements for young people.
- 5.8 If authority is given, such posts can make a positive contribution to the Council's commitment to be a Social Mobility Pledge accredited employer as unanimously

agreed at Council on 17 December 2019. The motion in respect of the Pledge reads as follows:

This Council supports the Social Mobility Pledge and resolves to request that Gravesham Borough Council becomes a Social Mobility Pledge accredited employer.

This Council further acknowledges that improving social mobility is a priority that requires a coordinated, multi-agency approach.

Consequently, this Council resolves that the Executive will adhere to the principles of the Social Mobility Pledge and work with Members and external partners to improve social mobility across the borough.

The Social Mobility Pledge:

Partnership

We will partner with schools or colleges to provide coaching through quality careers advice, enrichment experience and / or mentoring to people from disadvantaged backgrounds or circumstances.

Access

We will provide structured work experience and / or apprenticeships opportunities to people from disadvantaged backgrounds or circumstances.

Recruitment

We will adopt open employee recruitment practices which promote a level playing field for people from disadvantaged backgrounds or circumstances.

6. BACKGROUND PAPERS

- 6.1 More information on the Kickstart scheme can be found at <https://www.gov.uk/government/collections/kickstart-scheme>

Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

IMPLICATIONS	APPENDIX 1
Legal	<p>Given the potential for a large number of posts to be added to the Council's establishment - some funded from external sources, as with the Kickstart scheme, and others requiring additional budgetary provision in the case of any additional apprenticeships or career graded posts - then these need to be agreed by Full Council.</p> <p>Kickstart requires a contract agreement to be in place with DWP if the Council applies for Kickstart job placements and acts as a Gateway.</p>
Finance and Value for Money	<p>Any additional Kickstart/apprenticeships/career graded posts will require additions to the Council's employment establishment to be agreed by Cabinet/Full Council and considered against the backdrop of a challenging financial position.</p> <p>The salary cost of Kickstart placements are fully recoverable if contracted to 25 hours a week and there will be no cost to the Council.</p> <p>Apprentices are currently budgeted for within the Council's budget for 2020/21. Any increase will need additional authorities as referred to above.</p> <p>Additional Career Graded Posts will be an additional cost to the Council's Medium Term Financial Plan, with costs for professional studies where possible being recovered via the Apprenticeship Levy; if not, then these will also be a further cost to the MTFP.</p> <p>Any additional staff resource to provide oversight and/or administrative support to expanding work opportunities for young people within the Council will require a further cost to the MTFP.</p>
Risk Assessment	<p>Placements will be risk assessed in the workplace.</p>
Data Protection Impact Assessment	<p><i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i></p> <p>a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data? A definition of each type of data can be found on the Information Commissioner's Office website via the above links.</p> <p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice?</p> <p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk.</p>
Equality Impact Assessment	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.</p> <p>No</p>

	<p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>Yes, equality requirements are incorporated in the design and fulfilment of work placements within the Council.</p> <p><i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i></p>
Corporate Plan	<p>#2 Place - improve economic conditions</p> <p>#3 Progress - 'an employer of choice'</p>
Climate Change	<p>No direct implication at this stage.</p>
Crime and Disorder	<p>No direct implications at this stage.</p>
Digital and website implications	<p>Promotion of the Kickstart Scheme requires an online application form for businesses to submit their placements to the Council.</p>
Safeguarding children and vulnerable adults	<p>No implications at this stage.</p>