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**Report to:** Employment and Skills Panel

**Date:** 1 September 2017

**Subject:** Embedding Inclusive Growth in Employment and Skills Services

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## **1 Purpose**

- 1.1 Seek the Panel's views on the proposed approach to embedding Inclusive Growth in Employment and Skills services.

## **2 Inclusive Growth**

- 2.1 Ruth Redfern is seconded to the West Yorkshire Combined Authority to act as project director for Inclusive Growth. The purpose of this work is to ensure that all communities, including the most disadvantaged cohorts, are able to benefit from economic growth.
- 2.2 Analysis carried out as part of this work demonstrates that although the City Region economy grew faster than the national average in 2015, too many individuals, families and communities are disconnected from economic growth. 465,000 people in the City Region are classed as income deprived, this is the fourth largest concentration of poverty in England and represents 1-in-6 of the population. In addition, 147,000 children in LCR (22%) live in poverty.
- 2.3 The cost of poverty in the City Region is estimated to be £3.6bn (based on work by the Joseph Rowntree Foundation), equivalent to £1,200 per person. This is because an estimated £1 in every £5 spent on public services is linked to poverty, with the costs falling heavily on the health service, education and the police and criminal justice system. The economic benefits of addressing poverty are also great; Each time an out-of-work benefit claimant moves into a job paying the voluntary Living Wage (£8.45) the local economy is boosted by £14,400 on average. Currently, a quarter of jobs pay less than the living wage of £8.45 – that's equivalent to around 300,000 jobs in the City Region.
- 2.4 Officers from the West Yorkshire Combined Authority and partner authorities are actively involved with the development of workstreams to address Inclusive Growth. The work is overseen by a steering group which includes Joanna Robinson as a business representative, Nav Chohan (ShIPLEY College) as FE representative nominated by the WY Colleges, and Ray Henshaw (Minsthorpe Community College) representing the LCR Headteachers Advisory Network.

### 3 Employment and Skills actions

3.1 An audit has been carried out to explore the extent to which the activity overseen by the Employment and Skills Panel contributes to the Inclusive Growth agenda, and to set out areas for future development:

Work Area	Current Activity	Proposed Future Activity
Influencing providers	Outcomes for the most disadvantaged groups identified in Delivery Agreements with WY Colleges.	Outcomes for disadvantaged groups to be prioritised for tracking and monitoring of Delivery Agreements.
Enterprise in Education	Committed to provide enhanced activity for 6,000 of our most disadvantaged young people; Consulting with looked after children on the format, challenges and key messages of a careers campaign, currently in development.	Inspire disadvantaged young people to progress towards careers in skills shortage areas including digital, engineering and construction / infrastructure; To develop and deliver enhanced activity in “Opportunity Area” of Bradford to improve social mobility.
In-work progression	Partnered with JRF to carry out research into in-work progression; Published research report in July 2017 into models of in-work progression in low-wage sectors <a href="http://www.the-lep.com/news-and-blog/news/new-report-finds-sector-based-support-can-help-bus/">http://www.the-lep.com/news-and-blog/news/new-report-finds-sector-based-support-can-help-bus/</a> ; Launched “skills support for in-work claimants” project at LCR Skills Conference on 20 July.	To launch further ESF programme “skills support for low wage low skilled workers”.
Skills support for businesses	(Fully integrated with Growth Service), support available for businesses to engage with schools, recruit apprentices, train lower paid staff, improve management and leadership etc;	Developing a menu of employer “asks” as a condition of grants; Could develop further offer to businesses to support them to recruit and retain employees with health issues, particularly mental health problems (possible through “High Performing Workplaces” ESIF project).

	Evaluation of Skills Service will include support for low paid staff.	
Local employment on major schemes	WYCA implemented social value in procurement policy for all schemes with a value of £0.5m or more; Jointly with JRF, launched “How To” guide for project managers and procurement officers so that good growth requirements are monitored consistently.	Local Authority partners and “anchor institutions” to be encouraged to implement similar policy; Developing an employment model linked to major capital and infrastructure schemes in order to maximise local employment benefits.
Apprenticeships	Apprenticeship Grant for Employers (AGE) offers enhanced grant to employers taking on their first apprentice (16-24 years old) when they pay the apprentice the living wage, or as a minimum the national minimum wage for the age of the apprentice, rather than the lower national apprenticeship wage; ESF funded Apprenticeship Hub (being delivered as “Absolute Apprenticeships”) supports disadvantaged young people to access apprenticeships.	Continue to incentivise employers to pay living wage through any future Apprenticeship Grant schemes.

3.4 In addition, a number of European Social Funded projects directly contribute to the Inclusive Growth agenda in Leeds City Region, for example:

- STEP up into Construction – supporting unemployed/inactive people to access jobs in construction;
- Widening Participation in high level skills – supporting people from under-represented groups to access education and training at higher levels;
- Skills Support for Redundancies – supporting those at risk of being made redundant/under notice/unemployed due to recent redundancy;
- Back to work programme – support for unemployed aged 16+ with certain eligibility criteria;
- Local Flexibility for the unemployed – support for unemployed aged 25+ experiencing disadvantage;
- NEET programme – support for young people not in education, employment or training;

- Innovation and Young People – support for those at risk of becoming NEET aged 15+;
- Early Intervention Programme (Big Lottery) – targeting at risk families;
- Vulnerable migrants (Big Lottery) - support for migrants with permission to work in the UK who have arrived in the last 5 years and who meet further eligibility criteria to be classed as “vulnerable”;
- Skills Support for in-work claimants – targeting people who are employed and claiming benefits.

#### **4 Recommendations**

##### **4.1 The Panel is asked to:**

- Comment on the proposed approach to embedding Inclusive Growth in Employment and Skills services;
- Identify whether there are any other actions that the Panel think should be taken.