

ECONOMIC INACTIVITY INQUIRY PANEL
9th APRIL 2013, 4 pm
Committee Room 3, Civic Centre

MEETING NOTES

In Attendance:

Chris Holley
David Cole
Andrew Jones
Hazel Morris
Mandy Evans
Jane Harris
Jeff Jones
Cheryl Philpott

Other Attendees:

- Steve Lewis - Partnership Manager, DWP, Job Centre Plus
- Steve Phillips - Economic Development Team Leader, Regen, CCOS
- Kelly Owen - Workways Project Manager
- Clare James - Economic Development Officer, CCOS
- Juliet Rees – Overview and Scrutiny Officer

Purpose of Meeting:

The councillors invited professionals to the panel meeting, who are either directly involved with matters concerning economic inactivity, or they have an understanding of the current situation and concerns and issues in respect of this.

Prior to the meeting those who attended were asked to provide information and evidence in respect of the current situation of economic inactivity, in Swansea. More specifically they were asked to provide valuable information to help answer the overriding question posed by the panel '***How well is the Council and its Partners Tackling Economic Inactivity in our Communities?***', as well as additional sub-questions the panel has chosen to explore.

Questions and answers submitted during the panel meeting:

1. What is the current situation in Swansea?

The latest available data from ONS' Annual Population Survey (APS) indicates that economic inactivity rates in Swansea are above both the Wales and UK rates. However, the large number of local students does have an effect on these figures. These, and the latest unemployment rate figures, are shown in Table 1 below.

Table 1: Economic Inactivity and Unemployment in Swansea, Wales and UK

| | SWANSEA | | WALES | UK |
|--|---------|-------|-------|-------|
| | Numbers | Rate | Rate | Rate |
| Economic Inactivity (inc students)*, year ending Sept 2012 | 45,000 | 29.9% | 26.6% | 23.4% |
| Economic Inactivity (excl students)*, year ending Sept 2012 | 31,700 | 24.3% | 22.3% | 19.4% |
| ILO Unemployment*¹, year ending Sept 2012 | 10,300 | 9.5% | 8.4% | 7.9% |
| JSA Claimant Count Unemployment**², Feb 2013 | 5,670 | 3.7% | 4.3% | 3.9% |

Source: *Annual Population Survey (APS), ONS; **Jobseekers Allowance claimants, Jobcentre Plus administrative system, Dept. for Work & Pensions (DWP)/ONS. All rates expressed as a % of working age population

1 ILO unemployment rate refers to people without a job who were available to start work within 2 weeks of their interview and had either looked for work in the previous 4 weeks or were waiting to start a job they had already obtained

2 JSA Claimant Count unemployment measures the number of people claiming Job Seekers Allowance at JobCentre Plus local offices.

- Non-working students are classed as economically inactive so, as the non-working student population in Swansea is sizeable (13,300), it is recommended that economic inactivity data excluding students is used when measuring inactivity.
- The numbers of economically inactive people (excluding students) in Swansea fell from 32,200 in 2005 to 31,700 in 2012. This equates to a 1.1% drop.
- The Annual Population Survey data shows that the 31,700 economically inactive people in Swansea in Sept 2012 were classified as follows:
 - 8,300 - looking after family and home
 - 1,200 - temporarily sick
 - 11,100 - long term sick
 - 6,800 - retired
 - 3,300 - other
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These 31,700 people are a very diverse group, with the circumstances of each individual being almost entirely unique to them. They will be people with physical disabilities, people with mental health issues, young people

who are NEET, single parents, the 50+ cohort, those with substance misuse issues and chaotic lifestyles and so on.

- In addition to the pool of economically inactive people, there were 10,300 people who were classified as unemployed (according to the ILO definition) in September 2012. This equals 9.5% of Swansea's working age population, and is higher than the equivalent rates for both Wales and the UK.

An alternative measure of unemployment is the number of people claiming Job Seekers Allowance (unemployment benefit), which is a narrower measure than the ILO rate. JSA Claimant Count unemployment stood at 3.7% in Swansea in February 2013 which is lower than the rates for both Wales and UK. However, claimant unemployment varies widely within the County with above average rates recorded in Townhill (8.6%), Penderry (7.9%) and Castle (7.5%), in contrast to far lower rates in Killay North (0.6%) and Mayals (1.1%).

What is the current situation locally, regionally and nationally?

- Key elements that employers look for in prospective employees: good mind set and key skills.
- Barriers to individuals obtaining employment (put up by employers) are: criminal record, alcohol issues, credit issues, dependency on benefits
- Llanelli – 'Chance to Grow' – '*Our vision is of a society where marginalised people are given a chance to grow into productive, meaningful and engaged members of their community*'. The 'Chance to Grow' skills training workshop simulates a work environment in a safe way, where service users are fully supported by specialist project workers who understand their support needs. Every service user receives individual care and a goal plan and is encouraged to explore and develop their own areas of interest and to learn and consolidate skills at their own pace. They will be encouraged to take part in a variety of aspects of the business (e.g. carpentry, administration, website/web sales, market stall, risk assessments etc), which allows them to experience and learn about how businesses work and what is expected from employees.

Work being carried out locally:

- The Economic Equity strategic aim of Swansea's Economic Regeneration Strategy (Swansea 2020) focuses on tackling economic inactivity. Swansea 2020 is being implemented by the Swansea Economic Regeneration Partnership (SERP), which reports to the Local Service Board.
- The Economic Equity Delivery Team – Set up in 2007 with a remit to deliver the economic inactivity strand of Swansea 2020. This is a multi-

agency strategic group, which reports to the SERP Board and LSB. It was noted that economic inactivity is a strategic priority of the LSB. The Economic Equity Delivery team (EEDT) is working to create a co-ordinated, client centred approach to tackling economic inactivity in Swansea, which offers seamless progression from inactivity through to employment. EEDT developed the concept of a city-wide employment gateway that would provide individually tailored support to move inactive and unemployed individuals into / closer to employment. This concept was incorporated into the South West Workways project.

- Genesis Project – This is currently a Wales-wide project, which is partly European funded. It received a notable amount of funding for childcare. It was due to finish in 2014 but it is expected to finish early, in 2013. This project concentrates on individuals who are ‘further away from the labour market’. They link heavily with Social Services. Upon their closure Workways is expected to take on many aspects of their business in a Pilot Project. Aspects of this project will then inform content of new ESF funded projects for 2014-2020. It is thought very likely that this project will continue to receive further funding for 2014-2020, as it fits with the ESF priorities of Employment and Skills. Genesis staff are currently looking at live caseloads in order to refer previous clients to Workways.

Workways – Workways has been running for 3 years and acts as a gateway to other provisions as well as delivering direct support. It is very client focused and offers financial support, including childcare, clothing, training, CV writing, preparation for job interviews, etc.

Workways acts as a support mechanism to help people to move on, by providing training and work opportunities, as well as support and funding. South West Workways is a regional project across Swansea, Neath Port Talbot, Carmarthenshire and Pembrokeshire. The new pilot project is likely to include Bridgend as well

Funding is received, in part, from the European Social Fund. The total cost received by Swansea was £6.4 million, including £1.9 million as match funding from CCOS (33%).

The aim of the South West Workways Project is to:

- Provide a co-ordinated client engagement and assessment Gateway for economically inactive and unemployed people across South West Wales.
- Develop individual Work Focus Plans, with tailored support at a rate to suit the participant.
- Provide transitional employment, via temporary job opportunities.
- Agree appropriate interventions through individual mentor support.
- Engage and support employers through Employer Liaison Officers, ensuring effective links between participants and the demands of local organisations.

Workways was due to finish on 31st March 2013, but has been given an extension until March 2014.

Breakdown of project starters:

Age Group

| | |
|-------|-------|
| 15-24 | - 26% |
| 25-54 | - 65% |
| 55-64 | - 8% |

| | |
|--------|-------|
| Male | - 66% |
| Female | - 34% |

| | |
|-----------------------|-------|
| Economically Inactive | - 42% |
| Unemployed | - 58% |

- Inform Swansea – This is an E-Portal which is about to be piloted. It is a web resource/platform that will provide a “shop-window” for jobs and work experience opportunities in Swansea, ultimately offering a real-time facility enabling access to a range of opportunities by our engagement teams and partners who will be in a position to nominate/refer clients to positions that we may have “ring-fenced” for people from priority areas.
- Beyond Bricks and Mortar – An initiative to create opportunities, is a policy managed and implemented by the City and County of Swansea, which aims to maximise public sector procurement in the fight to overcome barriers standing between the local community and job opportunities. It aims to match local people with the job opportunities created from a wide range of investment by the City and County of Swansea, the Welsh Assembly Government, European Union and the Private Sector.^[s1]
- Swansea Apprenticeship Programme – The City and County of Swansea’s Corporate Building Services has taken on new apprentices, who will be gaining vital skills working on homes, schools, offices and facilities across Swansea.
- The 16-year-olds beat off competition from around 80 candidates to secure a place on the award winning apprenticeship programme in trades from plumbing to electrics, bricklaying to carpentry. However there are arguably a very small number of apprenticeships available and all are associated with Corporate Building Services. It has been suggested that there may be a gap in apprenticeships from other sectors. Plans are being developed to extend the current emphasis on construction focussed apprenticeships to include other trades and professions and

have all Council departments involved particularly in administration and office based roles.

[c2]

2. How effective are initiatives in Swansea?

- Currently in Swansea the labour market has changed from being heavily industrial, with a concentration on manufacturing, to become a service centre based.
- Currently there are recorded to be approximately 17,000 people working in contact centres in Swansea.
- Retail??? development is reported as having increased, with Swansea seeing the HSBC, Virgin Atlantic, Virgin Media, Admiral and others open up new offices.
- Swansea is understood to have a buoyant temporary labour market in certain sectors. For example, between October and December Amazon employ around 3000 persons to cover the busy Christmas period.
- It is expected that the new Science and Innovation Campus development by Swansea University, will also attract up to 3000 jobs^[s3].
- A second power station has been proposed in Baglan (on the outskirts of Swansea), which should bring more work to the area.
- Four thousand jobs have been lost in Local Government over the last 5 years.
- Historically people from Swansea have not had to travel outside Swansea to find work, despite links being there.
- The cost of public transport is high.
- Transport issues – often buses do not run at times to suit specific jobs. For example, there is no public transport available to allow for employees to start work on early shifts at Amazon (5 or 6 am).

3. What are the gaps and opportunities for new initiatives?

- Opportunity – All the building blocks are in place in Swansea to help inactive persons to become active, for example, mentoring / support provided by Workways, employment / training opportunities created through Beyond Bricks & Mortar and Inform Swansea.
- Gap – More jobs and opportunities are needed. Currently there are more people needing jobs than there are jobs.
- More apprenticeship schemes, especially office based (e.g. Finance, Personnel).

4. What does the evidence suggest could be done differently?

- There could be an increase in the number and types of apprenticeships.
- Public transport to be more user friendly, offering bus times to suit people wishing to become employed in jobs with unsociable hours.

5. How well has European Funding been used?

- Workways - 2014 until 2020 will see the next round of European Funding and it is believed that projects will be streamlined, so there will be fewer projects. The pilot project being run over the next 12 months involving

Workways will inform the development of the employment and skills project that will be funded in the next round.