

Leicester City Strategy Business Plan

June 2007

Section 1: Vision & Strategy

1. Our Vision

“We want a city where employers are able to recruit and retain the workforce they need to be competitive and to grow, and where individuals from disadvantaged backgrounds are given the assistance they need to progress in the labour market. A city where public, private, and voluntary sector agencies work together to improve employment rates and reduce child poverty in our most disadvantaged communities.”

Leicester is the tenth largest city in England, and the most culturally diverse outside London. It is home to 7,650 VAT registered businesses employing 130,000 people. Substantial private sector investment (in excess of £2bn) is now underway, following the implementation of the Leicester Regeneration Company Masterplan, and this includes major retail investment around the Shires shopping centre, the New Business Quarter, Cultural Quarter and an increase in city centre living. There are advanced plans to develop a science and technology park adjacent to the National Space Centre, and the two Universities have begun significant investment programmes.

The public services sector¹ is also expanding throughout the city, including a £761 million Pathway PFI project within the NHS, and the £250 million Building Schools for the Future project.

Our challenge is to ensure that as much as possible of this money remains in the local economy and that it is used to address the problems of worklessness and deprivation that also exist in the city.

Leicester City Strategy Consortium includes all of the key agencies and stakeholders required to address this challenge and achieve the vision. The City Council, Job Centre Plus, Learning & Skills Council, Leicestershire Economic Partnership (LSEP), Voluntary Action Leicester and the Chamber of Commerce constitute our Project Board Executive. However, the consortium has wider sign up from our local strategic partnership's economic sub-group – the Leicester Economic Action Partnership (LEAP), and its operational programme board. A full list of members of the City Strategy Consortium is appended to this plan².

1.1 Our Strategy

The Department of Work & Pensions has stated its aims for the city strategy as testing how best to combine the work of government agencies, local government and the private and voluntary sectors in a concerted local partnership (consortium) – to provide the support jobless people need to find and progress in work.

¹ The level of public sector employment in Leicester is considerably higher than the regional and national averages.

² See Appendix 4.

“The strategy is based on the idea that local partners can deliver more if they combine and align their efforts behind shared priorities, and are given more freedom to try out new ideas and to tailor services in response to local need. In doing so, we hope it will contribute to the government’s long-term aims of increasing the number of people in work and tackling child poverty.”³

Leicester proposes to develop its current provision through the City Strategy Consortium to better meet the needs of employers in the city, and to better engage with our most disadvantaged communities.

We have set ourselves the aim of delivering a significant improvement in the employment rates across the city⁴ and of our most deprived communities and disadvantaged groups in particular. The target groups identified are:

- Incapacity Benefit Claimants
- BME groups – especially Black African, Bangladeshi and Pakistani groups
- New Arrivals
- Over 50’s
- Offenders
- JSA claimants, especially those claiming for more than 6 months
- Lone parents
- Young people not in Education, Employment, or Training (NEET)

To achieve this, we will pursue the following *strategic objectives*:

- Co-ordinate engagement activities with employers, at both the strategic and operational levels, to address their labour needs;
- Address the supply side barriers that prevent residents in our disadvantaged areas from seeking, competing for, and obtaining employment;
- Bring job opportunities into our disadvantaged communities by developing local training and employment centres and by providing a comprehensive multi-agency service to address barriers to work amongst those groups that are furthest from the labour market;
- Ensure that residents obtain sustainable employment, and are able to progress within the work-place by providing in-work support to employers and workers, and by ensuring that best employment practices are shared.
- Improve the way in which public, private and voluntary sector agencies work together, commission services, and monitor progress towards the aims of our strategy.

³ DWP Website

⁴ For details of targets see section 3.5.

Each of the strategic objectives has a number of headline milestones by which we can measure progress over the following 2, 4, and 6 year periods as seen in table 1, on the following page.

Table 1 : Strategic Objectives & Headline Milestones			
Strategic Objective	Milestone		
	Within 2 years	4 years	6 years
Co-ordinate Employer Engagement Activity ⁵	<ul style="list-style-type: none"> - Employers engaged at a strategic level in Leicester Economic Action Partnership and involved in governance of City Strategy programme - Engagement activities mapped and co-ordinated across the consortium - 'Core offer' of support defined and tested with 100 employers 	<ul style="list-style-type: none"> - Offer refined and 175 employers participating - Changes to public sector procurement mechanisms piloted to create job and training opportunities for disadvantaged residents 	<ul style="list-style-type: none"> - Top 250 employers in the city participating - Increased leverage for disadvantaged residents from procurement practices
Address Supply Side Barriers	<ul style="list-style-type: none"> - Mapping of provision across consortium & gap analysis completed - Resources allocated in common plan to address these - Barriers, actions and targets identified in local neighbourhood plans 	<ul style="list-style-type: none"> - Range of supply side improvements demonstrated including: <ul style="list-style-type: none"> - Take-up of childcare places by low income group at national average - LPSA2 skills targets met - Employers reporting recruitment problems reducing by 2.5% per annum - progress towards targets in neighbourhood plans evidenced 	<ul style="list-style-type: none"> - Significant improvement in the employment rates of priority groups and closing the gap on national averages - Targets in local neighbourhood plans met
Local Training & Employment Centres, and Multi-Agency Service	<ul style="list-style-type: none"> - Developed 2 local pilot centres - Multi-agency service running in three areas of the city 	<ul style="list-style-type: none"> - Service operating in half of all deprived areas of the city 	<ul style="list-style-type: none"> - Service rolled out in all deprived areas of the city
Sustainable Employment	<ul style="list-style-type: none"> - Post employment support built into core offer - Best practice toolkit developed and supported 	<ul style="list-style-type: none"> - Tracking of cohorts to check on outcomes for job progression 	<ul style="list-style-type: none"> - Service operating with top 250 employers
Improve commissioning and performance management	<ul style="list-style-type: none"> - Joint commissioning pot established and partnership commissioning processes developed and trialled - Co-ordinated performance management system in place and regular reporting on performance established. 	<ul style="list-style-type: none"> - Multi-agency teams rolled out and resourced across consortium from mainstream resources - Regular reporting on City Strategy consortium used to inform resource allocation across partnership - Review and evaluation of programme 	<ul style="list-style-type: none"> - Initial period targets met and new programme developed across consortium based on updated evidence base

⁵ Work with employers includes work through the public sector services compact (including the VCS) to improve employment rates of disadvantaged groups in that sector

1.2 Relationship to other strategies

Our city strategy has clear links to three of the nine priorities contained within the **Regional Economic Strategy (RES)**. These are the priorities of Employment, Learning and Skills; Cohesive Communities; and Economic Inclusion. Together, these priorities set out an agenda of improving skills levels, increasing employment in disadvantaged areas, and addressing barriers and market failures that prevent people from actively participating in the economy.

The RES also explicitly highlights the need for Leicester to develop further as the engine of economic growth for the area, and to make sure that the deprived communities benefit from the economic opportunities on their doorstep.

Emda has taken forward its objectives in relation to employment, learning & skills by creating the **Employment, Learning & Skills Productivity (ESP) Partnership**. This sets out six priorities for action. Our city strategy closely relates to four of these as follows.

On the demand side:

ESP Priority 3: Use public sector planning and procurement as a lever for improving employment, skills and business productivity. This priority specifically mentions the need to ensure that local people (particularly those most disadvantaged) gain employment and training as part of major capital building and developments. Our strategy will build on the work started in relation to construction in Leicester and expand our use of procurement processes to secure employment and training for disadvantaged groups in other sectors of the economy also.

On the Supply Side:

ESP Priority 4: Increase the involvement and achievements of people aged from 14-19. The ESP seeks to reduce the number of young people not engaged in education and training (currently 6.4%) by a further 2% and ensure that 90% of young people take part in education and training. Our city strategy consortium specifically targets the NEET group.

ESP Priorities 5 and 6: Target employment and skills support at all levels for adults in the region and; Improve the infrastructure and responsiveness of skills supply and the co-ordination of provision. Our city strategy will look at improving the way in which we commission training so that it better meets employer needs, and target skills provision on the most disadvantaged groups.

The ESP is currently undergoing a review, and the opportunity exists to ensure that there is even closer alignment between its aims and those of the city strategy over the forthcoming year.

The **Strategy for Leicester** incorporates the aims of the RES and priorities of the ESP and highlights the need to make the most of the opportunity afforded

by considerable public and private investment in the city to impact on employment rates. It sets out three related areas on which our efforts will be focused – on worklessness, enterprise, and skills.

Our **Local Area Agreement** contains targets for outcomes in each of the areas identified in the Strategy for Leicester, including the Neighbourhood Renewal floor targets to narrow the gap between the employment rates of our most disadvantaged communities and the rest of the city. These specifically relate to lone parents, over50's, BME populations, and people with low or no qualifications. The City Strategy allows us to extend our interventions to other specific groups of disadvantaged residents as outlined in section 1.1 above.

The LAA also incorporates the assessment of need conducted by the Learning & Skills Council in respect to skills issues. In particular, the LAA contains a target to support employers to meet their skills needs and aims to reduce the percentage of city firms reporting skills shortages, as well as increasing the number of residents in the most disadvantaged areas who have qualifications equating to NVQ Level 2 or above.

The LAA also contains targets to reduce the number of people not in education, employment, or training (NEET), which are to be measured against a 3-month average (Nov-Jan) and we present information on performance in this respect on page 28 of this document. As the number of young people in the NEET group reduces it becomes harder to meet the needs of those remaining as their problems are often very complex and they are often within families where there are generations of unemployment - this has been picked up by a project looking at the difficulties faced by workless households in the Braunstone New Deal for Communities area of the city, and there is a need to ensure that our work with, for example, lone parents, the long term unemployed and people on Incapacity Benefits also captures details of and addresses the problems faced by young people in those households.

Our private sector led **City Growth Strategy** has developed an 'Access to Labour' theme and is undertaking a demand led forecast of the skills and labour needed to underpin growth in those sectors of the economy in which Leicester has identified competitive advantages. The forecast aims to provide an evidenced skills and delivery requirement in these sectors to influence training provision and to improve employer investment in and engagement with training. The Strategy also highlights the need to develop an apprentice scheme in the industries targeted for growth. The City Growth Action Teams provide us with an excellent opportunity to engage private sector employers and link the work of the City Strategy Consortium to their identified needs.

A Leicestershire **Public Sector Compact** has been formed which is working to strengthen the skills of Leicestershire's Public sector workforce and to raise the profile and perceived value of the Public Service Sector making it both a preferred career option and a route to career progression, particularly for young people and under represented groups. The Compact offers an opportunity for the City Strategy programme to engage with the sector in order to increase access to employment by our target groups.

Our proposals to create local training and employment centres link well with the **Sub-regional investment plan** – submitted by the Leicestershire Economic Partnership (LSEP) – which contains proposals to use emda capital funding to support the provision of employment access centres in deprived local communities. As a result of this link, we have secured an in principle agreement that the capital funding for our Training and Employment Centres will be supported from this source.

Leicester's **Neighbourhood Management Strategy** requires local Neighbourhood Boards produce Neighbourhood Delivery Plans by the end of April 2007. These will be prepared following consultation with local communities and will build up a detailed picture of the problems – including economic – faced by our communities. The plans will set out the priorities for action, based on consultation and evidence. As a minimum, the plans will incorporate actions to address the NRF floor targets on worklessness and will link in with the City Strategy and roll out of Job Centre Plus' **Pathways to Work** programme. We are already finding that Neighbourhood Management is giving us a better understanding to barriers to employment - in St Peters a significant issue seems to be the number of people who are economically inactive and are not wanting employment.

The inclusion of economic targets within the neighbourhood plans can draw on the experiences of area based regeneration activities that have previously been conducted in the city in the past and which in some areas are ongoing (for example in relation to the **Braunstone New Deal for Communities** area and in respect of the SRB6 programme in **Greater Humberstone and Belgrave**). **European programmes**, currently subject to regional consultation, also appear to offer opportunities for further activity.

In respect of target groups, our strategy links to the **Regional 'Reducing Re-offending' Action Plan 2005**, and specifically to the second strategic pathway in that plan concerning the education, training and employment of offenders. As we detail on page 26, a new offender learning and support service (OLASS) has now been established, that seeks to provide a new integrated learning and skills service to this group under the direction of the Regional Learning & Skills Council. The action plan also sets out a commitment to improve employer engagement activities, and to publish a regional strategy for working with the voluntary and community sector.

In Leicester, the Probation Service is leading on the development of **Civic and Business Alliances** to improve the co-ordination of services to offenders, and the City Strategy consortium will seek to engage with these in order to deliver the aims of the Regional Strategy within the city.

Leicester's Community Cohesion and New Arrivals Strategies⁶ (2006) set out a vision for the "smooth settlement and harmonious integration of new arrivals in Leicester to achieve maximum quality of life", and include six strategic objectives to achieve this. These include increasing the quality and effectiveness of service delivery to new arrivals and achieving effective local service planning to improve attention to New Arrivals' needs. The New

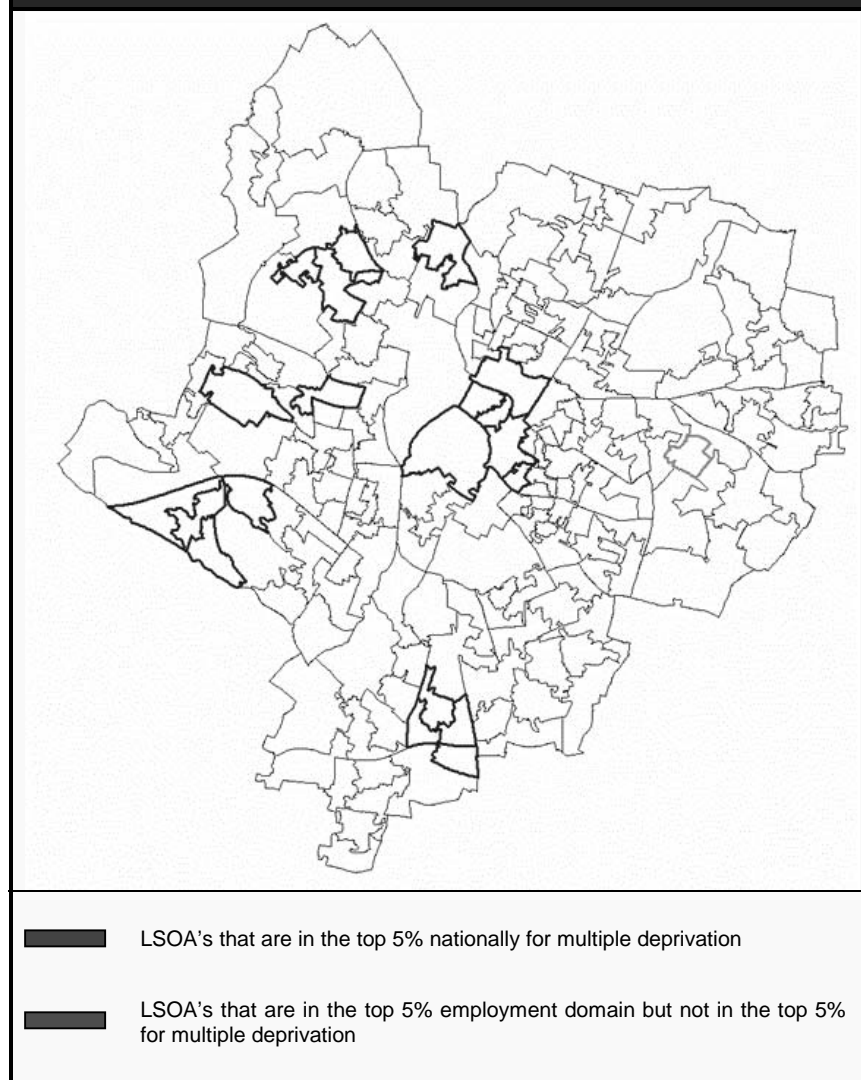
⁶ New Arrivals are defined as asylum seekers, refugees, migrant workers, EU nationals who have chosen to make Leicester their home.

Arrivals Action Plan is due for review in April 2007, and our work to improve the delivery of services to break down barriers to employment for this group will feed into that review.

Section 2: Local Context

The Leicester City Strategy will cover the entire city, and in relation to employer engagement and in-work support will extend to the travel to work area to encompass employers in the county, but it will also have particular regard to the fact that there are concentrations of employment problems in our most deprived neighbourhoods. The most deprived lower super output areas are identified on the map, below. In addition to these areas, specific concentrations of target groups have been identified in additional LSOA's (see pages 30–31) and the City Strategy programme will also be targeted to these.

Figure 1: Map of 5% most deprived LSOA's within Leicester



2.1 Local Analysis

With a population of 288,000, Leicester is the tenth largest city in England, and the most culturally diverse outside London. It is home to 7,650 VAT registered businesses employing 130,000 people. The City of Leicester is the main driver for the sub-regional economy, providing the higher level commercial, shopping, public administration, leisure, health care, and further

and higher education facilities for a catchment area of some 600,000 people living in Leicestershire and Rutland. The City has tight administrative boundaries, and there is a significant continuous urban area of another 150,000 people outside its borders. Census data shows that 70,000 workers commute into the City daily, with 39,000 travelling into the City centre at peak hours. There is evidence that higher skilled workers and managers employed within the City choose to live in the County, which partially accounts for the lower skill rates in the city and has an impact on the employment rates of some groups of lower skilled city residents.

Leicester has a slightly younger population than the national average, and consequently a higher than average working age population (see below), for both males and females.

	Leicester City (numbers)	Leicester City (%)	East Midlands (%)	Great Britain (%)
All people - working age	186,000	64.6	61.8	62.1
Males - working age	95,200	67.3	65.5	65.8
Females - working age	90,800	62.0	58.2	58.5

Source: midyear population estimates Note: percentages are of the total population

Despite having a larger working age population, a significantly lower percentage of this population is economically active or in employment than is the case for the region and the country as a whole. This is true for both males and females, but the female economic activity rate is a full 9.2% below the national average compared to the male rate which is 4.1% below.

	Leicester City (numbers)	Leicester City (%)	East Midlands (%)	Great Britain (%)
All people				
Economically active [†]	131,400	71.7	80.1	78.3
In employment [†]	119,300	65.0	76.4	74.3
Employees [†]	107,700	58.9	66.6	64.6
Self employed [†]	11,500	6.0	9.4	9.2
Unemployed [§]	12,100	9.2	4.6	5.0
Males				
Economically active [†]	72,500	79.0	84.7	83.1
In employment [†]	65,300	71.1	80.4	78.5
Employees [†]	56,200	61.2	66.5	64.9
Self employed [†]	9,000	9.8	13.6	13.2
Unemployed [§]	7,200	9.9	5.0	5.5
Females				
Economically active [†]	58,900	64.0	75.3	73.2
In employment [†]	54,000	58.6	72.0	69.8
Employees [†]	51,500	56.5	66.7	64.4
Self employed [†]	2,500	2.1	5.0	5.0
Unemployed [§]	4,900	8.3	4.1	4.4

Source: annual population survey

† numbers are for those aged 16 and over, % are for those of working age (16-59/64)

§ numbers and % are for those aged 16 and over. % is a proportion of economically

active

Leicester's diversity of ethnic groups is shown in the table below. We have a considerably higher Asian population than the region or nation as a whole (with the Indian population making up over a quarter of the entire population for the city), but also have Pakistani and Bangladeshi populations that fare particularly badly in the local labour market.

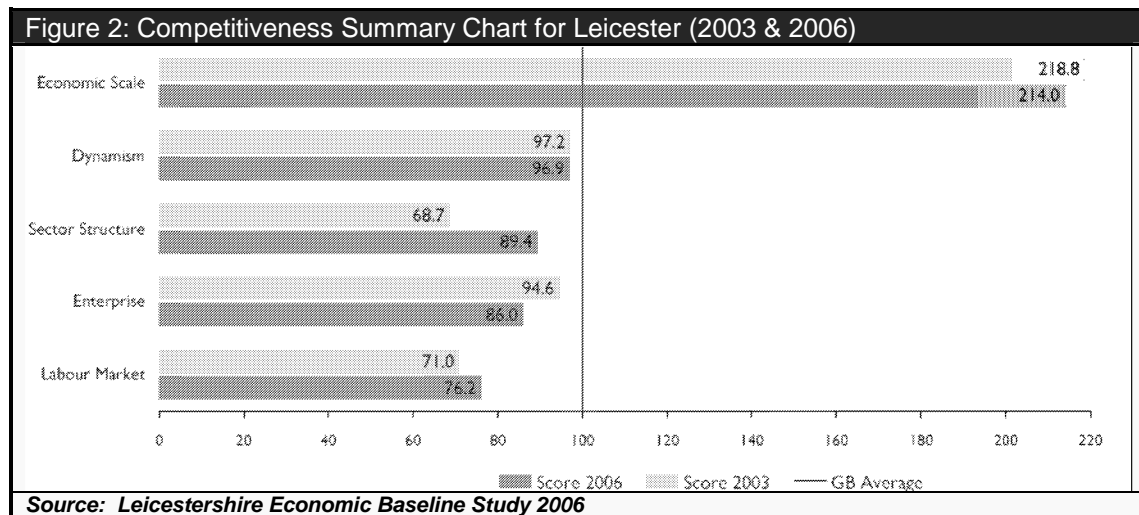
Our Black population (at just over 3%) is higher than the national average and although the figures are now over five years old they witness the increased numbers of Black Africans that have arrived in the city in recent years from Somalia. In more recent months the city has also experienced a significant growth in the numbers of Polish workers.

Table 4: Ethnic Group - Percentages (2001 Census)			
	Leicester	East Midlands	England
	Unitary Authority	Region	Country
All People	279921	4172174	49138831
White	63.85	93.49	90.92
Mixed	2.32	1.03	1.31
Asian or Asian British	29.92	4.05	4.58
Of which: Indian	25.73	2.93	2.09
Pakistani	1.53	0.67	1.44
Bangladeshi	0.69	0.17	0.56
Other Asian	1.97	0.28	0.48
Black or Black British	3.07	0.95	2.3
Of which: Caribbean	1.65	0.64	1.14
African	1.23	0.22	0.97
Other Black	0.2	0.09	0.19
Chinese or Other Ethnic Group	0.83	0.49	0.89

2.1.1 Our Economy

Leicester is a net importer of labour – with sufficient jobs and vacancies to support a considerable improvement in the employment rate, but where many positions are not filled by local residents and where some disadvantaged groups struggle to obtain employment.

The Leicestershire Economic Baseline Study (2006) ranks Leicester's performance on five criteria – Economic Scale, Dynamism, Sector Structure, Enterprise, and Labour Market using the Local Economy Audit Model (LEAM). This reveals that Leicester's economic performance is below the national average in all criteria other than economic scale. The summary scores can be seen in the figure, below.



The key points arising from the study are:

- The largest employment sector in Leicester City in 2004 was public administration, education & health (31.7%) which accounted for a much higher proportion than the County, regional and national averages.
- In 2004, Leicester City had 15.8% of its employees working in the manufacturing sector. This is lower than the sub-regional average (17.8%) and regional average (17.4%). The national figure was 11.9%.
- There was a higher proportion of employment in the key growth sectors of financial and business services (17.8%) compared to the sub-region and regional averages. However, a greater proportion of people were employed nationally in financial and business services (20.0%) in 2005.
- The development of knowledge sectors, employing high proportions of graduate labour and those most capable of sustaining local competitive advantage, have grown in Leicester City, particularly amongst service sectors.
- There was a higher proportion of people working in knowledge-based services in Leicester City (16.1%) compared to the sub-regional and regional averages in 2004. The proportion of people employed in knowledge-based services nationally was 17.9%.
- Also, there was a similar proportion of people employed in high-technology manufacturing sectors in Leicester City (2.0%) compared to the sub-regional average. However this is higher than the regional average (1.7%).
- The proportion of people employed in consumer services in Leicester City (17.8%) was lower than the sub-regional, regional and national figures in 2005.

With specific reference to Economic Activity and Unemployment, the study found that:

- The economic activity rate in Leicester City in 2005 was 70.2%. This is much lower than the Leicester Shire average of 79.1%. In Leicester City, the female economic activity is particularly low (62.8%) compared to the sub-regional, regional and national figures.
- In June 2006, the Claimant Count unemployment rate was much higher in Leicester City (4.8%) compared to the sub-regional, regional (2.4%) and national (2.6%) averages.
- Unemployment in Leicester City seems to be far more structural with a high percentage of people who have been unemployed for more than a year, 18.8% compared to 16.6% in Leicester Shire, 14.9% in the East Midlands and 15.7% in Great Britain.

Leicester also has problems of low wages and lower than average incomes:

- In 2006, average household income was considerably lower in Leicester City at £26,231 compared to the sub-regional average of £31,375. The regional average was £31,062 and the national average £32,353.
- Average hourly earnings in 2005 were also lower in Leicester City compared to the sub-regional, regional and national averages. However, the disparity between male and female hourly average earnings was less marked in Leicester City (£1.22 p/h difference) compared to Leicester Shire (£2.82 p/h difference).
- The variation between annual earnings by place of residence and place of work indicates the extent to which the residential and working populations of an area are different, allowing inference to be drawn about the impact of commuting. In 2004, the median resident annual earnings were estimated to be £1,492 less than the median workplace annual earnings in Leicester City. This suggests that the City has a less self-contained labour market with a high level of higher earners travelling into the City to work.
- By comparison, the sub-region appears to be more self-contained with median resident annual earnings estimated to be only £233 greater than workplace annual earnings.

Skills issues

- Leicester has a high proportion of people (37%) with low or no qualifications (NVQ2 level or below).
- The proportion of people with a NVQ 4/5 (degree level) qualifications in 2005 was also lower in Leicester City (24.4%) compared to Leicester Shire (26.8%), the East Midlands (26.7%) and Great Britain (30.2%).

Figure 3: Workforce Skills (2005)

	NVQ4/5	NVQ3	Trade Apprenticeship	NVQ2	NVQ1	Other Qualifications	No Qualifications
Leicester City	24.4%	12.8%	5.1%	13.3%	13.0%	12.7%	18.8%
Leicester Shire	26.8%	16.0%	7.0%	13.8%	14.6%	9.9%	11.9%
East Midlands	26.7%	16.3%	6.7%	15.2%	16.2%	8.0%	10.9%
Great Britain	30.2%	15.5%	6.1%	15.9%	14.2%	8.2%	9.9%

Note: % of economically active residents
Source: Annual population survey, 2005

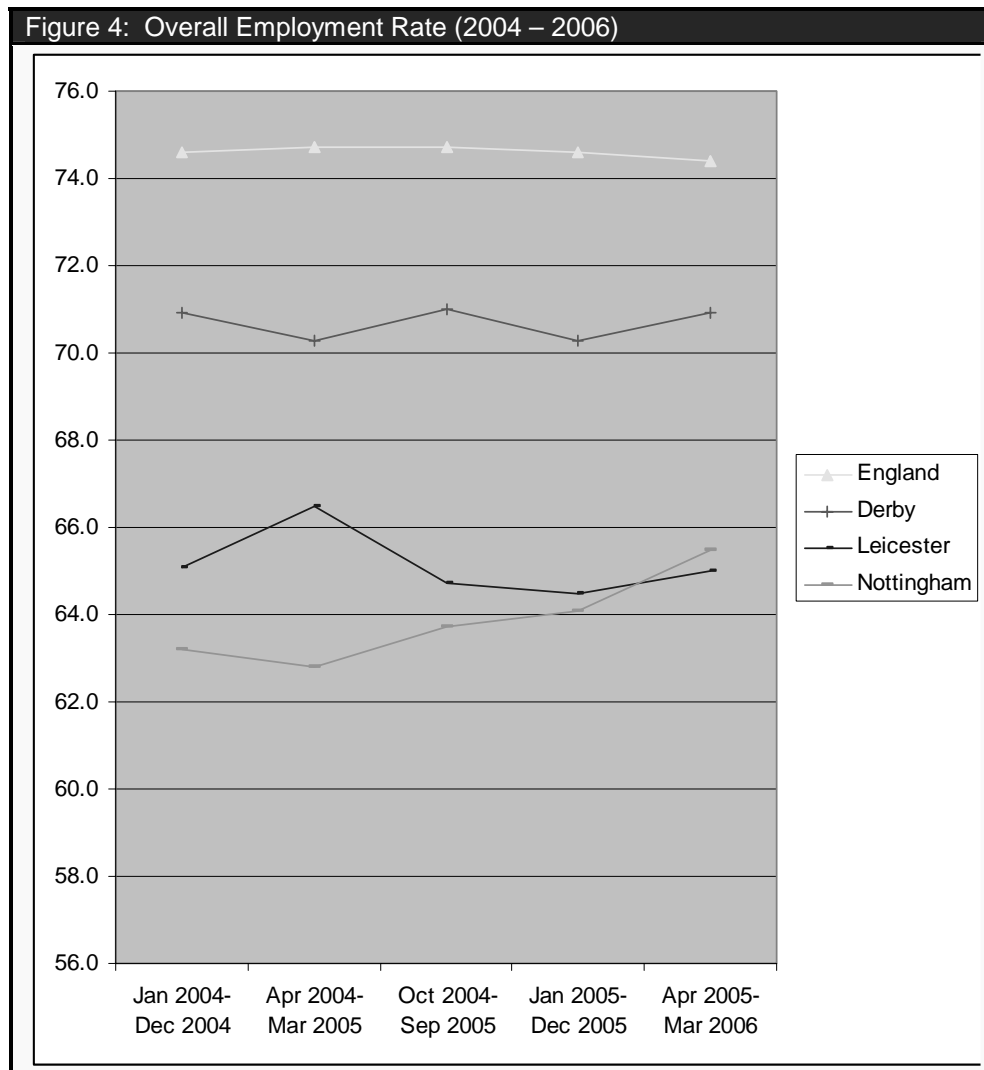
Social Exclusion

- Leicester City is ranked 29th out of 149 county/unitary authorities using the 2004 Index of Multiple Deprivation where 1 is the most deprived.
- There are 43 Super Output Areas in Leicester City ranked in the top 10% most deprived areas in England on the Index of Multiple Deprivation. These are concentrated in Abbey, Braunstone and Rowley Fields, New Parks, Beaumont Leys and Spinney Hills wards.
- In November 2005, one in five Leicester City working age residents were claiming at least one government benefit. This is compared to 12.4% in the sub region, 13.5% in the region and 14.8% in the country as a whole. The largest single benefit claimed is Incapacity Benefit which almost 9% of working age people claimed in Leicester City.

Overall Employment & Claimant Rates & Trends

Leicester's overall employment rate is currently 9.4% below the national average and, despite an improvement in recent performance, has not fully recovered from a significant decline in 2004/05. The volatility of Leicester's employment rate over the period is also in contrast to the national trend and to that of the other East Midlands cities of Nottingham and Derby.

The working age population of Leicester is currently 186,000 and an increase in the employment rate of 1% per annum therefore requires us to move 1,860 people into employment. To bridge the current gap between Leicester and the national average requires 17,484 people to move into, and remain in, employment.



Benefit claimant data, which is available at LSOA level and is released on a more regular basis than the overall employment rate, has also been analysed.

Whilst there was a significant reduction in the number of benefit claimants between September and November 2006, this has come on the back of a general increase over the past 12 months and the number of claimants remains higher than it was in January 2005.

Figure 5 : Leicester Claimant Count (2005 – 2006)

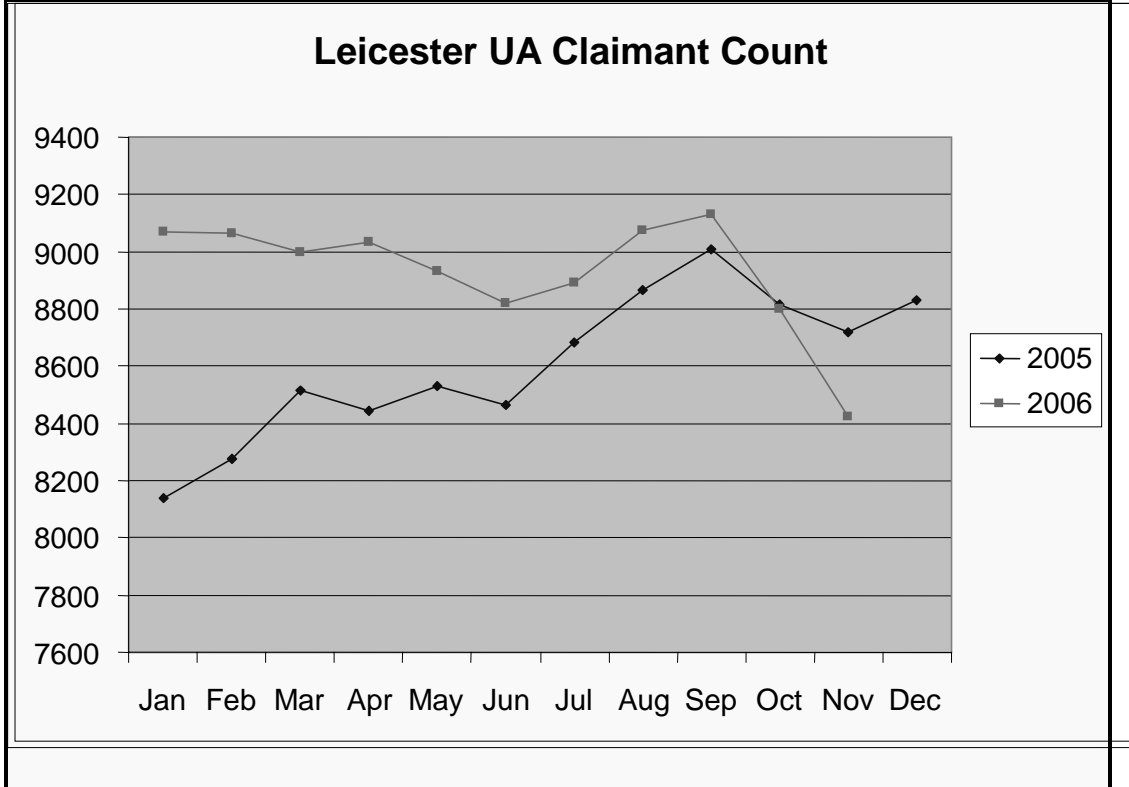
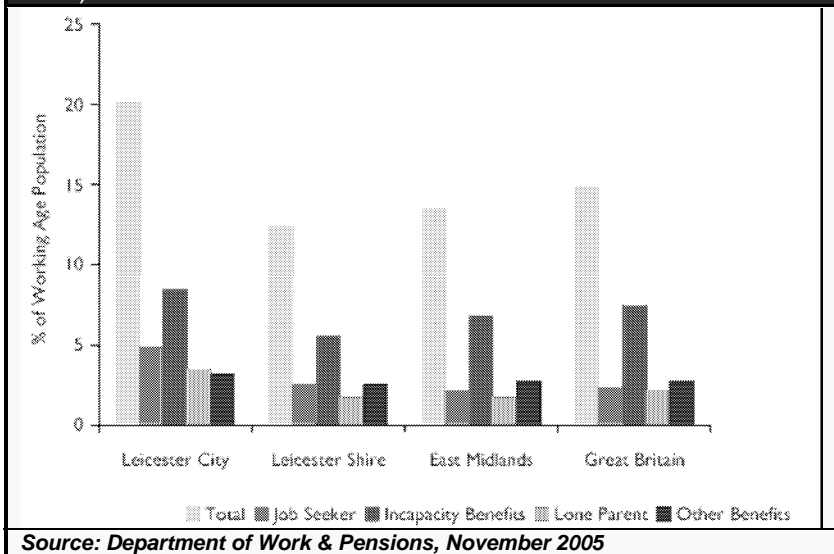


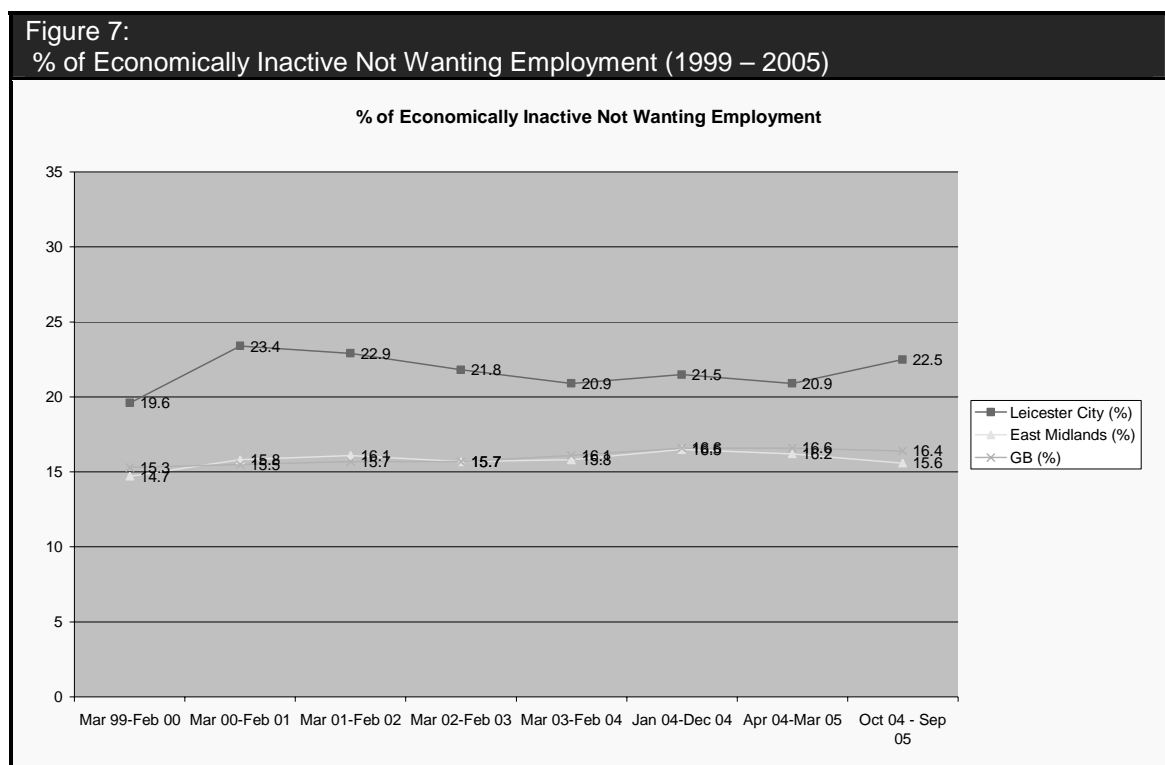
Figure 6, below, provides a breakdown of benefit claimants by client group. As can be seen, Leicester has higher levels of all main claimant types – Job Seekers, Incapacity Benefit Claimants, and Lone Parents, than is the case sub-regionally, regionally, and nationally. Analysis of data available at lower super output area level (detailed on pages 30-31), reveals that there are concentrations of different types of benefit claimant in different LSOA's, however, and this has implications for the targeting of the City Strategy programme.

Figure 6: Breakdown of Claimant Rate by Client Group (November 2005)



Source: Department of Work & Pensions, November 2005

There is also some evidence that Leicester has a lower proportion of its population that wants to work in comparison with both the region and the country as a whole, and that this makes up over one fifth of all economically inactive people within the city (see Figure 7, below).



It should also be noted that the proportion of economically inactive women who are not looking for work is significantly higher for Leicester (28.8%) than for the region (19.5%), and this may reflect some of the cultural barriers to work reported by BME women which are present in much larger numbers in Leicester than in the region or nation as a whole.

Women and the Leicester Labour Market

Women's employment in Leicester

Recent research conducted by the Social Inclusion Unit at Sheffield Hallam University⁷ found that the employment rate for women in Leicester is low, at 54%, compared with that in England as a whole (64%) and that employed women in Leicester are less likely to work part-time than women in England.

There are variations according to ethnicity and age:

- There are higher levels of part-time employment among Bangladeshi women in Leicester and lower levels of part-time employment among African Caribbean and Indian women than among White British women.

⁷ "Working Below Potential : Women & Part Time Work in Leicester": Grant, Yeandle & Buckner; Centre for Social Inclusion, Sheffield Hallam University, December 2006

- In Leicester, Indian, African Caribbean and Black African women are less likely to be in employment than women from these ethnic groups in England as a whole.
- Women aged 35+ are more likely to work part-time than younger women - but in Leicester they are less likely to work part-time than women aged 35+ in England as a whole.

However, the research found that part-time women workers in Leicester, as a whole, are more likely to work in low paid, low skilled, occupations than part-time women workers in England.

In addition, the rate of growth in women's part-time jobs in Leicester was much less strong than in England as a whole, although strong growth was reported for women's part-time work in distribution, hotels and restaurants. The banking and finance sector also experienced growth in women's part-time jobs. Increased part-time working in Leicester has also come on the back of a reduction in full time employment for women in the city.

A number of recommendations are made in the report including the need for employers to adopt a more strategic approach to the design of jobs and the replacement of employees and to recognise the wider organisational benefits of part-time working. Measures are also required to ensure that part-time workers can progress at work and training and education opportunities need to be extended to women returners. We propose to take these issues forwards in our employer engagement work, the approach for which we set out in section 3.1.2.

Access to Employment for Ethnic Minority Women

Further studies focused on the issues facing ethnic minority women when trying to access employment in Leicester⁸ show that ethnic minority women's disadvantage can arise as a result of factors such as migration history, qualifications and skills levels, aspirations and confidence, as well as because of discrimination in recruitment practices.

The table below sets out the barriers faced by BME women and the recommendations of the reports to address these.

The recommendations cut across the strategic objectives of the City Strategy, and activities to take them forwards are incorporated into the work programmes developed for each of the strategic objectives (see Table 13, pages 40 – 42)..

⁸ "Ethnic Minority Women and Access to the Labour Market in Leicester", Stiehl & Tang, Centre for Social Inclusion, Sheffield Hallam University, December 2006 and "Making it happen in Leicester: A study into the barriers faced by Pakistani, Bangladeshi & Somali women when accessing the labour market and progression in work", Khan, Employment Support Unit, Leicester City Council, November 2006

Table 5: Barriers faced by BME Women and Recommendations for Action	
Barriers	Recommendations
Migration history	<p>Improve targeting and promotion of information and support services using trusted community links and informal communication mechanisms.</p> <p>Improve the recognition of prior qualifications and skills gained abroad.</p> <p>Employer awareness needs to be raised by challenging misconceptions and assumptions about particular groups.</p>
Language, qualifications, skills & experience	<p>Extend affordable ESOL/English-language support and target to families not just individuals. ESOL formats need to accommodate specific needs⁹ and provision needs to be made for out of term time classes.</p> <p>Develop work placements combined with on the job training.</p> <p>Develop formal accreditation mechanisms that value and recognise practical competences and skills.</p> <p>Increase opportunities for training and progression and provide improved career structures and opportunities for gaining professional qualifications.</p>
Aspirations and confidence	<p>Increase provision of personal development and confidence-building courses and activities.¹⁰</p> <p>Improve access to pre-interview and job-preparation support and coaching in schools, colleges and elsewhere, on job-search skills, CV writing, applications, and interview skills¹¹.</p> <p>For women that have been out of the labour market for some time consider offering financial incentives to encourage participation in training.</p>
Local area and overcoming isolation	<p>Sustain the work of local, community-focused organisations, and consider targeted door to door campaigns and group sessions.</p> <p>Improve access to careers, information, advice, & guidance services and bring training provision into local areas.</p>
Suitable job opportunities and low awareness of the labour market	<p>A much wider range of part-time jobs is needed, to enable women with other responsibilities to progress and achieve their potential.</p> <p>Advertise vacancies in local community settings and media. Employers should meet with BME women in community settings to break down barriers.</p>
Cultural & Family circumstances	<p>Because 'self-promotion' in applications and interviews is a cultural barrier for some groups, specific, targeted coaching may be needed.</p> <p>Possible use of working women from target groups as 'champions' for their community.</p> <p>Improve access to flexible, local, affordable, and culturally sensitive childcare and ensure that information concerning provision is available.</p>
Discrimination & Racism	<p>Enhance staff management, career progression, and staff development support.</p> <p>Improve monitoring data and targeting of services.</p> <p>Raise awareness of discrimination issues and employment protections.</p>

⁹ For example, by lessening the requirements for homework, and for women who have expressed an interest to go into employment by packaging ESOL with information and practical advice on employment preparation, job seeking, rights and entitlements and work procedures.

¹⁰ Arts-based/creative activities can be highly positive and empowering, without over-reliance on verbal communication skills. Group activities further enhance mutual understanding and shared experiences. Taking women out to do simple things that others neglect such as going to the city centre, post office, or Job Centre would also be helpful in some circumstances.

¹¹ "This should relate to employment, training, the education system and benefits, and be offered in community languages or with language support. Further outreach work by JobCentre Plus and community organisations needs to be developed, to bring mainstream support, local jobs and information to local women.", Stiehl & Tang

2.1.2 Our Priority Groups

In this section we detail the numbers of people falling into each of the priority groups and set out the major supply side barriers to employment.

Jobseekers Allowance Claimants

As at December 2006, Leicester had 8,413 Jobseekers Allowance claimants – representing 4.5% of the working age population in comparison with a national average of 2.5% and a regional average of 2.3%.

Leicester also has a significantly higher proportion of long term JSA claimants with the percentage of claimants unemployed for over six months a full 6.3% higher than for Great Britain and 6.7% higher than for the East Midlands.

	Leicester City (numbers)	Leicester City (%)	East Midlands (%)	Great Britain (%)
by age of claimant				
Aged 18-24	2,315	27.6	30.0	29.4
Aged 25-49	4,540	54.1	51.6	52.9
Aged 50 and over	1,425	17.0	17.4	16.4
by duration of claim				
Up to 6 months	4,995	59.5	66.2	65.7
Over 6 up to 12 months	1,725	20.5	17.7	17.2
Over 12 months	1,675	20.0	16.1	17.0

Source: claimant count - age and duration
 Note a: % is a proportion of all JSA claimants

We have identified the need for a programme of engagement in the worst affected local areas and have trialled this in Braunstone with the Workless Households Engagement Project. This project aims to move workless people towards employment by focusing on what interests people have, encouraging them to participate in these type of activities (or, in some cases, putting activities on for them) and once they are participating encouraging them to take part in further personal development. An initial survey of households in the LSOA's with the highest JSA and Income Support claimant levels in Braunstone has been undertaken with 262 local residents, and the results have been used to inform a programme of engagement activity since May 2006.

The survey explored issues directly relating to employment and 64% of respondents stated that they needed more training in order to access work, but 59% felt that if they took a job they would be financially worse off or have their benefits disrupted. 55% of people also felt that jobs available locally were too poorly paid, and 53% felt that they did not know enough about local employment and training opportunities. One third of all respondents had a health problem that affected their ability to work.

Access to appropriate training is therefore key to this group, as is access to advice on in-work benefit entitlements and assistance with budgeting and debt issues. We propose to deliver a joined up service that provides these

services from local centres, and which is linked to engagement activity on the most deprived estates.

We also need to make a clear link between these types of supply side intervention with reference to real job opportunities. The significant levels of public and private sector investment scheduled for the city are likely to trigger an increase in the demand for specific skills. Many employers are willing to invest in workforce development and in 'job-specific' training, but are finding that core competencies and 'soft' skills are lacking within the Leicester workforce as a whole. Our programme of employer engagement therefore needs to inform the types of training available in local communities, and access to training needs to be actively promoted at the local level.

SRB6 – Training Centre, 9 Layton Road

The SRB6 Programme in Greater Humberstone has invested £246k in the purchase of a commercial unit for the use as a Training Centre at 9 Layton Road.

These premises have been leased to Leicester College with the programme providing funds to enable the building to be adapted for training purposes. Now fully equipped, the Training Centre offers a number of short FREE courses focused on providing construction related skills along with business and computing.

The centre has become very popular with many local residents having completed training courses since the centre opened in May 2006. Courses in demand include ESOL and Introduction to Construction. The Training Centre now offers a total of 11 different courses with Leicester College having had to recruit additional tutors.

These services provided are resulting in local residents from all target groups gaining valuable skills and qualifications to enable them to either move onto further education or to become employed.

Incapacity Benefit Claimants

As at May 2006, Leicester had 15,530 Incapacity Benefit (IB) claimants. The number of IB claimants in the city has reduced by 2% since May 2002, which represents a slightly better performance than for England as a whole (1.6%), but is lower than for the region (3.4%).

Leicester is in Phase 2 for the national roll-out of the JobCentre Plus Pathways to Work programme, and there will be an opportunity to influence the specification for the delivery of that programme in Leicester. Many of the barriers to employment are similar to those detailed in the section above in respect of Job Seekers Allowance claimants, but in addition there is a need to ensure that employers provide flexibility in working arrangements so that health conditions can be properly managed, and we have also identified the need to expand work trials so that Incapacity Benefit claimants can try work without risking loss of income. Our enabling measures seek to extend the period of work trials in order to enable those people furthest from the labour market adequate time to adjust to working.

We also recognise the need to link services with primary health care provision in disadvantaged areas and to develop relationships between the City Strategy programme and medical centres to encourage people with health

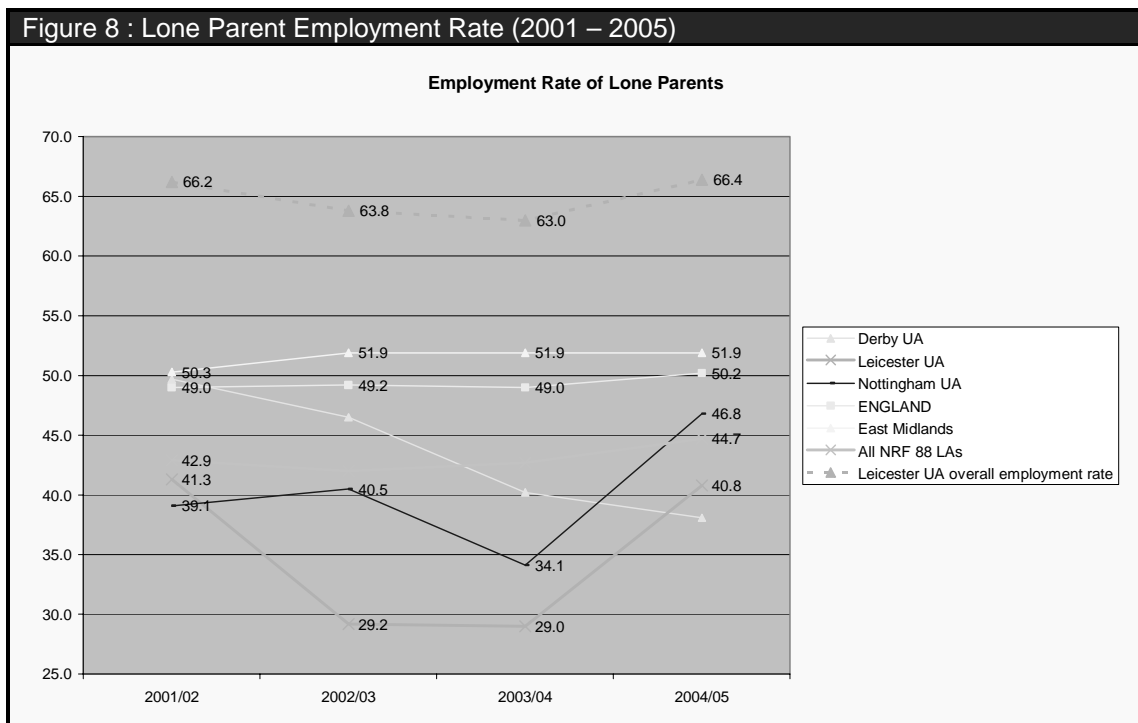
problems to engage with the labour market. Appropriate work placement programmes, developed with the active support of health care providers and which take account of the prevailing health conditions, are required to overcome the perception amongst Incapacity Benefit claimants that work is not an option.

There will be a need to link the Pathways to Work provision in the city with the proposed local training and employment centres and multi-agency teams as well as linking in with the co-ordinated employer engagement model that we aim to establish.

Incapacity Benefit claimants also have a need for in-work support and the experiences of the Employment Support Unit, which has provided an after-care service for people moved into employment by the Job Service Partnership over the past 18 months, indicates that there are likely to be significant issues early on in the job which require negotiations between employer and employee to resolve. Building confidence with employers and providing them with assistance to address issues such as management of health conditions is built into the Sustainable Work strand of our programme.

Lone Parents

As at May 2006, Leicester had a lone parent claimant count of 6,250 – representing 17% of the total claimant count. Despite recent improvement, Leicester’s lone parent employment rate is still 9.36% below the national average.



Limitations on the length of data over which data is available, and the volatility of the lone parent employment rate in Leicester both make it hard to forecast future trends.

Whilst New Deal Plus for Lone Parents, has impacted on the employment rate for this group in the past year¹², and will be extended to March 2008, this has not resulted in any significant decrease in the numbers of lone parents claiming Income Support¹³.

This may be as a result of lone parents taking up part-time and low paid employment which does not move them off Income Support. There is therefore an underlying problem of the security of employment and issues concerning job progression and personal development that need to be addressed. Further research into the particular problems facing lone parents in the local labour market is being undertaken through the NRF programme in the city and is to be conducted by Connexions.

However, we also know that the proportion of low income households using childcare in the city is 3% below the national average, and the availability of affordable childcare provision – particularly culturally appropriate provision in respect of BME communities – needs to be expanded. We have also identified the need to deliver ‘Try Childcare’ schemes and to provide funding to make this possible for lone parents, and to engage on this basis in local community settings with target groups.

Childcare provision is also required in order to release lone parents to take up training opportunities, and this needs to be built into the design of training courses that are targeted at this group. Where this has been conducted, for example by LeicestHERday, this has proved successful but needs to be expanded. A further challenge is to deliver this to those groups that have specific cultural barriers that also need to be addressed in line with the recommendations of the reports on BME Women’s Access to the labour market.

Again, we recognise that there can be problems for this group once they have moved into employment, particularly in relation to financial issues and making the transition from benefits to employment. Advice on these matters and providing support to the employee with negotiations around hours of work to ensure childcare responsibilities are taken into account will be taken forwards in the Sustainable Work strand of our programme.

Minority Ethnic Employment Rates

Minority Ethnic employment rates in Leicester exceed those for the country as a whole and there has been a growth of 5.2% over the past three years. The growth has also been stronger in the past year at 7.1%, and there is no indication that overall Minority Ethnic employment rates will fall below the national average based on current performance.

However, there are wide variations in the employment rates amongst Minority Ethnic groups which the overall rate tends to mask. For Leicester the employment rate amongst the White population is 67.9%, and for non-whites

¹² Raising the employment rate for lone parents from 29% to 40.8%

¹³ The overall lone parent claim rate has remained constant at around 33 per 1,000 of the population over the past 6 years.

57.4%. Whilst the employment rate for the Indian population is 64.4%, the rate amongst the Pakistani and Bangladeshi communities is only 22%, and amongst the Black community it is 39.3%¹⁴.

The number of working aged people who are not actively seeking, or are unavailable for work, is also significantly higher for Ethnic Minorities (33%) than for White people (21%). The majority of people from ethnic minority communities who are neither working nor collecting benefits are Bangladeshi and Pakistani women, students and young Black African and Caribbean men.

The figures indicate that a greater degree of targeting on the Bangladeshi, Pakistani, and Black African populations is now required, and that specific interventions are necessary to increase the percentage of target minority ethnic populations that wish to work through projects to engage with communities and to break down cultural barriers to employment.

ESOL provision and training more generally, needs to be expanded and related to vocational settings and again linked to real job opportunities. Further effort also needs to be made to engage employers around the agenda of workplace diversity and to examine some of the obstacles that are present in recruitment practices and in the workplace to progression for BME residents.

Over 50's

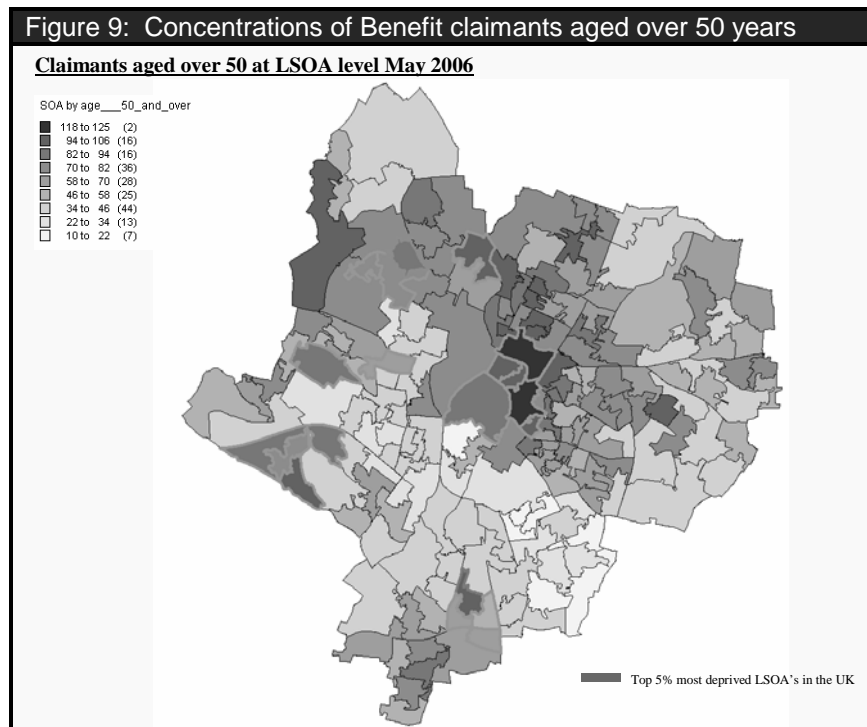
Nearly one third of all benefit claimants in Leicester are aged over 50. As at May 2006, there were 11,220 benefit claimants aged 50 or over in Leicester, and there has been a 1.3% growth in the number of claimants in the past year. This is contrast to a national trend of a slight reduction (0.5%) and a regional trend that is steady (0.17% reduction).

In the main, improving the over 50's employment rate relies on providing for re-training (although for older BME workers this can be compounded by language barriers) and ensuring that courses meet their needs. Despite the introduction of age discrimination legislation, it is also necessary to continue to promote the benefits of employing older workers to employers and to spread best practice in this respect.

Because this target group is defined by age, and the others by benefit claimed, the supply side barriers are identified within the sections on Job Seekers Allowance and Incapacity Benefit, with the section on Incapacity Benefit particularly relevant. As Table 6, on page 21 reveals, the proportion of JSA claimants in Leicester aged 50 or over is not significantly greater than the national average and is below the regional figure.

¹⁴ National Statistics, Labour Market for local areas by ethnicity, working age employment rate, Tables 3.1 – 3.5

There is also evidence that the number of over 50's benefit claimants within the most deprived lower super output areas is increasing (from 1,555 in 1999 to 1,745 in 2005). A targeted approach to addressing the employment rates in the highest priority LSOA's will therefore also need to address barriers to employment faced by this group. As figure 9, below indicates, there are also concentrations of over 50's claimants in LSOA's that have fallen outside of the traditional intervention areas. This is particularly true in respect of the area to the north of the city centre.



People with Low/ No Qualifications

As at 2004, Leicester's employment rate for this group was 3.6% off the national average and was performing better than both Nottingham and Derby. However, the gap has grown since 2001 when Leicester was only 1.7% off the national average.

The trend for this target has been volatile with Leicester's rate first falling by 3.1% then steadying and rallying last year whilst nationally the trend has been for slight and steady reductions. If last year's performance can be repeated then Leicester could improve beyond the national average. However, a worst case scenario in which the longer term trend is repeated could see Leicester's performance fall and a gap of up to 10.2% open up.

As part of Leicester's Local Area Agreement, the Learning & Skills Council is committed to improving the literacy, numeracy, and language skills of City residents through the achievement of qualifications of adults from hard to reach groups, and the City Skills for Life Consortium provides an example of successful work in this area (see inset on next page).

City Skills for Life Consortium

The City Skills for Life Consortium was set up to co-ordinate the spending of the large amounts of investment now available for developing the provision of Skills for Life and ESOL and to ensure that this activity was targeted towards the areas of greatest need and particularly those wards qualifying for Neighbourhood Renewal Funding.

The Consortium has been operating since March 2003 and it has successfully 'bent' mainstream funding to effectively target those in greatest need. By drawing together Skills for Life providers, the consortium reshaped provision of Skills for Life and ESOL making it more accessible to potential learners. The restructured provision gives them a single supported access point to what can otherwise be a complex service.

Student participation from NRF wards has increased by 42% between 2002/03 and 2004/05 compared to a general increase of only 32% in the non NRF wards.

The provision of more locally responsive training – in line with the aims of the City Strategy – requires the development of improved joint commissioning arrangements and is being taken forwards in that work strand.

Offenders

For the year 2004 / 2005 Leicestershire Probation Service registered 2,400 new cases of which approximately 1,200 are unemployed (50%). Not all of these are city residents, and work is needed to be done with the Probation Service to identify the latest numbers within the city. MAPPOM, which deals with prolific offenders registered 164 clients on their database that have Leicester addresses in the same period.

On 31st July 2006, the new Offenders' Learning and Skills Service (OLASS) was launched in the East Midlands and the Regional LSC has taken on responsibility for the planning and funding of education and training for offenders. A new integrated Offenders' Learning and Skills Service (OLASS) for individuals in custody and/or under supervision in the community is being designed under these new arrangements, and this aims to deliver:

- A strong and refreshed set of providers, charged with delivering a richer curriculum offer to offenders, in custody and in the community;
- Better integration between custodial and community settings;
- Improved assessment and learning planning within the context of sentence plans;
- Wider access to up-to-date information on learner progression and participation and
- Strengthened partnership working between the LSC, Job Centre Plus, Prisons, Probation areas and the National Offender Management Service (NOMS).

We will link our city strategy consortium to OLASS to build on their work and address those barriers (over and above education and skills issues) that prevent offenders from entering and progressing in the labour market.

These include:

- A criminal record can be a real barrier to employment and coaching on how to handle disclosure to prospective employers is required.
- Many offenders have multiple problems including drugs and alcohol addictions, and housing problems which need to be addressed in advance of employment and for which ongoing support is required.
- Low levels of motivation, self confidence, and 'soft skills'.
- Prejudice or lack of confidence to employ offenders by employers
- Many women prisoners have had very limited experience of stable employment;
- Remand prisoners are less likely to have had a job prior to entering prison and are half as likely to have participated in some work while in prison and are more likely than sentenced prisoners to say that they require practical help on release with employment.
- Black and minority ethnic prisoners are more likely to receive longer sentences – which can impact upon the ability to maintain existing employment while in prison.
- Young adults are particularly likely to be unemployed at the time of arrest. There is concern that vocational training for young adult prisoners rarely leads to the attainment of appropriate job-relevant qualifications.

The development of the Civic and Business Alliances, currently being progressed locally by the Probation Service, provide a forum in which these issues can be progressed and we will seek an early discussion with the Probation Service to identify a programme of work for this target group to which the City Strategy Consortium can add value.

New Arrivals

Leicester has a long tradition of welcoming new communities and groups and is one of the most culturally diverse cities in the UK. Because of this Leicester became a destination for many of the refugee groups coming from 2000 onwards. Research undertaken by the Economic Development Team within the City Council found that the vast majority of these new entrants wanted to find work, but that they experienced significantly higher levels of unemployment compared to more established groups and to the host population. Also when refugees were employed they were often in low-level entry jobs that didn't reflect their skills and qualifications.

The work of the Refugee Employment Project (see inset, below) highlights the need for services that can help new arrivals to get their existing qualifications recognised¹⁵, as well as for additional, vocationally based ESOL, provision¹⁶. Work with BME communities by the City Council's Employment Support Unit

¹⁵ The Overseas Qualification Development Programme is funded from ERDF Objective 2, and has got 40 qualifications recognised in the past 2 years.

¹⁶ The problem of capacity is not limited to the numbers of tutors available, but also to the need to provide ESOL to new arrivals with an increasing number of languages.

has identified that even where these groups are able to access employment, they find that their prospects for progression in work are limited if they do not have English language skills.

Working with Refugees and Building Diverse Workforces
<p>The Refugee Employment Project (REP) was formed to deliver against a first generation Local Public Service Agreement target to place 180 refugees into sustainable employment. The REP worked with a number of key partners including Job Centre Plus, Leicester Racial Equality Council, refugee support groups, employers, colleges, and training providers to demonstrate the city's commitment to establishing a workforce that reflects the wider community.</p>
<p>The project was successful in placing over 200 refugees into sustainable employment in a wide range of occupational areas, including Health, Education, Hospitality, and Retail and Distribution. The project also achieved high satisfaction levels with 76% of the refugees being either satisfied or very satisfied with the project and 100% of employers being satisfied. In 2005 the project became a model of good practice for the Department of Work and Pensions Refugee Employment Strategy 'Working to Rebuild Lives'.</p>

Young People Not in Education, Employment, or Training (NEET)

A total of 11,206 young people have been identified as in the NEET client group and a geographical analysis of the client group has been carried out by Connexions (see Table 7, below).

Ward	NEET	ALL	%	As % all NEET
Abbey	78	549	14.2%	6.9%
Aylestone	40	354	11.3%	3.5%
Beaumont Leys	86	647	13.3%	7.6%
Belgrave	34	520	6.5%	3.0%
Braunstone Park and Rowley Fields	144	814	17.7%	12.7%
Castle	24	216	11.1%	2.1%
Charnwood	61	557	11.0%	5.4%
Coleman	41	585	7.0%	3.6%
Evington	18	383	4.7%	1.6%
Eyres Monsell	77	459	16.8%	6.8%
Fosse	22	322	6.8%	1.9%
Freemen	76	422	18.0%	6.7%
Humberstone and Hamilton	47	454	10.4%	4.1%
Knighton	18	423	4.3%	1.6%
Latimer	17	543	3.1%	1.5%
New Parks	120	648	18.5%	10.5%
Rushey Mead	22	581	3.8%	1.9%
Spinney Hills	63	1032	6.1%	5.5%
Stoneygate	43	707	6.1%	3.8%
Thurncourt	43	415	10.4%	3.8%
Westcotes	28	174	16.1%	2.5%
Western Park	16	278	5.8%	1.4%
No ward due to missing/incorrect postcode/NFA	20	123	16.3%	1.8%
TOTAL	1138	11206	10.2%	100.0%

The analysis reveals that there are particular concentrations of the NEET group on the west of the city (wards including Braunstone Park and Rowley Fields, New Parks, Beaumont Leys and Abbey) and in the south of the city (Freemen and Eyres Monsell), with a further concentration in the predominantly BME populated wards to the east of the city centre (Spinney Hills and Charnwood).

Recent models identified to address this problem include the creation of the PALS service (see inset on following page) which provides first stop shops in existing community settings and intensive interventions to engage and address the barriers faced by this group. However, a number of NEET young people also have transient or no addresses, complicating ongoing service delivery. Other related factors, e.g. higher levels of teenage parents follow a similar geographical pattern.

NEET within Leicester City has been falling since November 2004, meeting Connexions Partnership targets, and the area has improved its ranking against similar areas during this period. The recent period has seen a considerable improvement in the overall performance in the city with the young people in the NEET group falling from 11.7% to 10.2% between July 2006 and January 2007.

In addition to Connexions and Partners working together to address the many issues contributing to young people becoming and remaining NEET, a number of pre- and post-16 preventative activities in schools/colleges and with other agencies are undertaken. These are contained in local Connexions Business Improvement Plans, Partnership agreements and agency plans.

PALS – Progression through Achievement, Learning and Support

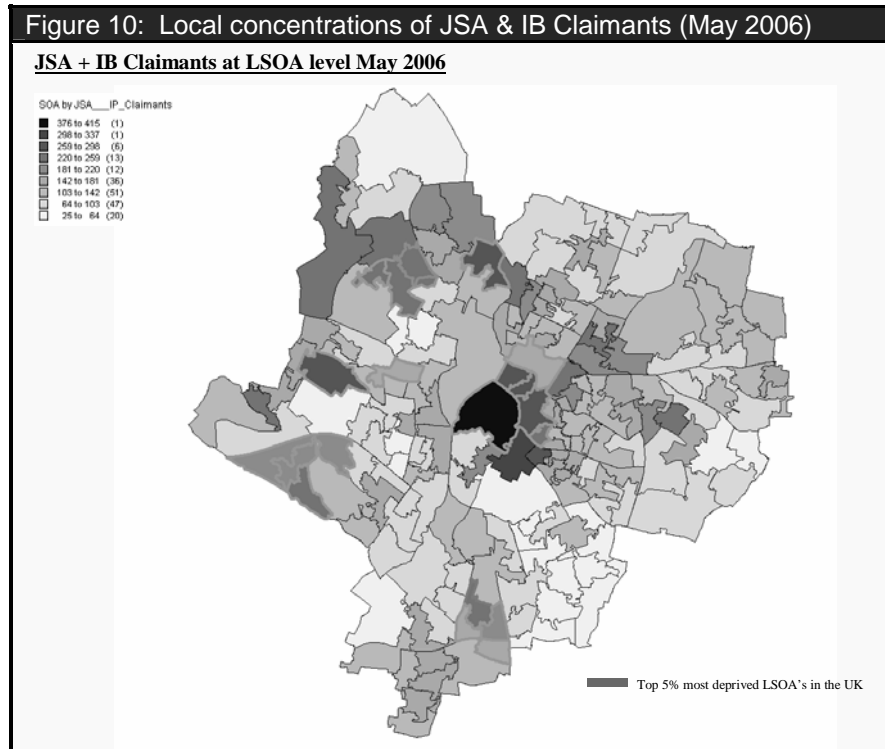
This project was highlighted as an example of good practice in the evaluation of our NRF programme for 2004 -2006. The project provides local individual learning support to unemployed 16 – 20 year olds, most of whom are classed as 'hard to reach'. The project supports young people most at risk during the key transition stages when moving on from statutory support (for example, when leaving care or ending a Youth Offending Order) and works on an outreach model in local areas to provide one to one support to break down barriers to learning and work. For example, the project assists with access to basic skills programmes, provides housing and financial advice, gives training and employment information and sources volunteering and work placements.

The project has established four 'First Stop Shops' which are located in existing community settings. These enable a multi-agency approach and encourage agencies to meet young peoples' needs in the one location. During the two years of the NRF programme 210 young people accessed PALS services and 61 young people were moved into employment with a further 48 young people returning to education.

The intensive support offered by the project has enhanced and added value to the mainstream Connexions service. The project has achieved significant success with a cohort of offenders, those attending Student Support Units and those who simply stopped attending school at 15 years of age. Re-engaging with this group was challenging but the extra support offered through PALS which included home visiting, transport to attend appointments at Job Centre Plus, the housing department and to training, has motivated them to become more active.

Local Concentrations of Disadvantage in the Labour Market

Analysis of LSOA data indicates that there are a number of local areas where the claimant rate is significantly higher than that for the city as a whole. The city contains 24 LSOA's where the claimant rate is twice the national average. A map of local concentration of JSA and IB claimants is contained below.



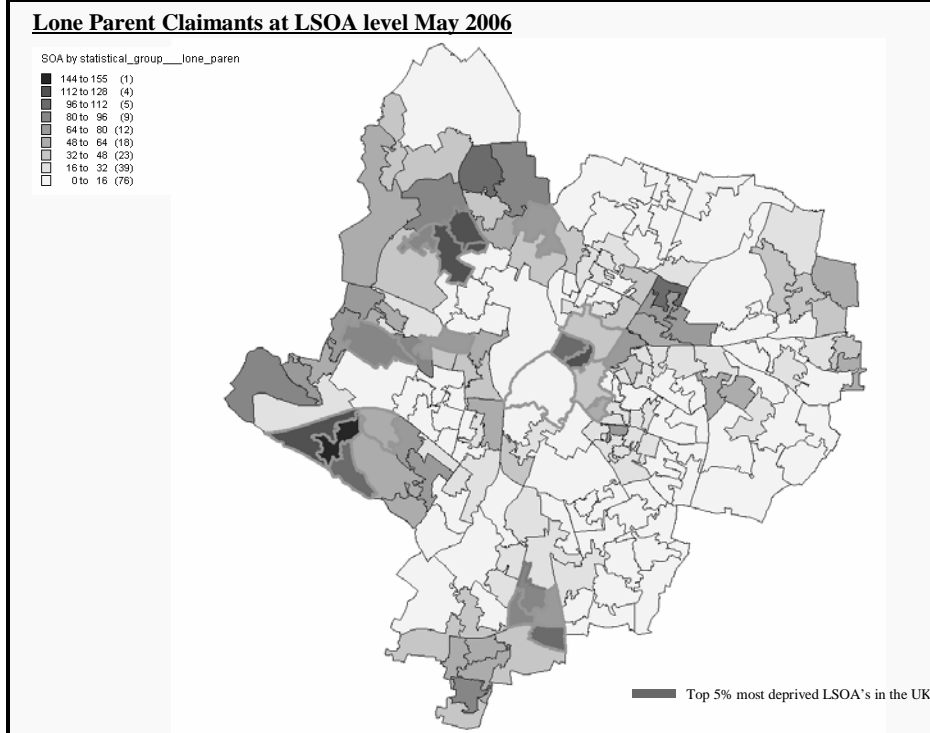
Four of the worst performing LSOA's are within the ward of Spinney Hills, and a further two are in the neighbouring wards of Latimer and Coleman.

A further four LSOA's are in Beaumont Leys, two in New Parks and three in Braunstone Park and Rowley Fields and one in Abbey ward – making the west of the City another priority for intervention. The Braunstone LSOA's have been identified as having particular concentrations of residents with low skills levels as have two LSOA's present in the south of the city within Freeman ward.

A priority LSOA within the city centre Castle ward may be affected by the presence of hostel accommodation which poses particular service delivery issues – and, for example, suggests the need to bring employment services into the Supporting People agenda.

Although there are overlaps between the LSOA's with concentrations of JSA and IB claimants with those that also have concentrations of lone parent claimants, there are also some variations. It is notable that there are lower levels of lone parent claimants in the LSOA's to the north of the city centre, but a higher degree of concentration in the LSOA's in the north west and in the Braunstone area (south west) and in Freeman in the south.

Figure 11: Concentrations of Lone Parent Benefit Claimants



Across all claimant groups, the 20 most deprived LSOA's in the city account for 7675 claimants – or 20.9% of the total number of claimants in the city.

A number of the LSOA's do not appear within the City's top 5% most deprived LSOA's but do have significant employment problems and need to be included in any programme to improve employment rates.

It should be noted that it is possible to distinguish the types of intervention required in each of the LSOA's from the claimant data, and to set individual LSOA targets as part of a broader action plan.

For example, LSOA 1013754 (Spinney Hills) has 120 incapacity benefit claimants, 105 JSA claimants and 75 lone parent claimants. This makes a total target population of 340 for employment interventions. 95 of these claimants are aged 50 and over. A balanced programme of activity across these groups is therefore required.

In contrast, in LSOA 1013726 (New Parks), there is a similar total number of 385 claimants, but there is a much greater prevalence of Incapacity Benefit claimants (185) than lone parents (90) or JSA claimants (80), requiring greater levels of resources to be placed on addressing barriers to employment for IB claimants in the area.

A detailed analysis of each priority LSOA will be undertaken by the consortium to inform the programme of activities to be implemented in each LSOA.

2.2 Mapping Current Provision

2.2.1 Establishing Baselines

At this stage the consortium has only high level information available concerning the amount of resources being committed by partners within the city and the outcomes that this is producing. We have identified the need for a detailed mapping exercise to be conducted that will establish the required baseline information for the city strategy programme and are currently looking to commission this exercise using seedcorn funding (further details of this can be found in section 2.2.2, below).

A brief overview of funding and services provided via the Learning and Skills Council, Job Centre Plus, and through regeneration programmes managed by the City Council is provided below.

Learning & Skills Council

The Leicestershire Learning and Skills Council contributes £150 million a year to commission and deliver high quality learning and skills in the sub region including pre-entry and engagement learning and progression through the skills and qualification framework. Focusing on a number of priority areas to include:-

- Sector based work in construction, retail, engineering and health and social care
- Skills for Life and ESOL
- Achievement of Level 2 qualifications for Adults where individuals have not yet achieved this level of skills

Train to Gain is a new service funded by the LSC and designed to help businesses access the training they need to improve productivity and competitiveness by ensuring that their employees have the right skills for their job. Accredited Skills Brokers will offer free impartial advice to businesses and match identified training needs to training providers who will ensure those needs are met. Further work is underway to support individuals without a level 2 qualification into employment by supplying them with vouchers to encourage employers to provide training and development.

Further work is required to disaggregate the level of resources being committed within the city by the LSC and to examine the outputs for residents against local information concerning need.

Job Centre Plus

Last year Jobcentre Plus spent £4.5 million on programmes within the city to support unemployed customers into work, including New Deal 18-24 and 25+, Lone Parent Training Programmes, Ethnic Minority Outreach, Progress to Work-Link up which supports customers with substance, alcohol misuse, homelessness, and ex offenders and through the Advisor Discretion Fund which supports customers who are long term unemployed and have secured

work with a grant of up to £100 if they need clothing, travel etc in order to commence work.

City Council Managed Programmes

The following three tables provide details of spend and forecast outputs in relation to the NRF and SRB6 programmes being managed by Leicester City Council. The indicators used in the programmes are not consistent and there is a need for the consortium to adopt a common approach to the future use of indicators and to create a consistent performance management system that is capable of measuring progress towards the headline targets of the city strategy. This is incorporated in the Improving Commissioning and Performance Management strand of our work programme as set out in Section 3.

Table 8: NRF Transitional Funding 1/4/06 – 31/12/06			
Project Name	Spend	Indicators	Outcomes
PALS	£50K	No returning to education/training/entering training	15
		No gaining employment	6
Job Service Partnership	£460K	No people gaining employment	103
		No users/participants	176
Total	£510k		

Table 9: New NRF Projects (06-08)			
NRF work stream	Indicators	Outputs	Budget
Lone parents	No of people surveyed	250	£272,000
	No of people receiving one to one support	260	
Employer Engagement	No of people gaining employment (job ready)	130	
	No of people gaining employment	650	£192,300
Employment Support	No of employers operating JIGs	95	
	No of vulnerable employees receiving employment Rights advice	750	£176,292
BME & Priority Groups	No employees provided with employment support	600	
	No employers signing fair employment standard	95	
	No of people gaining employment	470	£919,188
	No of people receiving one to one support	2500	

Table 10: SRB 6 Programme (Greater Humberstone)		
Key indicators for 06/07	Outputs	Budget
No. of people trained getting a qualification	1215	
No. of training weeks (linked to no of people trained)	3396	
No. of residents in target areas finding work through training, careers guidance or other help	510	
The following outputs are not additional to the people into work, but part of it		
No. of people who get permanent jobs after training	280	
No. of previously unemployed people who get permanent jobs after training	209	
No of people from targeted disadvantaged groups who get jobs	167	
Budget		£912,256

2.2.2. Mapping Provision

As indicated in the above section, further work is now required to gather together information on specific programmes, projects and resources that are currently deployed to address local need, so that further improvements can be made in local provision and impacts from the City Strategy assessed.

In advance of the commissioning of this work, we have conducted a preliminary assessment of other mapping exercises and monitoring processes that have recently been conducted, are already in progress, or which are planned for the near future. Those with key findings for the City Strategy are detailed in the table below, together with their main outcomes or expected completion dates.

Table 11: Key Mapping Exercises		
Source	Purpose	Findings/Completion Date
Access Centres ¹⁷ Research (LSEP)	Identifies, maps and analyses the provision of core and additional services, as defined by East Midlands Development Agency (Emda) for their Access Centre programme, in the City of Leicester.	Completed December 2005. Highlighted the location of socially excluded or deprived target groups in the local population. These include residents actively seeking work, lone parents, people with disabilities or limiting illness, ethnic minority groups and refugees, people over 50 years and those with low or no qualifications <ul style="list-style-type: none"> ▪ Mapped the location of centres with adult and community learning in Leicester ▪ Details the types and level of services available ▪ Analyses the extent to which these centres are located in the areas of greatest need ▪ Only 3 centres were identified that offered the full range of 'core services'.

¹⁷ An Access Centre is a physical facility providing a range of core services defined as Numeracy / Literacy Training, Access to IT Training, Access to Childcare Facilities, Job and Career Guidance, Structured Outreach Provision – including FE, Job Vacancy Information, Structured Progress Routes (basic/foundation level courses), ESOL provision and

Access Centres Update (LSC/LSEP)	To update on the previous research and to identify centres for investment from LSEP in the new funding programme.	Expected March 2007
Audit of Foundation Learning Tier (LSC)	Audit of provision to engage and move people into level 2 learning	End of March 2007
Skills for Life (Leicester Learning Partnership)	Monitoring of people from deprived neighbourhoods moving into learning	Ongoing

Our mapping exercise will allow us to conduct a much more detailed gap analysis and will bring this down to local geographies enabling a detailed resource plan to be developed. However, a number of gaps in provision have already been highlighted (for example through the research into BME women's needs detailed on page 20, above) and the activities set out in our programme in Table 13, on pages 40 to 42, incorporate these and other known issues that have been identified by the consortium in previous planning exercises.

interpretation/translation and additional services that may include Credit Union, Welfare/Benefits Advice, Health Education, Capacity Building for Volunteers, Legal Advice, and signposting to other services.

Section 3: Programme Design

3.1 Overall Approach

We have identified the need to integrate our current commissioning processes and to provide a greater level of employer focus on the services that we commission across the consortium. Our private sector led City Growth Strategy has identified a number of economic clusters in which the city has competitive advantages¹⁸, and the city is also scheduled for considerable public and private sector investment over the next 5 years.¹⁹ Our consortium seeks to address those barriers that currently prevent disadvantaged groups from moving into work in order to ensure that they are able to take advantage of the opportunities offered by the planned regeneration and growth of our city.

To do this, we recognise that our City Strategy programme will need to engage employers and build on the programmes that are already present in the city. These include the City Wide Construction Project, Job Service Partnership, Braunstone Working, and the Retail Development Project. We will work directly with the largest employers in the city and through the City Growth Forums, to join up employer demands with supply side initiatives in local communities that engage hard to reach groups, and provide information, advice and guidance services.

New city-wide services offering job brokerage, customised pre-recruitment training, work placements, and job interview guarantee schemes are being commissioned through our Neighbourhood Renewal programme, and these will be linked to a co-ordinated package of employment support for those people moving into the labour market.

We have identified four stages that need to be linked as a cohesive programme:

- Engagement
- Training
- Job Brokerage
- Employment Support

The stages are currently commissioned by a number of different partners within the consortium and our city Strategy aims to improve the way that these link together to ensure real progression for individuals. Connexions is

¹⁸ The City Growth Clusters are retail, creative industries, science and technology and construction. The LRC Masterplan also indicates that there will be significant growth in office services.

¹⁹ An expected £5 billion of investment will be made before 2010, including the redevelopment of the office core, extensions to the retail circuit, a major Building Schools for the Future programme, Cultural Quarter Development and a PFI initiative with University Hospitals Leicester.

currently developing a new system that will be able to track clients across different funding streams and enable staff and subcontractors to add notes on progress of clients and referral. This system has the potential to be rolled out for use across the members of the City Strategy Consortium, and will ensure that we are able to monitor the impact of initiatives undertaken through city strategy.

We will drive our approach into local communities by bringing into use community based training facilities, and by developing local training, enterprise, and employment centres in two disadvantaged areas of the city by March 2008²⁰.

In principle capital funding for these schemes has been agreed with the LSEP as part of our initial discussions in relation to the City Strategy. City Strategy seed-corn funding will be used to identify suitable sites and conduct feasibility studies, and from April 2007 onwards we will use Disadvantaged Areas Funding to support the revenue costs of providing multi-agency services from these centres.. However, we expect considerable leverage against other funds including the LSEP's Capital programme, and through the creation of a jointly commissioned fund with Job Centre Plus. We also expect to see greater flexibility in the Learning & Skills Council's commissioning of training activities to ensure alignment with the centres and multi-disciplinary teams.

The concept of the Multi-Agency Service (MAS) is therefore to join-up our programme on the ground in local communities, and the service will co-ordinate and deliver a range of activities including engagement with disadvantaged groups; provision of information, advice & guidance services; planning and co-ordinating training provision to meet local gaps; and providing opportunities for employers to potential employees to interact with each other. We have disaggregated our city strategy targets to LSOA level (see table 15, on page 48, below) and these will be included in local neighbourhood plans with responsibility for their achievement given to each local MAS.

3.2 Key Programme Elements

We have taken our five strategic objectives and developed an outline for the development of our programme for each. This is set out in table 13, on the pages 40 to 42..

The activities and anticipated outcomes have also been used to inform the development of our Key Performance Indicators in section 3.5, below.

Further work is required to establish a delivery plan for the proposed activities and to identify the resources across the consortium to support this. This work will be undertaken by the City Strategy Development Team over the course of the following two months, and a jointly commissioned programme to deliver the activities will be in place, incorporating SRB, NRF, Disadvantaged Areas Fund, and mainstream contributions from April 2007.

²⁰ The update of the Access Centres study due in March 2007 (see section 2.2.2, above) will inform the consortium as to where to focus resources in this respect.

However, an indication of possible funding streams, together with a timescale for their incorporation into City Strategy is contained in table 17, in Section 3.6, below.

In addition, we recognise that we will need to focus activity in the initial period to strengthen and maintain the consortium and we have provided details of this work programme in our application for seedcorn funding.

Table 12: Establishing & Strengthening the Consortium		
<i>Activities</i>	Timescales	Outputs
Recruitment of Private Sector Reps to City Strategy Governance	February 2006	
Recruitment of City Strategy Development Team	March 2007	
Accommodation & Office Set-up	March 2007	
Advertising & Publicity	Starts April 2007; then ongoing	High profile launch event with employer forums and local politicians, community leaders.
Programme of Seminars & Workshops for Employers	April 2007 onwards	Raising the profile of the Consortium with employers. Feedback from workshops built into quarterly reporting.
Servicing the City Strategy Programme	January 2007 onwards	Quarterly Monitoring reports and funding claims. Minutes of Consortium meetings.

<i>Table 13: Leicester City Strategy Programme Elements</i>		
<i>Strategic Objective & Lead Responsibility</i>	<i>Proposed Activities</i>	<i>Outcomes</i>
<p>Co-ordinate and improve Employer Engagement Activity</p> <p>LEAD: LSEP & Employment & Skills Board</p>	<ul style="list-style-type: none"> - Develop and implement a co-ordinated employer engagement model and establish an 'account manager' team across the consortium to engage with the largest employers in the travel to work area and co-ordinate partner approaches - Develop a Skills Board and further develop brokerage networks - Development of 'offer' to employers with one point of contact, to include JC+ and T2G - Establish a fair employment standard incorporating best practice on recruitment and retention policies (including flexible working and the promotion of workforce diversity) as part of the template for employer engagement - Develop and expand customised pre-recruitment courses and use of work placements and apprenticeships - Expand in-work support and training opportunities to support employee progression - Work with employment agencies to improve standards of employment and promote job progression - Review procurement policies to lever in additional outcomes for target groups from public sector contractors. 	<p>Co-ordinated offer to employers</p> <p>Single point of contact for employers</p> <p>Improved progression into core employment Improved employment conditions.</p> <p>Increased demand for employment of target groups</p>
<p>Address Supply Side Barriers</p> <p>LEAD: LSC & JC+</p>	<ul style="list-style-type: none"> - Map current activity and assess geographical and other access issues to identify key gaps in provision at the local level, without duplicating that already being completed as part of the JC+/LSC joint plan. - Develop a programme of activity to improve BME women's access to training and employment opportunities in line with the recommendations detailed on page 19. -Review and extend the provision of affordable ESOL classes and focus on vocational ESOL 	<p>Improved access to education, training, and employment opportunities</p>

	<ul style="list-style-type: none"> - Establish consultative mechanisms with target groups - Develop a programme of activity to meet the needs of offenders within the Civic and Business Alliances to build on that currently being delivered through the OLASS mainstream activity and ESF co-financing regional activity which includes Leicester City. - Make links with primary health care providers to target IB claimants - Develop a programme of engagement with organisations to include the VCS in most disadvantaged local areas to bring long term unemployed closer to the labour market. This will strengthen current activity undertaken by Neighbourhood Managers and the Community Engagement Strategy delivered through the Leicester Partnership. - Further develop intensive services to identify, engage and meet the needs of the NEET client group - Needs a reference to removing barriers to access training/education and employment for Lone Parents using discretionary funding such as DAF and Skills for Jobs - Build on the activity currently being delivered through the NRF funded New Arrivals Strategy and ESF Objective 3 programme developing a network of qualified interpreters. 	
<p>Local Training & Employment Centres, and Multi-Agency Service</p> <p>LEAD: LSEP</p>	<ul style="list-style-type: none"> - Develop two centres in year 1, 4 by year 2 and 6 by year 3 and design multi agency teams to provide services - Align Pathways 2 Work and New Deal provision with the centres - Establish mechanisms for the centres to inform residents of training provision (of training) in the local areas - Ensure consistency between the centres and local neighbourhood plans and build in accountability to neighbourhood forums -Develop employment rights and employment matters support and advice presence in the community. 	<p>Increased awareness of employment entitlements. Improved recruitment and retention.</p>
<p>Sustainable Employment</p> <p>LEAD: Employment & Skills Board</p>	<p>Provide employers with support in promoting equal opportunities to diversify their workforces and create increased opportunities for BME progression.</p> <p>Provide practical, in-work advice and support service for new job starters and develop training plans including links to Train 2 Gain.</p> <ul style="list-style-type: none"> - Developing/sharing of best practice and retention amongst employers - Develop 2 centres staffed by multi agency teams linked to the existing Shires customer information centre. <p>Review HR procedures of public sector organisations in the consortium to generate opportunities for employment for target groups and meet recruitment needs in public sector. Public Sector Compact already established and we will build on this good practice and expand to other sectors.</p>	<p>Improved employment rates among disadvantaged groups</p> <p>Raised awareness of needs of disadvantaged groups and improved integration.</p> <p>Improved skill levels through take-up of in-work training.</p>

<p><i>Improve commissioning and performance management</i></p> <p><i>LEAD: City Council</i></p>	<ul style="list-style-type: none"> - mapping exercise of current provision and available resources to support the City - adoption of agreed definitions for performance indicators and development of central monitoring function - development of agreed resource plan including the creation of a joint commissioning 'pot' and alignment of mainstream resources DAF and Skills for Jobs, and Pathways to Work - Develop joint commissioning Board for City Strategy for implementation of agreed resource plan - Alignment of local service plans and resources to support achievement of City Strategy objectives - Set up Performance Management arrangements to manage and monitor progress towards City Strategy targets and outcomes. 	<p>More effective alignment and use of available resources</p> <p>Improved performance management and monitoring of outcomes</p>
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3.1.1 Enabling Measures

In order to facilitate the programme we have requested a number of enabling measures:

- To enable consortium members to establish a joint team working in local areas with a single line management arrangement. This would require a waiver of nationally agreed conditions of service.
- To establish pooled funding arrangements between the City Council, NRF, SRB, ESF and Job Centre Plus and LSC to allow for a joint commissioning process to be developed in line with the City Strategy priorities. We also seek flexibility within the LSC's funding arrangements to allow them to commission services outside of their normal training providers – and to allocate budgets to the pilot training centres that we will develop.
- To have national benefit rules relaxed as follows:
 - The 16 hour rule – for Job Centre plus to have the power to waive this where residents are participating in training commissioned as part of the City Strategy;
 - Earning disregards – for higher earnings disregards to be available for single long term unemployed people returning to work;
 - Work Trials – for flexibility to extend these beyond the current 3 week limit where the placement has been established as a result of the City Strategy.

We propose to conduct further work to develop the business case for these enabling measures in the first three months of 2007 and to take them forward in the sub-groups established for this purpose by DWP.

3.1.2 Employer Engagement

Employer and business engagement is currently undertaken across a variety of agencies and for a range of purposes. In Leicester we have private sector employers coming together in voluntary membership organisations with a physical presence (for example the Chamber of Commerce, Leicester Asian Business Association and Leicester African Caribbean Business Association) and we also have a number of value-led groups (for example, Business In The Community, Leicestershire Cares, and ProHelp), as well as through the City Growth Strategy Action Teams.

Agencies such as Leicestershire Promotions, which carries out an inward investment function, the Leicestershire Economic Partnership, Job Centre Plus, Connexions, and the Learning & Skills Council are also in regular contact with employers and this engagement includes work to assist them with

recruitment, training, and retention problems as part of their mainstream activities.²¹

The picture is further complicated as these bodies, (together with the City Council through its NRF, SRB, and European programmes) also commission services (e.g. New Deal and the forthcoming Pathways to Work programme, City Council's Job Service Partnership) from providers and set targets in each of these contracts for job outcomes. This has the effect of creating a competitive environment in which a multitude of providers seek to engage with employers to secure job outcomes for their particular target groups. The recent NRF commissioned programme aims to rationalise some of the employer engagement activity by creating a single point of employer engagement through the Job Service Partnership for information, advice, and guidance services commissioned via NRF. However, this still represents only a small proportion of the overall level of activity in this area.

All of the organisations involved in employer engagement activities have established client lists that encompass a significant proportion of employers in Leicester and present diverse opportunities according to the intensity and pertinence of their client relationships. It should be noted that agencies also engage with employers at different levels of the organisation from Managing Directors through to Human Resource sections and in relation to other matters including planning and transport issues.

The LSEP has recently conducted a mapping exercise of the largest 200 employers in the city and county and is assessing the degree to which there are overlaps and gaps in this activity, and has been running engagement meetings with groups of employers according to their business sector (for example, recently in relation to call centre operators) to assess their needs.

Of prime concern to employers is the fact that there is no clear 'gateway' to assistance from the public or quasi-public sector, and that the multiple approaches from agencies is confusing and inefficient to meet their needs.

A strategy and action plan to co-ordinate this activity is therefore required. We propose to establish an 'account management' approach to the largest employers in the travel to work area (80% of city residents' employment is either in the city or the county), and to develop a team of employer account managers across the consortium. These managers will have the responsibility for building up relationships with employers and assessing their needs across a range of issues, and project managing the consortium response to these.

We envisage that the account manager role will therefore provide a single initial point of contact and ongoing conduit between employers and the agencies involved in the delivery of the city strategy. Job outcomes that are

²¹ This is not a comprehensive list – for example engagement activity is undertaken by CIPD local branch, Pathways to Work Business Alliance (offenders), Leicestershire Education Business Company (development of work experience opportunities), Skills Brokers utilised/accredited by LSC and Business Link, Braunstone Working/BCA, Local Alchemy North West Leicester and many more organisations besides

being sought for the target groups across a range of contracts (for example in respect of New Deal, Pathways to Work, NRF etc.) will need to be secured through the account manager team in discussion with their employers. This has implications for the negotiation and operation of contracts with providers, which are currently responsible for their own employer engagement and for securing job outcomes.

A project plan will be developed by the City Strategy Development Team to take forward this work on behalf of the consortium and this will build on the work currently being undertaken by the LSEP and other partner agencies. We will also investigate the potential for engaging through EMB business support services to bring this approach to the SME sector and to BME owned businesses.

Partnership work with Tesco

Job Centre Plus, a private training provider and Tesco have demonstrated how partnership working can bring the benefits of new job opportunities directly into deprived communities.

In 2006, they faced the challenge of using Tesco's plans to open a new store to engage with disadvantaged customers in the labour market, in particular those on Incapacity Benefit, and bring them into employment.

By identifying the funding streams available to support customers through training and bringing those funding streams together, Job Centre Plus was able to work with Tesco and the training provider to agree a package of customised training with a guaranteed job offer on completion.

The course was designed to take 30 hours per week over a six week period and ran with employer participation, covering handling difficult situations, customer service, manual handling, assertiveness, anger management, diversity, and Equal Opportunities.

A total of 51 customers completed the course and were offered employment.

The Public Sector and Procurement

We also propose to engage via the Public Sector Services Compact to improve access to public sector job opportunities for our target groups. Some initial work has been conducted within the City Council to establish Job Interview Guarantee Schemes to entry level occupations for the NRF target groups and we will be seeking to expand this and to develop work placement opportunities in the public sector. Similar work has also been undertaken in respect of health sector recruitment practices, and the City Strategy Consortium has a role in sharing best practice in this respect across the sector by engaging with the Public Sector Compact.

The public sector has a further role in securing possible job opportunities via its procurement functions. Examples of existing initiatives in this respect include negotiated agreements with Hammerson's for construction jobs and training opportunities for local residents in the new Highcross Quarter development. The City Wide Construction project and Job Centre Plus are working together to identify a pool of local residents suitable to undertake

construction work, or in need of on site experience following their training, and facilitating the placement of these residents with sub-contractors on site. This approach is also being taken forwards in respect of the end use retail job opportunities that will result from the development with both Hammerson's and the John Lewis Partnership, with a retail recruitment office being opened on the site to advertise forthcoming vacancies and from which pre-recruitment exercises can be co-ordinated.

Potential Components of Our 'Core Offer' to Employers
<ul style="list-style-type: none">• A single point of access to support services via an Account Manager• Assistance with recruitment providing advice on the benefits of, and how to improve the level of, workforce diversity, flexible working arrangements, and funding to support new employees from target groups• Help with the promotion of vacancies in local communities• Development of customised pre-recruitment exercises• Funding to support work placement schemes combined with on the job training• Access to Train 2 Gain schemes and the provision of on-site training• Ongoing in-work support for new employees and their managers to help resolve problems at work in the initial 13 weeks of employment• Translation of future employment needs into skills, information, advice and guidance services delivered to target communities.

3.2 Voluntary & Community Sector Engagement

Leicester has a vibrant voluntary and community sector. They directly provide training, volunteering and employment opportunities and deliver services in our disadvantaged communities.

It is estimated that there are around 1000 voluntary and community groups in Leicester City. Voluntary Action Leicester, the combined Council for Voluntary Service and Volunteer Centre has a database which identifies approximately 800 of these. These groups themselves employ in the region of 2400 full-time and 2000 part-time staff. In work done to establish the baselines for the Local Area Agreement we have identified that 497 groups within Leicester had a declared income of £48 million.

The voluntary and community sector also provide clear links into Leicester's disadvantaged communities, both in terms of geography and identity, and, in many cases are operating in the target LSOA's and with the target groups identified by the City Strategy Consortium.

Voluntary Action Leicester, under the terms of its contract with the City Council, run the Leicester Community Network to provide and support representatives to the Local Strategic Partnership; and advise on and deliver community engagement activities on behalf of the Partnership, particularly in the priority areas for Leicester and work closely with the Neighbourhood Management Project.

The City Growth Strategy Consortium is in the process of negotiating a formal or mechanism for engaging with the voluntary and community sector and includes a representative of Voluntary Action Leicester on its Project Board Executive.

To ensure that we consult and engage with the voluntary and community sectors and ensure their contributions are taken into account in the design and delivery of the programme as it moves forwards we are in the process of creating a Voluntary and Community Sector Economic Development Network.

This network will work with voluntary and community groups to prepare groups for procurement exercises for the delivery of the programme, and to engage with the sector as employers and open up volunteering or work placement opportunities for our target groups within the sector itself. We will also use the network to gain further insight to the barriers faced by low income communities in the city to employment, and reflect these issues in the design of our programme.

We have set aside £30,000 of our Seedcorn funding to support the development of the network in the first year, and are in the process of developing a detailed specification for the service.

3.3 Targets & Key Performance Indicators

Our City Strategy Consortium aims to improve Leicester's employment rate from its current rate of 66.4% towards the national DWP and JobCentre Plus target of 80%.

Through the City Strategy consortium we will provide additional capacity to existing employment and training programmes and stretch performance against targets in our Local Area Agreement (LAA).

Our LAA seeks to increase the employment rate by 3% from 66.4% to 69.4% by the end of March 2008. To support this, we have allocated £1.05 million per annum from our Neighbourhood Renewal Funding (NRF) programme to March 2008, and the outputs for this programme are detailed earlier in this plan in Tables 8 and 9, on page 33.

In addition, we have negotiated Local Public Service Agreements to move 150 people off incapacity benefits and into employment and to secure employment for 99 offenders.

Our proposed headline targets for the City Strategy, to be achieved in addition to existing trend, are as detailed in Table 14, below.

Long term Jobseekers Allowance Claimants	386
Incapacity Benefit Claimants	550
Lone parents	354
Total	1290

We have now reviewed the current baseline position in the city in respect of employment rates. As at March 2006, the overall employment rate for Leicester was 65%²², and the working age population was 178,100. Under the terms of the Local Area Agreement (assuming these are continued to 2010), we will need to increase the rate to 69% by 2009 and with City Strategy further improve this performance to 69.7%. However, as we are seeking to ensure that the impact of the City Strategy is greatest in those areas of the city with the biggest problems, we have disaggregated the targets to LSOA level²³ as detailed in the table below:

Table 15: Disaggregated City Strategy Targets to Worst Performing LSOA's

Ward Name	Lower Super Output / Data Zone Area	JSA target reduction	Incapacity Benefit target reduction	Lone Parents target reduction
Abbey	E01013603	18	42	15
Beaumont Leys	E01013620	18	28	29
Beaumont Leys	E01013621	25	23	31
Beaumont Leys	E01013622	24	24	19
Braunstone Park and Rowley Fields	E01013632	19	33	26
Braunstone Park and Rowley Fields	E01013640	19	24	37
Castle	E01013644	42	41	6
Castle	E01013646	22	38	2
Coleman	E01013664	22	35	12
Freemen	E01013691	15	33	21
Freemen	E01013692	16	23	19
Freemen	E01013693	10	28	20
New Parks	E01013726	18	36	24
New Parks	E01013730	24	28	17
Spinney Hills	E01013748	24	27	12
Spinney Hills	E01013754	26	29	25
Spinney Hills	E01013755	28	28	31
Stoneygate ²⁴	E01013760	22	31	7

Further work is now planned to identify sub-targets in respect of key client groups such as offenders, over 50's and BME residents. We are currently identifying the populations of these groups within the target LSOA's and will then disaggregate the LSOA targets further to these. We expect to complete this work by the second week in June 2007.

To underpin these headline targets and to enable progress towards are aims to be monitored effectively we propose to adopt the following set of key performance indicators across the Consortium:

²² NOMIS, Apr 2005 – March 2006

²³ We have taken those LSOA's where the total claimant count is above 20% of the population and allocated the city strategy target out across these based on the current proportions of JSA, IB, and Lone Parent claimants within those LSOA's. Data is sourced from DWP Working Age Client Group Analysis, August 2006.

²⁴ Includes Highfields Street

Table 16: Proposed Key Performance Indicators		
Strategic Objective	KPI No	KPI description
Employer Engagement	1	Number of employers with dedicated account manager (employment sector and size breakdown)
	2	Number of employers adopting fair employment standard (employment sector breakdown)
	3	Number of agreed Job Interview Guarantee Schemes (JIGS) (public/private sector breakdown)
	4	Number of people from target groups placed into work through JIGS – subdivided by target group and employment sector
	5	Number of people from target groups on work placements – subdivided by target group and employment sector
	6	Number of pre-recruitment activities conducted (broken down by numbers involved, success rates, and employment sector)
	7	Number of employment agencies engaged and operating agreed standards
Supply Side Barriers	8	% increase in use of childcare by low income families
	9	Achievement of accredited ESOL qualifications at Entry Level 3 and above
	10	Number of primary health providers participating in IB programme
	11	Number of residents from target groups participating in engagement activities exercises and surveys
	12	Range of additional indicators for local areas and targets to be developed following mapping exercise
	13	Number of employees/individuals from deprived areas achieving first NVQ level 2.
Training & Employment Centres and Multi- Agency Teams	14	Number of additional local training & employment centres in operation
	15	Number of additional localities receiving services from multi-agency teams
	16	Numbers of residents accessing services from training and employment centres
	17	Numbers of employer events held in training & employment centres
Sustainable Work	18	Number of employers promoting in-work training opportunities
	19	Number of employees taking up in-work training opportunities
	20	Results of in-work training (break down to be developed)
	21	Number of employees/ managers using in-work support services
	22	% of beneficiaries still in employment after 13 weeks
Improved Commissioning	23	Amount of spend allocated to City Strategy Resource Plan
	24	% of spend from mainstream budgets
	25	Cost per output of each KPI

3.6 Programme Budget

A detailed resource plan for the delivery of the City Strategy programme is not yet available and will be developed by the Consortium once the Development Team has been recruited. However, confirmation has been received that Leicester has been allocated a total of £816,000 for 2007/08 from the Disadvantaged Area Fund, and as previously indicated Neighbourhood Renewal Funding of £1.05 million has recently been commissioned for the same period.

Additional funding through the Skills 4 Jobs programme – worth approximately £8 million in the region and from European programmes currently subject to regional consultation, will also need to be considered.

We will work to align available funding sources, and to add to these by identifying mainstream resources that can be brought into the resource plan to support our proposed activities. Additional resources are set to be levered into the programme to support the development of the local Training and Employment Centres from the LSEP's capital programme, subject to the findings of the proposed feasibility studies.

An indication of available funding streams from the City Council, LSC, and Job Centre Plus, together with an indication of the timescale for their incorporation into City Strategy is set out below. This work is ongoing within the Consortium and further funding streams will be identified as we move forwards with the implementation of the Business Plan.

Table 17: Funding Streams and City Strategy		
Funding Stream/ Contract	Timescale	Comments
Disadvantaged Areas Fund	Now	£816k to be allocated to most deprived wards, and delivered through the LAA process. Consortium agreement to deliver pre-recruitment activities and courses and to support the development of local training and employment centres in two disadvantaged areas of the city
Pathways to Work	April 2008	Contract to be aligned with City Strategy priorities in respect of employer engagement model; delivery of voluntary aspects of the programme from outreach locations in training and employment centres, and management information from the provider to be consistent with KPI's agreed for use within City Strategy
Neighbourhood Renewal Fund	Now	Alignment of existing £1.05million programme with City Strategy in terms of employer engagement, local centres, VCS engagement, and management information.
SRB & ERDF programmes	Now	Alignment of pre-existing programmes as for NRF, above. Possible new ERDF funds to be aligned once commissioned by emda.
LSC Funding including elements of Local Initiative Discretionary Funding, Personal Community Development Funding, Neighbourhood Learning in Deprived Communities Funding, and Skills & Knowledge Group	Short Term, Neighbourhood Learning in Deprived Communities Funding is currently contracted through the Leicester Partnership.	Amounts to be determined following conclusion of mapping exercise (June 2007)
Elements of 2007-2013 ESF Co-Financing (LSC)	Medium Term	
LSC Mainstream funding is mostly associated with the achievement of educational targets e.g. Skills for Life, Level 2, Level 3 ; however individuals with poor Skills for Life or those without a first full Level 2 qualification can access free learning.	Longer Term	
JC+ Mainstream funding	Short term pilot & Longer term	In the short term we will look to move elements of JC+ core services into the proposed training and employment centres, and in the longer term review existing commissioned services through joint commissioning arrangements,

LSEP – Sub-regional Investment Plan	Short & MediumTerm	The proposals to create training and employment centres link to the LSEP’s capital programme for Access Centres, and we will align these to bring in capital investment for buildings identified as sites for the training and employment centres,
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A detailed budget in respect of the Development Team and seed-corn operations is provided in table 18 on page 56, below.

3.7 Cross Cutting Themes Appraisal

The Leicester Strategic Partnership has established a number of mechanisms for the appraisal of cross cutting themes in relation to the operation of the Local Area Agreement, including the establishment of an Equality & Diversity Partnership – a representative of which is included in the City Strategy Consortium.

Work to ensure that programmes consider sustainability issues has also been progressed by the Partnership, which has produced the LATIS toolkit to assist in the identification and audit of these and to help programmes consider appropriate measures to address them.

The four block leads of the Local Area Agreement, together with the Partnership Director, meet on a regular basis to discuss cross cutting themes and to allocate budgets across the blocks to meet the demands of these. We have identified that the City Strategy will need to be integrated into all four blocks as it impacts on issues relating to Children & Young People through the inclusion of the NEET group as a specific target for action; the Health Block through the inclusion of Incapacity Benefit claimants; the Safer and Stronger Block through its programme of work with the Voluntary and Community Sector and because of our inclusion of offenders as a target group; and of course the Economic Block.

We propose to work through these existing arrangements within the Leicester partnership rather than create an additional level of bureaucracy, and will achieve this by embedding the City Strategy programme in the Local Area Agreement and referencing this in each of the four blocks.

At an operational level, the Development Team will engage with the LAA Block leads and the Leicester Partnership and will report directly through the Economic Sub-Group of the Partnership, the Leicester Economic Action Partnership (LEAP), to which this business plan and future delivery plans will be submitted.

Section 4: Governance & Management

Governance

As stated in the previous section, the Leicester Economic Action Partnership, which is the economic sub-group of the Local Strategic Partnership, has taken on the overall responsibility of delivering the City Strategy. LEAP's Leadership Group membership and terms of reference are currently being reviewed, and it has been recognised that there is a need for LEAP to ensure a greater level of input from private sector employers at a strategic level. Consideration is being given to inviting employers onto LEAP directly and also to the establishment of a local employment and skills board which can be consulted by LEAP.

At the operational level below this, we have created a Project Board with specific responsibility to oversee the implementation of this Business Plan, with support from the broader based LEAP Programme Delivery Group. The Terms of Reference for the Project Board are appended to this Business Plan and the Board includes representation of the supplier and user interests as well as key business case owners, the City Council, Job Centre Plus, and Leicestershire Economic Partnership²⁵.

Employer interests are represented on the Project Board Board by Leicestershire Chamber of Commerce, and we are also in discussion with the new provider of business support services in the city, EMB, to ensure their engagement.

The Voluntary & Community Sector is also represented on the Project Board, through Voluntary Action Leicester, and user interests are to be further strengthened by establishing links with local neighbourhood management forums.

A supplier development group will also be established which will provide an opportunity to receive information concerning provider constraints on proposals whilst also enabling potential conflicts of interest to be managed.

Programme Management

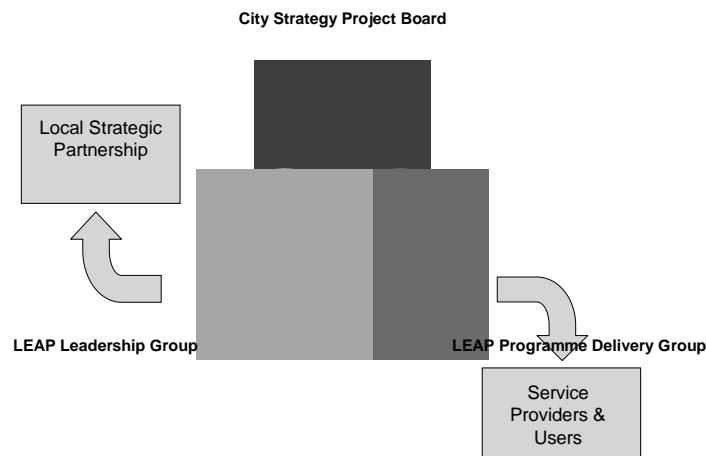
A Development Team is currently being recruited to deliver the activities of the project. The team will comprise of a Project Manager, three Development Officers and full-time admin support.

The Development Team will report to the Project Board, and the project manager will report into the Project Board in accordance with the tolerances set at each project stage.

²⁵ The Leicestershire Economic Partnership (LSEP) is the sub-regional strategic partnership established by the Regional Development Agency.

The Project Board Chair will report to the Leicester Economic Action Partnership (LEAP) on a quarterly basis.

Project Board: Key Relationships



Accountable Body

Leicester City Council, as the lead organisation, will also fulfil the Accountable Body role for this programme. A Monitoring Officer from the Council's Accountable Body Team will be appointed to ensure effective and accurate monitoring procedures are in place for payments, and outputs, and that activities comply with any funding requirements and in accordance with Leicester City Council's financial regulations. This will ensure against aspects of fraud, double-counting, ineligible expenditure, defined and verified outputs etc.

The Accountable Body team have a good track record of monitoring and delivering projects within the area through the delivery of key regeneration programmes such as the Single Regeneration Budget, the European Regional Development Fund and Neighbourhood Renewal Fund.

Two systems will be used to record the delivery of the project, these being the Council's Performance Plus system and the Accountable Body Financial Monitoring Database. The Performance Plus system monitors outputs against targets and links achievement back to the Local Area Agreement. The Financial Monitoring Database records spend and outputs against profile, contract requirements, and records updates to these following discussions, changes to specifications, and monitoring visits to commissioned projects.

The financial monitoring system has been created and enhanced over the past 5 years and has been used for various project and programmes to enable at a glance details such as spend, profile, delivery.

Submission of claims are produced by the monitoring officer, checked by the project manager, double-checked by the Finance Officer and then signed off by the Senior Finance Officer.

This procedure has been adopted to ensure an independent check is carried out by the finance section to ensure details on the claim are correctly recorded.

Performance and Financial Management

The Accountable Body in conjunction with the Project Manager will issue reports to the Funding Body as required. We propose to provide reports on a quarterly basis. The reports will be compiled by the Monitoring Officer, checked by the Programme Manager and the Finance Team to ensure accuracy and reflection of the contract, and signed off by the Departmental Head of Finance.

In practice, the quarterly reports consist of the following data:

- Project activity – progress to date
- Achieved to date & Forecast Targets
- Spend to Date
- Forecast Spend
- Milestone Achieved to date, identification of potential slippage and actions to rectify slippage (if any)

These updates are also provided to the Programme Manager who will report to the Project Board and through internal processes to LEAP.

Each year annual audits will be carried out by the District Auditor to check expenditure and viability.

Additional information relating to the Governance and Accountability arrangements is included in a separate paper submitted to the DWP in May 2007.

Administrative Budget

Rent	£4200
Office Set Up & I.T	£7000
Project Manager	£40128
Development Officer x 3 fte	£78561
Admin 1 Fte	£17985
Assumed 3% pay award on salaries	£4100
Marketing	£7500
Events - Launch & Employer Seminars	£7500
Feasibility Studies & Research	£42000
Stationery & Postage	£3972
Telephones & Utilities	£1700
Accountable body programme management	£27000
Employers on costs @ 20% of salaries	£28154
VCS Engagement	£30000
Supply Mapping Exercise	£20000
Total	£319,800

Further consideration of administrative requirements will be required as part of the ongoing resource plan beyond 2007/08.

Risk Management

As Leicester City Council will be the Accountable Body for this programme, the risk management processes adopted for this project will be those of the Council. The Council has a structured and focused approach to the management of risk and has embedded this into its culture and operations. A systematic approach to risk is taken as part of the service planning process, and there are clear roles, responsibilities and reporting lines within the Council for risk management. The Chief Executive has overall responsibility with delegated duties given to the Corporate Risk Manager, Departmental risk representatives, and to Internal Audit (see Section 5). Risk at Leicester is defined as:

“The chance of something happening that will have an impact (positive or negative) on business objectives.”

All reports to Cabinet and Directors Board are required to identify risks in accordance with the risk assessment matrix (used below). The matrix is used to identify significant risks to the business in terms of finance, reputation, and the delivery of strategic and departmental objectives. For the purposes of this project, all reports to the Project Board will follow the same procedure and identify risks in this way.

The following risks have been identified in the delivery of the City Strategy programme at this stage in its development. Risk logs will be updated throughout the lifetime of the programme at each quarterly stage report.

<i>Risk</i>	Likelihood	Severity Impact	Control Actions (if necessary or appropriate)
<i>Delays occur in the recruitment and appointment of key staff</i>	Moderate	High	We will offer posts on a secondment basis across the Consortium, and ensure that remuneration reflects the temporary nature of the positions.
<i>Failure to engage private sector employers in the work of the Consortium</i>	Low	High	We will build on existing work and structures (e.g. City Growth Forums) and prioritise employer engagement in our initial work plan to April 2007
<i>Failure to agree a joint commissioning framework and processes</i>	Low	High	All partners are committed to the delivery of the City Strategy and are commissioning external consultants to advise us on the way forwards through our NRF programme. This report will be available in March 2007.
<i>Failure to secure</i>	Moderate	Moderate	The programme is not contingent

requested freedoms & flexibilities			on the granting of freedoms and flexibilities, although this may affect the delivery of targets. Further assessment following decision will be required.
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Implementation Timeline (January 2007 – March 2008)

City Strategy Implementation Plan



Key: Completed (■), In Progress (□), Not Started (■)

Section 5: Consultation, Communication & Learning

Consultation

We have recognised the need for an initial programme of consultation and seminars with employers to establish and strengthen the City Strategy consortium and the details and timescales for this are included in table 11, on page 36 above.

In section 3.2, we also set out our proposals to establish a network within the Voluntary & Community Sector in the city to ensure that they are involved in the design of the programme as we move forwards, and to develop the capacity of providers. We envisage that this will form part of a wider programme of consultation and discussion with potential suppliers in the forum of a supplier development group that will be used to examine how regionally, or in some cases nationally, commissioned services can be made more locally responsive and fit with additional local provision commissioned through the City Strategy Consortium.

Our work strand on supply side barriers includes a proposal to establish direct consultative mechanisms with our target groups to obtain their views on the best means by which to deliver services and to receive ongoing feedback on the delivery of the programme. We will seek to mesh this activity with the work that is being done to develop local neighbourhood forums and plans and to draw representatives from that engagement exercise to provide views on the delivery of the City Strategy programme. However, we accept that some target groups will not be easy to engage in a consultation programme such as this, and that alternative mechanisms of consultation – for example via trusted intermediaries in the Voluntary and Community Sector – will need to be explored.

Communications

A draft communications strategy setting out our aims, objectives, and key audiences together with an indicative set of promotional and communications activities is attached as Appendix 1.

Learning, Review, and Evaluation

We are in the process of devising an evaluation work-stream for our programme in line with our fifth strategic objective to improve our commissioning and performance management processes. The work-stream has been assigned the following aims:

- To assess if the original objectives of the scheme have been met
- To assess the overall impact of the strategy on the city's economic performance with particular focus on the worst performing LSOAs.
- To identify good practice in relation to 'what works' and 'what does not work' to help inform future strategies
- To assess value for money (VFM) and cost-effectiveness

- To examine the success and impact of local partnerships
- To disseminate the finding to key stakeholders, DWP, and other interested parties locally, regionally and nationally

Leicester City Strategy will involve a rigorous process of evaluation built into each element of service delivery. The key characteristics of the strategy is to develop collaborative working, in order to better meet the needs of employers in the city but also to better engage with the city's most disadvantaged communities. The evaluation will assess whether there is a sound strategic and economic basis for developing the specified interventions. It will consider the effectiveness of the strategy against its objectives and impact on targets. It will also consider value for money, make recommendations on means of delivery, performance indicators and lessons learnt. This will ensure that good practice is proven and that cost/benefits can be clearly demonstrated.

The evaluation will seek to examine ways in which services are planned and provided and how resources are used. This will include evaluating the impact of the strategy on local service provision and will ensure that where possible good practice can be built into mainstream work. Partnership working including consultation with partners and the involvement in and commitment of key agencies in the planning and development of services will be evaluated for effectiveness. Support measures established for local businesses in partnership with the new Small Business Service should be reviewed as part of the evaluation and recommendations made. It will also assess service delivery - are the proposed interventions meeting the needs of service users, including those most 'hard to reach', and are they removing barriers to accessing employment? Evaluation activity is a key means through which 'continuous improvement' can be achieved and the findings should inform the development and implementation of future strategies and local action to tackle worklessness.

In terms of evaluation, it will be necessary to be mindful of, and perhaps collaborate with, evaluations/findings of other programmes and policies, particularly in respect of Neighbourhood Renewal and ERDF.

Evaluation of the strategy is dependant upon the availability of robust data and management information, including appropriate data sharing protocols, that enable clear measurement of progress against targets. And it is important that action is taken to disseminate learning and that all partners have access to it, in order to inform the development of their actions.

Methodology will be a mixture of quantitative and qualitative. Quantitative methods will include identifying, collecting and assessing data that will track change within the city and the LSOAs in relation to increasing economic activity and comparison of baseline positions to establish how the overall programme has progressed towards targets. Collecting and reviewing qualitative data relating to key process issues such as community and employer engagement, partnership working, mainstreaming and service co-ordination will be used to highlight best practice and help inform and shape future policy development. Value for money (VFM) will be assessed by analysing outcome indicators against expenditure.