

## Proforma for Expressions of Interest for DWP City Strategy

In completing this proforma, you will wish to refer to the accompanying guidance note. Completed forms must be returned by 12.00pm on Monday 3<sup>rd</sup> July 2006. They should be emailed to [city-strategy@dwp.gsi.gov.uk](mailto:city-strategy@dwp.gsi.gov.uk), or sent in hard copy to:

City Strategy 'Expression of Interest'  
City Strategy Project Team  
Department for Work and Pensions  
Area 5, 2<sup>nd</sup> floor, The Adelphi  
1-11 John Adam Street  
London, WC2N 6HT

Late submissions will not be accepted. If you are sending hard copies, we recommend that you retain some form of proof of delivery.

Expression of interest for DWP city strategy	
Please state the city or town to which this expression of interest relates:	Liverpool, Wirral, Sefton, Halton, St Helens, Knowsley

### 1 What geographical focus do you propose for your consortium? Why is this the most appropriate focus? Please attach a list of wards covered

#### The strategic context for the proposal

- 1.1 This proposal arises from the Liverpool City Region Development Plan (May 2004), the Liverpool City Region Business Case (April 2006) and is supported by the draft Merseyside Sub-regional Action plan.
- 1.2 The vision agreed by partners is that **by 2025, Liverpool will be a premier European city region, with an internationally competitive and sustainable economy and cultural offer, outstanding quality of life, and vibrant and inclusive communities contributing to and sharing in sustainable wealth creation.**
- 1.3 To achieve this we need ***productive, leading edge, innovative businesses, supported by a highly skilled and flexible workforce drawn from economically sustainable, skilled, working communities.***
- 1.4 Supporting this vision are two essential mutually reinforcing goals of;
  - Ensuring a supply of appropriately skilled labour to businesses and investors across the city region to meet current and future demand and to support greater productivity, both of which mean increased demand for higher level skills and qualifications;
  - Bringing a greater number of people in the conurbation core into the labour market as the pre-requisite of economically sustainable communities and the elimination of the severe deprivation which is a major constraint on the

prospects of a better future for many thousands of people in Liverpool and major pockets across Merseyside;

1.5 Economic geography is a key factor in the analysis and proposals. The city region is a travel to work area of some 2 million people, 1 million jobs and 71,000 businesses, generating a third of the North West's GVA.

- The outer areas of the city region, and particularly Chester, Ellesmere Port, Warrington and extending into the North Wales manufacturing areas, have relatively weighty, high output, knowledge based sub-economies but an increasingly tight labour market.
- The sub-economies of the conurbation core, comprising Liverpool, Wirral, Sefton, Knowsley, St Helens and Halton, have made a rapid recovery in recent years from a long period of poor performance, with some very significant growth, both in output and jobs. They have high levels of deprivation – for example, Liverpool and Knowsley are ranked No 1 and 3 on the Indices of Deprivation.
- The city region as a whole is forecast to see further economic growth over the medium term. Economic modelling underpinning the Liverpool City Region Development Plan <sup>1</sup> identified that existing private and public investments will generate some 45,000 net new jobs by 2010. Of these jobs, 35,000 will be in the Mersey conurbation, with about half (22,900) expected to occur in Liverpool. This future growth will continue the positive economic performance trends in the area of the last decade. However the benefits of this period of significant recovery and expansion have not reached the most disadvantaged communities. The economic and social justice imperatives are that this must now be redressed.

1.6 Changes in the population and in demand for skills and labour also require an urgent strategic response;

- The working age population in the city region is set to decline by 30,000 by the year 2020, with smaller reductions by 2010, mostly in the areas of job growth.
- Future trends are for higher order skills and occupations, but
- Skills levels are lower than in the region and the UK as a whole, particularly in the Merseyside conurbation.

1.7 For these reasons our proposals centre around the following priorities;

- (i) **To increase the supply of suitably skilled labour to meet demand from growth and for replacement labour across the whole travel to work area.**  
We will build a more skilled and flexible workforce through work based up-skilling and training, to support increased business productivity in all industrial sectors, key corporates and SMEs. The goal is to increase the size of the workforce, in the first instance, through dedicated, targeted worklessness measures, and to support employers and employees with workforce development programmes tailored to their needs and to the needs of the wider economy;
- (ii) **To build skilled, working communities, eliminating child poverty and increasing opportunity and social mobility.**

---

<sup>1</sup> *Liverpool City Region Development Plan – Economic forecasts. Cambridge Econometrics – for The Mersey Partnership. May 2005.*

The largest potential supply of labour to meet demand across the travel to work area is from the high worklessness areas in Liverpool and Merseyside. Here, there is an urgent need to accelerate the pace at which residents of these areas can access jobs and the skills and qualifications to ensure lifelong employability. This is the passport to the increase in household incomes which can lift more children out of poverty and which can put sufficient money into circulation in neighbourhood economies to support the quality and levels of local amenities which much of the city region takes for granted;

(iii) **To make a real difference to businesses and communities around the opportunities of European Capital of Culture 2008 and related economic growth.**

The relatively short but unique window of opportunity in the run up to 2008 and the Culture Year itself coincide with the timescale for the City Employment Strategy Pathfinder. The challenge for the Pathfinder will be to maximise opportunities for businesses to thrive and for the most disadvantaged communities to contribute to and share in economic success.

- 1.8 The partners making this Expression of Interest recognise that the City Employment Strategy, by virtue of its relatively small scale, limited timeframe and status as a pathfinder, will not achieve all of these aims for the city region by itself. The scope of the skills and labour market challenge in the city region is much wider, both in terms of geographical coverage and the nature and volume of interventions needed. However, the Pathfinder offers the opportunity to pilot, on a smaller scale, some of the approaches which can deliver a seamless 'welfare to workforce development' continuum of support to businesses and communities. Alongside the City Employment Strategy proposals set out in outline in this Expression of Interest, partners will continue to develop the wider proposals of the City Region Development Plan and City Region Business Case. The design of our proposals places the City Employment Strategy at the core of the wider city regional strategic scheme.

## **Geographical focus**

- 1.9 The analysis and strategic goals set out above provide the basis for the proposed geographical focus;
- 1.10 The Consortium will be employer and demand led. It will have a primary focus on the sectors and employers which are already expanding or will be generating the new jobs forecast by 2010, many of which will be in place during the 2 year pathfinder period. The Consortium will engage the employers and investors involved across the whole area but partners recognise that the greatest volume of employer demand – and therefore opportunities for workerless communities – will be on Merseyside.
- 1.11 This medium term economic expansion provides both the imperative for more effective co-ordination and delivery of employment and training services to investors and employers and also a unique opportunity to pilot new, concerted measures to enable people in the greatest concentrations of worklessness to access the jobs and to progress in the labour market.
- 1.12 For these reasons, the consortium will operate at several geographical levels, as follows;

**Employer engagement - Merseyside:**

- 1.13 Firstly, it will co-ordinate employer engagement and demand side issues across Merseyside, working with key sector networks and employer organisations which operate at this level and in particular the Merseyside Employer Coalition. Each of the 13 high added value sectors within the Merseyside Sector Development Programme has its own sector network and support organisations. Many of these have already developed skills action plans with GMLSC and those which are set to expand in the medium term are developing recruitment and labour supply element to their workforce plans.

<b>The growth sectors:</b>	Automotives
Creative industries	Sport
Tourism and Leisure	ICT
Life Sciences	Food and Drink
Maritime	Construction
Environmental Technologies	Aviation
Professional services	Health

- 1.14 At this level, the issue is one of strategic co-ordination of employer engagement and demand much of which will be built up from existing working relationships with businesses at all spatial levels.

**City region links:**

- 1.15 At this level also the consortium will develop and maintain links with key sectors and employers across the wider travel to work area. Partners are working on related proposals for a City Region Skills and Employment Board the details of which are set out in the draft Liverpool City Region Business Case, appended with this Expression of Interest.

**Strategic planning, alignment and co-ordination – Merseyside**

- 1.16 Within the context of the North West Region and the Liverpool City Region, the most severe challenges of high worklessness and low working age adult skills are concentrated in the Merseyside conurbation.
- 1.17 Of the 70 city region wards targeted by the Disadvantaged Areas Fund, 62 are found in the 6 Merseyside local authority districts. 49% of Merseyside residents (724,000 people) live in the 20% most deprived Super Output Areas in the country. 10% of Merseyside Super Output Areas are in the top 1% most deprived.
- 1.18 Driving up skills levels and eliminating worklessness, in tandem with local enterprise growth initiatives, housing investment, area regeneration programmes and neighbourhood management services on the ground, is a key priority for the Merseyside Local Authorities.
- 1.19 The consortium will develop an overarching strategic action plan envelope for the Merseyside areas, in a way which is both top-down and bottom-up. At this level the consortium will seek alignment with sub-regional strategic plans and programmes such as the Merseyside sub-regional economic strategy, the ringfenced European Structural Funds Programme 2007-2013, Greater Merseyside LSC’s corporate plan, and related plans for issues which impact on the labour market such as transport, enterprise and housing.

**Local authority districts – Local Strategic Partnerships and LAAs**

1.20 The consortium will build on and enhance the existing skills and employment programmes being delivered by Local Strategic Partnerships in the local authority districts, seeking to stretch existing Local PSA targets and those which form part of the 4<sup>th</sup> Blocks of their Local Area Agreements. Within the framework of the common strategic approach agreed by the consortium, each Local Authority and its LSP partners will deliver their agreed targets, through both existing vehicles and mechanisms and new measures developed through the consortium.

***Neighbourhoods – integrating local service delivery:***

1.21 In each local authority district the focus of delivery of supply side action will be the neighbourhood. At this level, partners will seek to maximise integration of service delivery, building on existing neighbourhood renewal programmes, investment in regeneration and neighbourhood management services.

1.22 The overall coverage of the Consortium's operation will be as set out in the following table. A list of wards can be found in Appendix 1.

Local Authorities	Wards	Working Age Population	Total IS/IB/JSA
Wirral	6	44,587	19,058
St. Helens	5	24,894	9,135
Sefton	6	43,206	15,825
Liverpool	23	172,183	79,236
Knowsley	16	57,107	24,195
Halton	6	19,478	7,265
<b>Totals</b>	<b>62</b>	<b>361,455</b>	<b>154,714</b>

- 1.23 **However, the sheer scale of the challenge in the DAF wards requires a finer grain of targeting. Within the DAF wards, specific priority will be given to the sub-areas with the highest worklessness rates. The objectives will be to start closing the gap between the worklessness levels in each ward closer towards a 25% level.** These will be identified using the DWP GIS tool, alongside local regeneration intelligence to ensure a comprehensive service delivery approach. In later sections we set out some initial analysis of these areas and of the priority groups within them which we will target.
- 1.24 In every area, building on their existing skills and employment strategies, Consortium partners will develop a local action plan for a highly targeted and focused approach. This will set out proposals for making contact with every workless individual and household in the sub-areas with the highest worklessness levels within the DAF wards during the lifetime of the Pathfinder. Participating Individuals will be offered a personal action plan and referral to appropriate partner organisations for a supported route into work and for continuing retention, up-skilling and progression support. **Our approach can be summarised as ‘engagement, intervention, retention, progression’.**
- 1.25 **The focus on working age adults within whole households will be a common feature across the Consortium.** It is considered essential in order to change the culture of worklessness and benefit dependency in the targeted areas, to provide a larger number of positive role models of adults in employment (including self-employment) and to provide routes to work to parents of children, in order to reduce and eventually eliminate child poverty in these most disadvantaged areas.
- 1.26 Delivery of this very focused and highly integrated approach will build on the well established neighbourhood based delivery models which local authorities already have on the ground or are rolling out following a period of piloting. These include neighbourhood management, such as housing management and liveability services, as well as outreach programmes, delivered through multi-agency teams. Many are also linked in with voluntary and community sector programmes being delivered in these areas, some of which have been tried and tested over a period of time through Single Regeneration Budget, European Objective 1 Programmes and Neighbourhood Renewal Fund. **These will be marshalled into a concerted effort to make contact with and to support workless working adults and their households within the targeted areas, and to establish and maintain an end-to-end supply chain through to employers with identified vacancies.**
- 1.27 Particularly important will be the links which the Consortium will seek to establish with investment in housing which in many of the DAF areas is quite extensive, with redevelopment or refurbishment programmes taking place in the same

timescale as the Pathfinder. For example, the New Heartlands Housing Market Pathfinder, which comprises DAF wards in Liverpool, Wirral and Sefton will have invested £183m by the end of 2008, and levered in a further £204m of private investment from developers and house builders, in the first phases of its comprehensive programme for revitalise the inner core of the conurbation.

- 1.28** RSLs will be key partners in these areas, building in information and signposting to employability and skills and support into their day to day management services as well as to any specific welfare and advice services or local economic development projects they provide direct.
- 1.29** Drawing on the experience and lessons of the innovative programmes and services delivered in deprived neighbourhoods in recent years, the Consortium particularly recognises the need to link employability action with services supporting children, young people and families. Other important local partners on the ground will therefore be Children's Centres, Sure Starts, Schools and youth services.
- 1.30** The role of health partners will also be crucial, particularly in relation to supporting IB claimants back to work but also in providing all clients of the Consortium with access to health and wellbeing. For example, Liverpool partners are developing a GP protocol which will help to ensure that IB clients are referred by their medical centres to agreed sources of advice and help with re-entry into work. Central Liverpool PCT will shortly pilot a scheme to recruit 'Health Trainers in the Community' who will act as 'supportive friends' who will also play a key role in supporting IB claimants back to work.
- 1.31** Partners have already recognised that the deeply entrenched nature of worklessness in many of these areas requires new and effective measures for making contact with individuals and households which mainstream – and often even local community and regeneration projects – are not reaching. Whilst access to effective advice and guidance is crucial, equally the barriers to work are often not directly related to skills or employability but may lie with other public services such as housing repairs, debt, anti-social behaviour or community safety. Transport to jobs is a key issue in some parts of the conurbation; fares are high and shift work also presents a problem in some localities. Limited travel horizons have been identified as further barrier and to help overcome this Merseytravel will be rolling out the successful Mersey – Dee Alliance Workwise programme through its Accessibility Plan. Merseytravel is also running a new 'Let's Get Moving' project, through Objective 1, to address transport connectivity in relation to work, leisure, health services, fresh food shopping and related quality of life and work opportunities.
- 1.32** In several of the Consortium areas Local Strategic Partnerships are already delivering a range of innovative, outreach and community based measures such as Liverpool's inter-agency Streets Ahead outreach programme, which in 2005/06 alone made contact with 18,100 households and led to 566 people getting jobs. St Helens' 'Starting Point', a specialist employment and guidance centre, attracted 8,300 visitors in 2005/06, registered 1800 new clients and achieved in excess of 900 positive outcomes. The project is closely linked to key industrial sectors in the Borough and undertakes joint activities with employers as well as delivering road shows into local community bases. Such measures – and each District has its own models - will be a critical starting point for the journey into employment for clients of the Consortium.

## **2 Briefly outline the labour market and skills demand context in which your consortium will operate, including significant future trends.**

- 2.1 The Consortium areas face enormous challenges in terms of up-skilling the current and future workforce. Despite an expanding economy, the area continues to have relatively high levels of deprivation, unemployment and inactivity, low employment rates and a declining population, particularly a reduction in the working age population.
- 2.2 All parts of the Liverpool city region have experienced recent economic growth rates in excess of the North West Region and in some cases above the UK. Liverpool and Merseyside have experienced strong job growth since 1998, totalling 40,000 net new jobs 2 up until 2004, equivalent to 8.3% growth. However despite this expansion, per capita GVA levels are below the national average in all but a couple of areas, signalling that improving business productivity remains a key priority.
- 2.3 Population is expected to continue to decline across Merseyside although Liverpool and Halton have seen some growth in recent years.
- 2.4 In common with the rest of England, the population is ageing. There will be a declining number of children, an upward shift in the age profile of the working age population and an increase in the volume of older pensioners due to rises life expectancy. The working age population is expected to decline by 2.5% on Merseyside between 2003 and 2015, whilst the population over the State Pension Age will increase by 12.6%. The flow of young people into the labour market will also see a significant decrease as this cohort is expected to decline by 20.8% over the same period.
- 2.5 Educational attainment levels across Greater Merseyside are improving year on year and achievement at 16 has increased by 10 percentage points over the last 5 years. However despite this progress key stage 4 attainment is still below that for England and the North West, with 51.6% of school leavers achieving the equivalent of 5+ A\*-C GCSEs compared to 55.7% in England. Too many young people are still leaving schools in the sub-region without the equivalent of a Level 2 and in 2005 5.3% of 16 year olds left school with no GCSEs.
- 2.6 Positively, participation in post-16 learning is increasing steadily and more 16 year olds continue in education or training upon leaving school than ever before.
- 2.7 However, there are many young people not engaged in learning with 9.1% who were Not in Education, Employment or Training (NEET) at December 2005, compared with a national average of 7.1%. NEET levels vary enormously across the conurbation. 51 wards out of 132 have a NEET rate of 10% or more, with 19 above 14%. For the greater part these are also the DAF wards.
- 2.8 Labour market activity rates vary widely but there is a distinct pattern with rates in the urban core falling away significantly from other areas. Employment rates, whilst improving are lower than the national average with 68.1% of the working age population estimated to be in employment, compared with the national level of 74.7%.

---

<sup>2</sup> Annual Business Inquiry, ONS, December 2005

	Number in employment	Population	%
Halton	49,800	72,700	68.5
Knowsley	59,000	89,200	66.1
Liverpool	167,500	271,300	61.7
Sefton	118,500	161,000	73.6
St Helens	76,200	106,800	71.3
Wirral	131,300	182,800	71.8
<b>Total</b>	<b>602,300</b>	<b>883,800</b>	<b>68.1</b>

ONS June 2006

- 2.9 In addition locally there are severe problems of multi-generational unemployment or worklessness. The Census 2001 identified that 25% of those who declared themselves to be unemployed stated that they had either never worked or had not worked since 1996. In some parts of the area this figure rises to 35%. The unemployment rate of 6.5% is higher than the national average of 4.7%. In addition of the economically inactive, only 18.4 have indicated that they want a job; lower than the regional and national averages of 20.1% and 23.4% respectively.
- 2.10 Household incomes are below the national average of £31,200, with Liverpool having the lowest level (£25,251). Wirral, with the highest in the conurbation (£28,326) is nearly 10 percentage points lower than the UK.
- 2.11 Economic forecasts underpinning the Liverpool City Region Development Plan identified continuing growth, estimated at delivering some 45,000 jobs by 2010. Of these, a significant proportion are anticipated to come from existing investments and developments, both private sector and public regeneration programmes, as follows;

**TABLE 4.1: DIRECT EMPLOYMENT IN THE KNOWN MAJOR DEVELOPMENT PROJECTS**

	2005	2008	2010	2015
				'000
Vale Royal	1.2	1.3	1.3	1.3
Warrington	0.5	0.5	0.5	0.5
Chester	1.9	2.9	2.9	2.9
Ellesmere Port and Neston	0.3	0.3	0.3	0.3
West Lancashire	0	0	0	0
Knowsley	3.4	5.5	5.8	5.8
Liverpool	5.6	24.3	22.9	21.3
St Helens	0	0.5	0.5	0.5
Sefton	1.3	4	4	4
Wirral	0.5	1.4	1.4	1.4
Halton	0.2	3.2	3.2	3.2
Flintshire	0	1.7	2.9	4.7
Liverpool City Region	14.9	45.6	45.7	45.9

Source(s) : LCR Local Authorities and Cambridge Econometrics.

- 2.12 In particular, significant demand for labour will be generated by a number of major investments including developments in Liverpool City Centre, such as the £900m Liverpool One retail centre and £540m King Arena and Conference

Centre, the revitalisation of coastal towns, expansion of John Lennon Airport and the growth of tourism and leisure markets leading up to and including 2008.

2.13 Growth trends across the key sectors are forecast as follow;

	'000	2010	
Agriculture	6	5.6	-0.4
Mining etc	0.8	0.8	0
Manufacturing	135.8	133.6	-2.2
Utilities	7	5.9	-1.1
Construction	65.4	61.1	-4.3
Dist., hotel & cater	260.2	275.3	15.1
Transp.&Comms	63.2	65.7	2.5
Fin. & Bus Services	192.3	210.2	17.9
Other services	358.9	366.7	7.8
Total	1089.6	1125	35.4

*Cambridge Econometrics 2005*

2.14 Changes in occupations are anticipated as follows;

	2005	2010	'000
Managers and Senior Officials	147.6	172	24.4
Prof. Occupations	125.1	139.9	14.8
Assoc. Prof and technical	135.9	149	13.1
Admin. & secretarial	206.3	201	-5.3
Skilled trades	100.7	101.3	0.6
Personal services	78	79	1
Sales & customer services	97.2	98.4	1.2
Process, plant & machine ops	89.1	90	0.9
Elementary occupations	109.7	94.4	-15.3
Total	1089.6	1125	35.4

*Cambridge Econometrics 2005*

2.15 The current skills base of the city region is variable. Parts of the area, and in particular Chester and Warrington, have high proportions of their working age residence base qualified to NVQ Level 4 + but there is a strong tailing off in many parts of the urban core. A mirror image exists for no qualifications but both profiles are skewed by inactivity levels in the urban core.

2.16 Merseyside Level 4 and 'No Qualifications' levels are as follows;

	<b>NVQ Level 4+ %</b>	<b>No qualifications %</b>
Liverpool	16.6	30
Sefton	22.7	13.3
St Helens	22.1	23.8
Wirral	23.3	15.6
Knowsley	21.4	30.2
North West Region	23.1	17.7
Great Britain	25.2	15.1

2.17 With its generally less favourable skills base compared with the rest of the travel to work area a key challenge for the Merseyside conurbation in meeting the skills demand from business is that a large proportion of adults do not possess the qualifications or qualification levels required by employers. It is estimated that 95% of new jobs on Merseyside will require at least Level 2 or above. Two-thirds of these are expected to require a qualification at Level 3 or above.

2.18 The working age population is less well skilled than the national average with a much higher proportion of residents having no qualifications (22.8%) than the national average (14.8%). There is a significantly higher proportion of working age population without Level 2 qualifications, which is the nationally defined minimum qualification leading to sustainable employment and enhanced earning and career potential.

2.19 Locally it is estimated that 358,000 working age adults have not attained a Level 2 qualification. This equates to 40% of the working age population. The highest proportion of adults in this group are found in the most disadvantaged wards – essentially DAF wards;

<b>District</b>	<b>Ward</b>	<b>% Population with no qualifications</b>
<b>Knowsley</b>	Cantrill Farm	59.8
	Princess	59.5
	Longview	55.9
	Northwood	57.5
	Cherryfield	55.0
	Kirkby Central	52.9
<b>Liverpool</b>	Vauxhall	58.3
	Breckfield	55.1
	St Mary's	53.2
	Melrose	52.2

Source Census 2001

2.20 In addition there are high proportions of working age adults in employment but lacking qualifications. For example, in Liverpool this has increased steadily since 2001 from 14.8% to 16.6%. Whilst indicating a measure of success in placing

workless people in jobs, this trend nevertheless has some serious implications for business productivity and for workforce development.

- 2.21 Local shortfalls in literacy and numeracy skills, particularly at ward level within districts, compound the problems associated with low skill attainment. Data (2001) from the Basic Skills Agency reveals that Greater Merseyside has a higher proportion of the population with poor literacy skills (27.3%) compared to England (24.0%). A larger gap exists for the proportion of the population with poor numeracy skills (28.9% in Greater Merseyside compared to 24.0% in England).
- 2.22 One in six companies reported having vacancies, with more than four out of ten (44%) of local companies reporting vacancies perceived to be hard to fill. Overall, more than half (54%) of hard to fill vacancies are as a result of skills shortages. Locally, the occupations which represent the largest share of skill shortage vacancies are associate professionals (19%), skilled trade (17%) and machine operatives (15%).
- 2.23 When looking at the skills levels of current employees, 22% of establishments report skills gaps, a lower proportion than regionally and in line with the national average. The success of local workforce development programmes is highlighted by the proportion of current staff who are considered not fully proficient, which at 10% in Greater Merseyside is lower than the national figure of 11%.

### **3 What are the key supply-side issues in your area? Which disadvantaged groups will your consortium therefore focus on?**

- 3.1 In the context of a tight city region labour market, the largest single source of additional labour is to be found in Liverpool and the Merseyside conurbation. Overall the employment rate is low in all 6 local authority areas compared with the UK average [insert data] but this masks the major concentrations of worklessness in the wards prioritised by Government for the Disadvantaged Areas Fund.
- 3.2 These areas have high levels of worklessness, in distinct spatial concentrations, with multi-generational unemployment / worklessness, significant numbers of working age adults who have never worked or not worked in the last 10 years, low educational attainment and participation in learning, and a culture of worklessness and benefit dependency.
- 3.3 Their distance to the labour market is also characterised by low skills levels, predominantly in the most disadvantaged areas and large proportions of the working age population in these areas having no qualifications. Higher than average proportions of young people are NEET, a factor which contributes to inter-generational cycles of poverty and worklessness.
- 3.4 The proportion of working age adults without qualifications, in work and not in work, has increased since 2001, highlighting the need for more focus on prevention starting with school leavers and young people.
- 3.5 The scale and severity of the problem varies between the 6 local authority districts. In some cases there are additional challenges. For example, Liverpool's southern inner core is home to much of the city's Black and Racial Minority

population. Census 2001 data showed that the BRM employment rate in the old Granby ward was 28%, compared with a city level of 41%. In other areas, disadvantage has a physical manifestation with poor quality housing and abandonment, such as that found on a very large scale in the Housing Market Renewal Pathfinder and in smaller pockets of market failure in other Boroughs.

- 3.6** **Indeed even within the DAF wards there are considerable variations, pointing to the need for very focused concerted effort on those where worklessness levels range from 25% up to over 60%.** The overarching aim of the Consortium will be to reduce the levels of worklessness in the targeted areas and specifically to start to close the gap between the current baseline position and a target level of below 25%. The focus of activity will be on all working age adults living in the worst lower super output areas within the DAF wards.
- 3.7** To provide an indication of the shape of the proposed programme, the table below sets out Lower Super Output Areas by priority bands and the distribution of workless priority groups within them. The maps at the end of the section show the spatial distribution of the DAF wards and lower super output areas (by rate) within them.

Local/Unitary Authority	Total claimants	Job Seeker	Incapacity Benefits	Lone Parent	Carer	Others on Income Related Benefit	Working Age Pop 2001 Census	% Worklessness/ working age pop 2001 Census
Liverpool	1205	255	630	210	70	40	1918	<b>62.83</b>
Sefton	565	120	310	80	35	20	837	<b>67.50</b>
Wirral	610	155	335	75	15	30	988	<b>61.74</b>
<b>Totals</b>	<b>2380</b>	<b>530</b>	<b>1275</b>	<b>365</b>	<b>120</b>	<b>90</b>	<b>3743</b>	<b>63.5854</b>
%		22	54	15	5	4		
Knowsley	1415	240	730	305	95	45	2591	<b>54.61</b>
Liverpool	5725	1095	3080	1045	315	190	10630	<b>53.86</b>
Wirral	3460	555	1820	800	195	90	6465	<b>53.52</b>
<b>Totals</b>	<b>10600</b>	<b>1890</b>	<b>5630</b>	<b>2150</b>	<b>605</b>	<b>325</b>	<b>19686</b>	<b>53.85</b>
%		18	53	20	6	3		
Halton	1505	260	810	280	125	30	3472	<b>43.35</b>
Knowsley	6280	870	3390	1365	470	185	14475	<b>43.39</b>
Liverpool	14460	2845	7770	2680	735	430	32566	<b>44.40</b>
Sefton	2150	375	1120	465	115	75	4991	<b>43.08</b>
St. Helens	2355	415	1240	460	155	85	5473	<b>43.03</b>
Wirral	4765	820	2520	1020	285	120	10898	<b>43.72</b>
<b>Totals</b>	<b>31515</b>	<b>5585</b>	<b>16850</b>	<b>6270</b>	<b>1885</b>	<b>925</b>	<b>71875</b>	<b>43.85</b>
%		18	53	20	6	3		
Halton	2200	370	1205	425	145	55	5934	<b>37.07</b>
Knowsley	6465	1100	3350	1290	520	205	17933	<b>36.05</b>
Liverpool	20970	4110	11010	3890	1335	625	59035	<b>35.52</b>
Sefton	6490	1130	3440	1275	440	205	18858	<b>34.42</b>
St Helens	2755	440	1515	510	200	90	7823	<b>35.22</b>
Wirral	3310	585	1750	645	230	100	9642	<b>34.33</b>
<b>Totals</b>	<b>42190</b>	<b>7735</b>	<b>22270</b>	<b>8035</b>	<b>2870</b>	<b>1280</b>	<b>119225</b>	<b>35.39</b>
%		18	53	19	7	3		
Halton	965	145	560	165	75	20	3691	<b>26.14</b>
Knowsley	1255	230	695	180	115	35	4426	<b>28.36</b>
Liverpool	5110	1035	2785	860	290	140	18325	<b>27.89</b>
Sefton	1355	245	750	250	80	30	4992	<b>27.14</b>
St Helens	520	85	280	105	40	10	1748	<b>29.75</b>
Wirral	1675	265	910	355	110	35	6095	<b>27.48</b>
<b>Totals</b>	<b>10880</b>	<b>2005</b>	<b>5980</b>	<b>1915</b>	<b>710</b>	<b>270</b>	<b>39277</b>	<b>27.70</b>
%		18	55	18	7	2		

Halton	1290	170	815	155	125	25	7055	<b>18.28</b>
Knowsley	3935	605	2360	500	385	85	20102	<b>19.58</b>
Liverpool	9015	1925	5045	1160	615	270	49299	<b>18.29</b>
Sefton	2470	420	1530	270	180	70	15267	<b>16.18</b>
St Helens	1955	245	1270	225	155	60	10747	<b>18.19</b>
Wirral	1970	305	1155	290	165	55	10456	<b>18.84</b>
<b>Totals</b>	<b>20635</b>	<b>3670</b>	<b>12175</b>	<b>2600</b>	<b>1625</b>	<b>565</b>	<b>112926</b>	<b>18.27</b>
%		18	59	13	8	3		

<b>Grand totals</b>	118200	21415	64180	21335	7815	3455	366732	<b>32.23</b>
%		18	54	18	7	3		

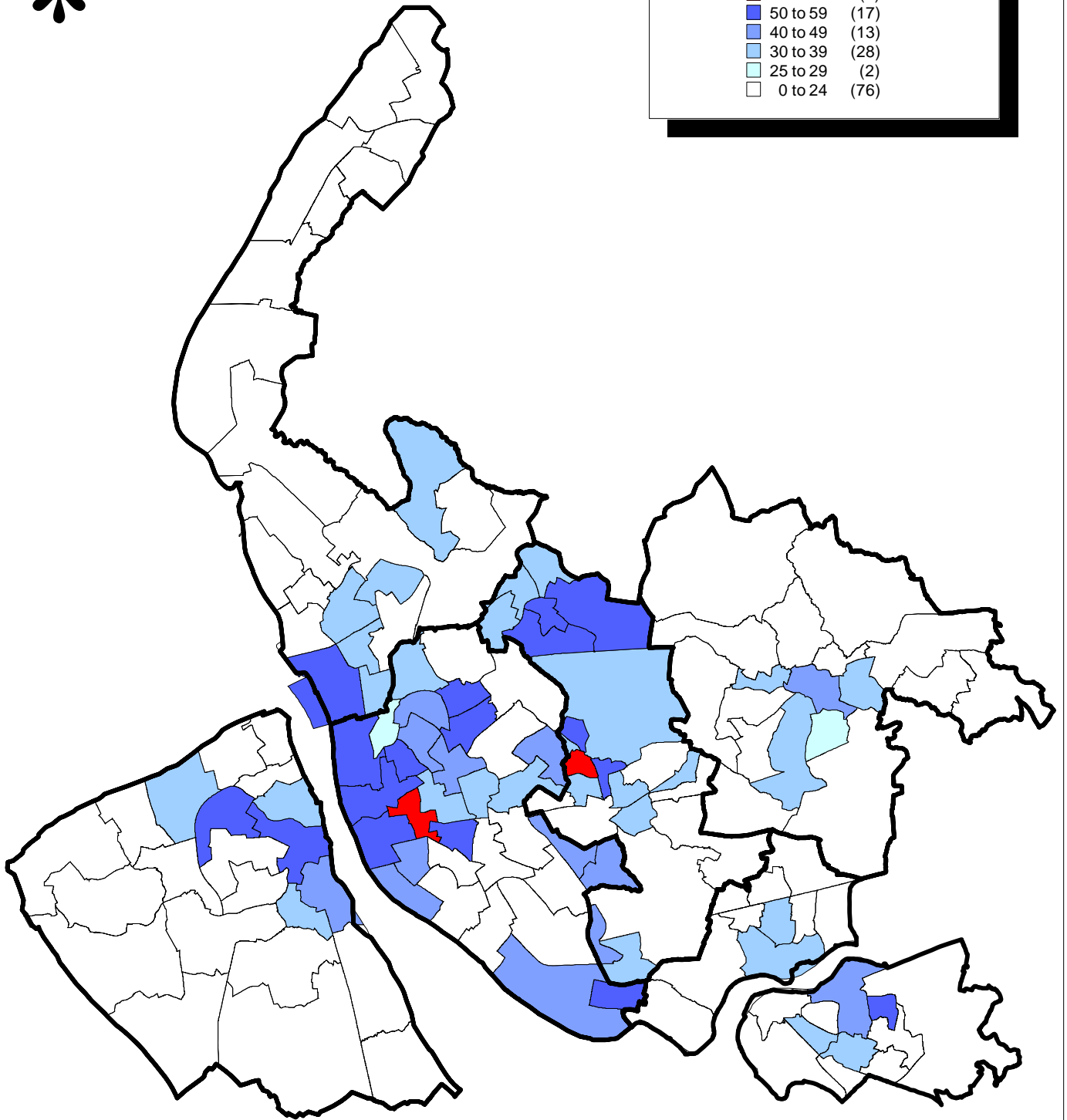
- 3.8 Strategically there are choices. Over the medium term the new supply of labour could be drawn from the groups which are closest to the labour market, from the areas which experience the least pressure of disadvantage and deprivation. **Whilst to some extent this will happen in any case, the greater challenge is to focus the Consortium's additional more intensive intervention programme into the highest worklessness lower super-output areas in the DAF wards in order to prevent social and economic conditions from deteriorating further.** For this reason, the Consortium will prioritise these areas within the DAF wards.
- 3.9 To provide some scale of the challenge, in the 403 lower super-output areas which together make up the 62 Merseyside DAF wards, the Consortium proposes to target the 286 which have a worklessness rate of above 25%, comprising some 97,565 working age adults. This is a substantial group for a 2 year programme and requires a finer grain yet of prioritisation and targeting to be determined, within the context of the DAF wards in their areas by Local Authorities and their partners.
- 3.10 From experience of a number of local initiatives, the culture of worklessness is one of the most difficult barriers to overcome. In spatial terms, this means that partners have particular concerns about the 27 sub-areas where more than half of the working age population is workless, totalling 13,000 people. Of these 43% are on IB and 2515 are lone parents.
- 3.11 The Delivery Plan will establish a phased programme of action based on the specific challenges in each of the local authority districts, since there are major variations, matched to the capacity of delivery mechanisms and intervention programmes.
- 3.12 Within this scheme of spatial targeting, specific focus will be given to the key priority groups;
- Incapacity Benefit,
  - lone parents
  - people over 50
  - workless people from the Black and Racial Minority (BRM) communities
  - long term JSA claimants
  - carers wishing to return to the labour market

- young people who are NEET (through collaboration with appropriate partners and existing measures)
  - in households with children, parents who are not in work, or who are non-working / non-claimant partners of a parent in work, where additional income from work would make a material difference to the family's financial well-being;
- 3.13 Each of the participating local authorities will develop an action plan with their LSPs, through their Local Area Agreements, for the DAF wards in their areas, identifying and setting specific targets.**
- 3.14** The DAF wards will be grouped into a number of operational areas, based on current regeneration and neighbourhood renewal activity. It is envisaged that there will be 12 operational groups, 5 in Liverpool, 1 each in Wirral, Sefton, and St Helens and 2 each in Halton and Knowsley. The maps at the end of this section illustrate the spatial concentrations of the DAF wards and the Lower Super Output Areas within them.
- 3.15** Wherever the opportunity and need coincide, these operational groupings will also involve cross border working arrangements. For example, 2 of the Liverpool groups and the Wirral and Sefton groups are also coterminous with the New Heartlands Housing Market Renewal Pathfinder Area, where partners are keen to see greater integration between the processes of reviving local economies and the significant investment in housing development and refurbishment. The North Liverpool and South Sefton areas are adjacent to each other and share common opportunities and challenges which will in part be reflected through a shared LEGI strategy. South Liverpool and Halewood share a boundary and already involve co-operation on skills and employment between Liverpool and Knowsley.
- 3.16** The characteristics of these operational areas vary and therefore the local action plan will specifically identify any finer grain of targeting or priorities. For example, the group of wards in central Liverpool is home to many of the city's Black and Racial Minority Communities who experience particularly high worklessness. The priority focus in this area will therefore be on assisting this group to access job and training opportunities.
- 3.17** It is also at this level that some of the proposed strategic and service delivery integration will take place. For example, the DAF areas are the subject of various area based initiatives, such as New Deal for Communities, SureStart, the Northern Way IB Pilots in Wirral and Liverpool and in Knowsley.
- 3.18** Overall a central operational objective will be to have made contact with every workless individual in the targeted sub- areas over the 2 year period of the Pathfinder and to provide every individual who wants to take part with a personal action plan and employment and skills support package tailored to their needs. These support packages will be developed as part of the end-to-end supply chain of support for participating employers.
- 3.19** However, partners also agree that the Consortium will arrive at an overall framework of priorities which balances the need for more preventative activities, such as supporting young people and reducing the NEET levels, with targets for those who are the furthest away from the labour market, such as people on IB for more than 2 years, with easier to help groups such as JSA claimants.



**DWP DAF Wards 2001**  
**Worklessness April 2006 DWP**

- 60 to 63.8 (2)
- 50 to 59 (17)
- 40 to 49 (13)
- 30 to 39 (28)
- 25 to 29 (2)
- 0 to 24 (76)



C:\temp\SK's job\Worklessness\DAF Worklessness April 2006

**Greater Merseyside DAF Wards (April 2006)**

Date: 27/06/2006

Scale: 1:214,505

Regeneration, Policy Team, 1st Flr Millennium House, Victoria Street, L2 6JD  
Tel: 233 2896 E-mail: lan.Williams @liverpool.gov.uk

This map is reproduced from Ordnance Survey material with the permission of Ordnance Survey on behalf of the controller of Her Majesty's Stationery Office © Crown copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings.

The City of Liverpool  
10018351  
2006

Status:

**DRAFT**

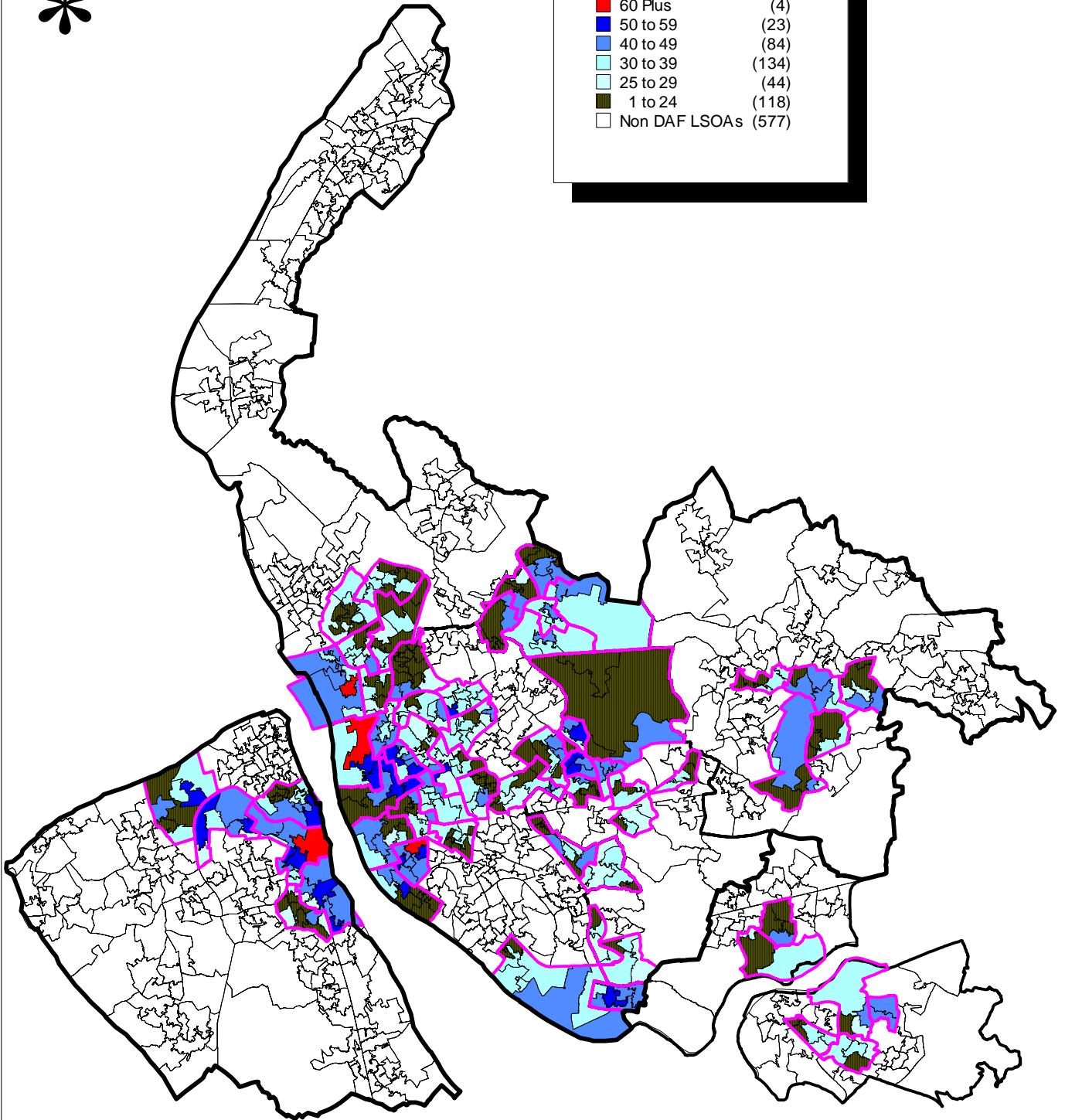


The City of Liverpool



**DWP DAF LSOAs**  
Worklessness April 2006 DWP

60 Plus	(4)
50 to 59	(23)
40 to 49	(84)
30 to 39	(134)
25 to 29	(44)
1 to 24	(118)
Non DAF LSOAs	(577)



C:\temp\SK's job\Worklessness\DAF Worklessness April 2006

### Greater Merseyside DAF LSOAs (April 2006)

Date: 27/06/2006

Scale: 1:214,505

Regeneration, Policy Team, 1st Flr Millennium House, Victoria Street, L2 6JD  
Tel: 233 2896 E-mail: lan.Williams @liverpool.gov.uk

Status:



This map is reproduced from Ordnance Survey material with the permission of Ordnance Survey on behalf of the controller of Her Majesty's Stationery Office © Crown copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings.

The City of Liverpool  
10018351  
2006

The City of Liverpool

#### 4 **What organisations – including public sector bodies, employers and, where appropriate, private and voluntary sector organisations – will come together to form your consortium?**

4.1 A **Consortium Board** will be responsible for the development of the strategy, management and oversight of delivery, co-ordination of analysis and labour market intelligence, for the deployment of the DAF and any related funding and resources and for evaluation and dissemination of best practice. Partners will establish a small executive team to support the Board's functions.

4.2 The Consortium Board will mostly comprise strategic and fund holding partners and employer representatives as follows;

<p><b>Local Authorities of Liverpool, Wirral, Sefton, Halton, St Helens, Knowsley</b></p>	<ul style="list-style-type: none"> <li>▪ Strategic partners, community leadership role of convening the local partners and stakeholders through the Local Strategic Partnerships, Community Planning and related strategic co-ordination of LAAs</li> <li>▪ Strategic regeneration role – economy, inward investment, housing</li> <li>▪ Specific inputs will include a range of employment, skills, education and neighbourhood renewal / neighbourhood management programmes and services in the DAF wards;</li> </ul>
<p><b>Job Centre plus Districts of Liverpool / Wirral and Outer Merseyside</b></p>	<ul style="list-style-type: none"> <li>▪ Key strategic, fund-holding and delivery partners</li> <li>▪ Mainstream employment and working age benefit services with JobCentres covering the DAF wards.</li> <li>▪ Strategic relationship with DWP programmes and private sector delivery / providers in the localities;</li> </ul>
<p><b>Greater Merseyside Learning and Skills Council</b></p>	<ul style="list-style-type: none"> <li>▪ Key strategic, fund-holding and delivery partner</li> <li>▪ Mainstream training and learning programmes including adult employability and workforce development plus discretionary programmes such as 'Train to Gain' and Merseyside Skills Works Programme.</li> </ul>
<p><b>Greater Merseyside Business Link</b></p>	<ul style="list-style-type: none"> <li>▪ Key strategic, fund-holding and delivery partner</li> <li>▪ Self employment and enterprise support in DAF wards</li> </ul>
<p><b>Merseyside Employer Coalition</b></p>	<ul style="list-style-type: none"> <li>▪ Employer / New Deal engagement</li> <li>▪ Co-coordinator of key sector engagement in employment including fair recruitment practices</li> </ul>

<b>Key sector networks – eg Mersey Maritime, MerseyBio</b>	<ul style="list-style-type: none"> <li>▪ Business networks supporting specific sector growth strategies and business needs</li> </ul>
<b>Greater Merseyside Connexions Service</b>	<ul style="list-style-type: none"> <li>▪ Key strategic, fund-holding and delivery partner</li> <li>▪ Careers service in the DAF wards</li> </ul>
<b>PCTs</b>	<ul style="list-style-type: none"> <li>▪ Key strategic, fund-holding and delivery partner</li> <li>▪ Health and wellbeing – mainstream and specific targeted activities including those in the DAF wards</li> </ul>
<b>The NW TUC</b>	<ul style="list-style-type: none"> <li>▪ Co-ordinating workplace learning activities with key sectors / employers plus workplace learning mentors to support retention and progression</li> </ul>
<b>New Heartlands Registered Social Landlords Forum</b>	<ul style="list-style-type: none"> <li>▪ Social housing partners, working to build sustainable communities on the ground and providing additional contact and signposting via their neighbourhood based housing management services;</li> </ul>
<b>Liverpool Council for Voluntary Service, and Merseyside ChangeUp Consortium</b>	<ul style="list-style-type: none"> <li>▪ Co-ordinating and supporting voluntary sector services – particularly community based and specialist services for specific needs and forms of disadvantage – linked into Community Engagement Networks across Merseyside.</li> </ul>
<b>New Heartlands Housing Market Pathfinder</b>	<ul style="list-style-type: none"> <li>▪ Co-ordinating role across the HMR area to support comprehensive regeneration and renewal</li> </ul>
<b>North West Development Agency</b>	<ul style="list-style-type: none"> <li>▪ Strategic economic development partner</li> </ul>

## Employer engagement

4.3 Partners see the role of employers as central to the initiative. In addition to employer participation on the Board, the Consortium will engage businesses at many different levels, both through existing working relationships and through new arenas which will be established during the Pathfinder period. These existing structures include;

- **The Mersey Partnership** which has an extensive business membership base and which co-ordinates inward investment;
- **Sector Networks** for the key clusters and sectors in the area. A sectoral focus will be an important ingredient of the Consortium's approach, both in relation to the high growth sectors and smaller local industrial groupings;

- **Business Leaders Fora** throughout the conurbation, including those established to support economic development activity in the Strategic Investment Areas and Liverpool City Centre;
- **City Growth Strategies** in St Helens and Liverpool. The Liverpool City Growth Strategy gives particular focus to the workforce needs of businesses and has agreed to champion the Pathfinder.
- **Business Liverpool** and the **08connect Business Club** which is working with some 1,000 of the city's businesses on making the most of the business opportunities from European Capital of Culture 2008)
- **Chambers of Commerce**
- **Business in the Community**

4.4 **The Consortium will invite employers to become Members of the Pathfinder, particularly focusing on those businesses to whom partners are providing employment and training services, and most especially those which are creating the mainstay of the new jobs.** Employers will be invited to work with the Consortium on their recruitment needs, to be supported by the partners in relation to recruitment campaigns and to agree to provide retention and training support to any employees who are supplied to them by the Consortium's programmes. Retention and workforce development support will be provided by the partners as part of the menu of interventions to be piloted.

4.5 The Consortium will co-ordinate employer engagement in the initiative.

### **Local Strategic Partnerships and Neighbourhoods**

4.6 In addition to the Consortium Board which will operate at the Merseyside level, the Consortium will seek to engage other local partners through the participating local authorities and their Local Strategic Partnerships. At the level of the neighbourhood operational areas, an even greater number of partners will be engaged in the delivery of support services to the client communities.

The member local authorities will provide the link between Consortium Board programmes of activity in their areas through their LSPs and LAAs, both in relation to employer engagement and supply side measures at neighbourhood level. This will be formalised, in the course of the production of the Delivery Plan, in the form of a joint sub-regional area agreement, linking the relevant elements of the LAA 4<sup>th</sup> Blocks.

## **5 How will your consortium integrate the efforts of all partners behind chosen priorities ? What will change as a result?**

5.1 The Consortium will develop the overall strategic framework which will set out the broad outcomes to be achieved in support of the agreed Vision. Partners will contribute to the shaping up of the action plan as well as agreeing to deliver specific outcomes.

5.2 Over and above this, the Consortium will seek some specific integration of effort and service delivery at all the key spatial levels. For example;

- We aim to build on the great stride forward of recent years in the harmonisation of strategic and corporate plans between partners.
- The strategic partners already co-operate on major developments and inward investments to provide a seamless offer to businesses. We will build on this, particularly in relation to supporting the employers who will be recruiting for the many thousands of new jobs over the next two years where we will develop new end-to-end supply chain processes connecting businesses with communities in the DAF areas.
- This will require even tighter inter-agency delivery of key services to individuals, from initial contact, through personal action planning, becoming job ready and being placed in a job. We will build on existing best practice such as the Liverpool Streets Ahead programme, Skills Passports and short work-focused training programmes delivered through the Working Neighbourhoods and Action Teams.
- There are new areas for similar forms of co-operation in relation to, for example, the development and delivery of retention measures where we will want to see Skills Brokers, Business Advisors, Occupational Health Advisors, Trade Union Learning Mentors and the individual workless client's personal advisor working together to support his / her up-skilling needs in the workplace and the needs of the business itself.

5.3 The table below sets out some further illustrations of the Consortium's key component actions, the partners and types of integration we expect to see and a flavour of the outcomes we are seeking.

5.4 Additionally, we will seek to pool and align funding streams to stretch the total capacities and resources of the public and voluntary sectors yet further. This process will build on the agreements already being secured between partners in relation to Local PSA targets and Local Area Agreements. Indeed, the LAAs will form the building blocks of this process. However we also recognise the further potential for alignment of funding streams at the sub-regional level. One further dimension of this process of marshalling resources is the European Structural Funds programme 2007-2013. Merseyside will have a ringfenced programme, within which we are seeking a dedicated strand of both European Social Fund and European Regional Development Fund to support the Consortium programme. DAF will provide some of the matched funding for this although we are also seeking other co-financed programme streams to be channelled to support the Consortium's Delivery Plan. In

particular we draw attention to the fact that many of the effective and innovative measures and delivery mechanisms already in place across the conurbation, and which will form the mainstay of our Delivery Plan, are being delivered with existing Structural Funds Support. These include the various local labour market intermediaries linking disadvantaged neighbourhoods with strategic economic development areas and best practice workforce development programmes such as GM LSC's SkillWorks. These flexible local measures and mechanisms will be essential to the success of the Consortium's objectives.

**How will your consortium integrate the efforts of all partners behind chosen priorities? What will change as a result?**

Priorities	Actions	Partners and integration	Resources	Outcomes – what will change?
<p><b>Engaging and supporting employers – identifying demand and developing and delivering tailored support services.</b></p>	<ul style="list-style-type: none"> <li>▪ Employer engagement plan, co-ordinating existing employer engagement and establishing new fora to support the Consortium’s programme.</li> <li>▪ Improved demand &amp; supply analysis &amp; intelligence via integration of existing labour market intelligence across agencies and new analysis from employer engagement.</li> <li>▪ <b>‘Recruitment to workforce development’ action plans – developed with employers as the backbone of the Consortium’s programmes. End to end supply chains linking employers with DAF communities – developing and delivering measures such as Skills Passports &amp; tailored recruitment programmes.</b></li> <li>▪ Business Champions scheme to promote the Consortium to employers &amp; roll out of best practice in recruitment including fair recruitment policies</li> </ul>	<p>Businesses with JCP, GMLSC, Business Link, Local Authorities, Business Liverpool, TMP, City Growth Boards Ensuring business needs inform;</p> <ul style="list-style-type: none"> <li>▪ Investment (private and public) in city centre, Strategic Investment Areas, coastal towns, public sector capital programmes and key flagship developments</li> <li>▪ Merseyside Sub Regional Economic Action Plan</li> <li>▪ GM LSC corporate plan</li> <li>▪ JCP business plans</li> <li>▪ Merseyside Business Link (NWDA) plan</li> <li>▪ NWDA / TMP Sector Development Programme</li> <li>▪ City Growth Strategies</li> <li>▪ LEGI</li> <li>▪ Local Transport Plans (Merseyside and Halton)</li> </ul>	<p>Mainstream plus specific Consortium projects via DAF and aligned / pooled resources.</p>	<ul style="list-style-type: none"> <li>▪ More effective articulation of employer needs and better labour demand / supply analysis to inform design and delivery of employability, recruitment and workforce development programmes – both at a sub-regional and at project specific levels</li> <li>▪ <b>Programmes of intervention, from recruitment to workforce development, tailored to business need, (connecting into DAF areas)</b></li> <li>▪ Wider range of specific employment opportunities captured for workless people.</li> <li>▪ Improved relationship management processes to support employers – more effective integration of public sector service offer</li> </ul>

Priorities	Actions	Partners and integration	Resources	Outcomes – what will change?
<p><b>Comprehensive &amp; integrated support services to workless people in the DAF wards</b></p> <p>Common principles and quality standards across the consortium – delivery at local authority level via local mechanisms</p>	<ul style="list-style-type: none"> <li>▪ <b>Outreach – making contact with workless households in the targeted sub-areas in the DAF wards</b></li> <li>▪ <b>Related ‘work pays’ campaigns on the doorstep.</b></li> <li>▪ Improved co-ordination of outreach and referrals</li> <li>▪ Improved inter-agency sharing of client caseload data in targeted areas, ( subject to data protection limitations)</li> <li>▪ Improved use of DWP GIS data system for more effective targeting of outreach activities.</li> </ul>	Local Authorities, LSP outreach programmes, JCP, Connexions, neighbourhood management services and local housing management services, RSLs, GPs, Children’s Centres, Schools, Community and Voluntary Sector projects and wider body of referral agencies.	Existing programmes – eg NRF, SRB, European Structural Funds, DAF, plus mainstream. Reinvestment of Performance Reward Funding to expand / enhance activity.	<ul style="list-style-type: none"> <li>▪ <b>Qualitative and quantitative improvement in engagement and support of hardest to reach communities, households and individuals.</b></li> <li>▪ <b>Improved impact of ‘work pays’ promotion.</b></li> <li>▪ Roll out and expansion of existing best practice outreach schemes.</li> <li>▪ Engagement of wider range of delivery organisations for more comprehensive range of support services to individuals, including financial services, community safety, etc.</li> </ul>
	<ul style="list-style-type: none"> <li>▪ <b>Personal action plan and support package</b></li> </ul>	<p>Dedicated information, advice and guidance from - JCP, Connexions, Local Authority employment projects, Employment Zone, GM LSC, training providers, Community and Voluntary sector providers.</p> <p>Refocused, aligned existing provision plus expansion to meet volume of need via DAF.</p>	Mainstream, NRF, DAF, SRB, ESF	<ul style="list-style-type: none"> <li>▪ <b>Hardest to reach individuals and households in the DAF SOAs will have a personal action plan</b> for employability and skills – with wider support (eg housing, anti-social behaviour, financial services etc) where needed</li> <li>▪ <b>Action plan extending through to retention and progression</b> and offer of support (where needed) for the duration of the Pathfinder</li> </ul>

Priorities	Actions	Partners and integration	Resources	Outcomes – what will change?
<p><b>Comprehensive &amp; integrated support services to workless people in the DAF wards</b></p> <p>Common principles and quality standards across the consortium – delivery at local authority level via local mechanisms</p>	<ul style="list-style-type: none"> <li>▪ <b>Routes to employability and jobs</b> – menu of support measures linked to and / or arising from ‘recruitment to workforce development’ plans with employers / sectors, and tailored to the individual’s personal action plan.</li> <li>▪ <b>Specific recruitment projects</b> – eg for city centre retail / hospitality jobs, specific inward investments in strategic development areas.</li> <li>▪ <b>Links into self employment support programmes</b></li> <li>▪ Continuing personal advisor support and links back into neighbourhood multi-agency support system.</li> <li>▪ Improved inter-agency signposting measures and better use of ICT for Consortium database of provision.</li> </ul>	<p>Consortium menu comprising marshalling of existing programmes / provision and new measures, linked into the supply chain programme for employers, from JCP, DWP programmes, Local Authorities, GM LSC, Community and Voluntary Sector, Northern Way IB Pilots (Knowsley, Wirral &amp; Liverpool)</p> <p>Specific new interventions developed by the Consortium with DAF, ESF and other funding to support supply chain programmes.</p> <p>Self employment provision via existing measures (eg Sirolli Institute pilots), Business Link and LEGI programmes.</p>	<p>Aligned and / or pooled mainstream plus NRF, SRB, Objective 1 and ESF 2007-2013, GMLSC Adult Programme, DAF,</p> <p>Reinvestment of Performance Reward Funding to expand / enhance activity, particularly employer related measures such as Skills Passports.</p>	<ul style="list-style-type: none"> <li>▪ <b>More workless people from the priority groups in the DAF SOAs will access jobs, in the knowledge of continuing support from the Consortium.</b></li> <li>▪ Where this is combined with new / refurbished housing the impact on life chances will be considerable.</li> <li>▪ Important impacts on culture of worklessness in SOAs with 50%+ worklessness rates.</li> <li>▪ More businesses will employ people from the most disadvantaged areas and communities including from BRM communities.</li> <li>▪ Individuals will have improved after –care support.</li> </ul>

Priorities	Actions	Partners and integration	Resources	Outcomes – what will change?
<b>Supporting employers and employees – after-care</b>	<ul style="list-style-type: none"> <li>▪ <b>Extended menu - retention support</b>, tailored and agreed with employers and individuals</li> </ul>	<p>Maximise use of and expand existing retention measures.</p> <p>Joint work between Employers, GMLSC, TUC (and individual Trade Unions) workplace learning mentors, and personal advisors to provide seamless support to the business and the individual.</p>	<p>Mainstream and existing programmes plus development of new retention measures to meet need.</p> <p>Reinvestment of Performance Reward Funding to resource this current gap in menu of measures.</p>	<ul style="list-style-type: none"> <li>▪ More people from DAF SOAs will be supported to keep their jobs – as an extension of their personal action plan.</li> <li>▪ Employer investment in recruitment will be safeguarded.</li> </ul>
	<ul style="list-style-type: none"> <li>▪ <b>Work based up-skilling</b> - key ingredient of after-care element of personal action plan, agreed with the business and the individual</li> <li>▪ <b>Supporting progression</b> – move on and fast track programmes agreed with employers.</li> </ul>	<p>GM LSC flexible and mainstream programmes, including Train to Gain and Skill Works. Joint work between LSC Skills Brokers, TU learning mentors and personal advisors – and the business and individual.</p> <p>New measures to support progression from entry level jobs developed by Consortium with DAF, ESF etc.</p>	<p>GM LSC programmes plus enhancement via DAF, ESF.</p> <p>Reinvestment of Performance Reward Funding to resource this current gap in menu of measures.</p>	<ul style="list-style-type: none"> <li>▪ Increased skills and qualifications for people from DAF SOAs</li> <li>▪ Higher skilled / better qualified workforce for businesses.</li> <li>▪ Improved ability to progress to higher paid / higher skilled occupations for a greater number of workless people.</li> <li>▪ Reinforcement of importance of lifelong learning through positive successes / role models in high worklessness SOAs.</li> </ul>

Priorities	Actions	Partners and integration	Resources	Outcomes – what will change?
<b>Tackling barriers at the strategic level</b>	<ul style="list-style-type: none"> <li>▪ <b>Strategic level – aligning economic development, skills and labour market, transport, health and housing strategies</b></li> </ul>	<p>Consortium partners – harmonisation of key strategic frameworks and linking into wider city region / travel to work area strategies. Consortium strategy and action plan informing;</p> <ul style="list-style-type: none"> <li>▪ regional strategy – RES, Regional Skills Partnership / Strategy, Regional Spatial Strategy</li> <li>▪ national skills and employment policies</li> </ul>	Neutral – by-product of effective collaboration.	<ul style="list-style-type: none"> <li>▪ Better policy integration – ‘vertical and horizontal’ and therefore more effective and more evidence based intervention plans.</li> <li>▪ Better public service offer to businesses – eg removing transport links to jobs, skills shortages etc.</li> <li>▪ Better added value secured from public services.</li> </ul>
<b>Monitoring, evaluation and sharing best practice</b>	<ul style="list-style-type: none"> <li>▪ <b>Cross border, inter-agency and cross-sector system</b> for planning, performance management, evaluation and sharing of best practice. On-going external evaluation plus best practice programme.</li> </ul>	Consortium partners with DWP, DfES, DCLG, NWDA, RSP.	Important element of Consortium management and support – DAF, ESF, ERDF, and other resources.	<ul style="list-style-type: none"> <li>▪ Roll-out of best practice across borders and partner agencies – levelling up for better all round outcomes.</li> </ul>

## 6 Do national policies or practices throw up any barriers to partnership working or efficient delivery at local level?

For each barrier please state:

- the precise nature of the problem
- how you would like to see this overcome
- how, and how much, performance would improve as a result

6.1 The following initial enabling actions have been identified by Partners making this Expression of Interest;

### 6.2 **Barrier 1: Data Sharing and Better Local Intelligence.**

#### **Issue**

There is currently insufficient local and national employment and skills data and intelligence available to partners or sufficient flexibility within current arrangements to share data and intelligence in a way that is needed to help those that most need it in their journey back to the labour market.

#### **Solution**

To achieve better local intelligence and evidence base to enable an enhanced programme of targeting and accelerated improvement in the employment rate of those most disadvantaged in our communities.

This could be achieved from a menu of relaxations, central agreement and local empowerment by;

- Authority and secured shared access given to Consortium partners to have direct access (working alongside local JCP staff) under agreed protocols and practices to local DWP / JCP GIS Data systems under the management and scrutiny of JCP District,
- Access to DWP Longitudinal Study,
- Agreement, support and delivery through DWP by ONS of a 'Worklessness Census' within the Merseyside DAF Wards in partnership with the Consortium.

The Consortium requests this package of tools which, complementary to each other, will contribute to improving the poor worklessness evidence base and to enable the Consortium to make a sustainable difference.

The Consortium proposes to work with DWP and other relevant Departments to improve the access to data and work through an agreed set of principles on data sharing that protects individual citizens, partners / staff interests.

#### **Impact**

This package of Data Tools would enable the Consortium to better identify, target and deliver more effective interventions and programmes, ensuring that the most disadvantaged groups and areas are the main focus of available funding. This more reliable data set would be the basis of the baseline, targets and monitoring systems for the Pathfinder. It would further ensure that the greatest impact would be in the most disadvantaged communities, and across the key priority groups, whilst at the same time informing local and individual need more effectively. These Strategic Tools would not only enable smarter

interventions and performance but would reduce unit cost of job outcomes and free up more resources for additional volumes of targeted clients entering the labour market.

### 6.3 **Barrier 2: Extended Work Trials**

#### **Issue**

The Consortium requests a more accessible and sustainable transition from welfare into work for the most disadvantaged groups. In order for the Consortium to make the journey to work more of a step away from benefit dependence, and to provide the reassurance which many long term worklessness people need, staggered tailored approach based on individual circumstances is required.

#### **Solution**

Whilst Work Trials have been effective in supporting unemployed clients into the world of work, giving employers the opportunity to give a prospective employee a trial in the workplace, the current period of time is insufficient for those furthest from the labour market who may have been away from work for a significant period of time. The current provision of up to 3 weeks on Work Trial could be extended up to a maximum of 8 weeks based on client need and employer agreement. Principally this would enable the bedding in of the client into the workplace, removing the immediate concerns of benefit cut offs (within 3 weeks) and give employer and employee greater opportunity to establish a possible longer term arrangement. This employer / employee agreement would at the outset, in partnership with the LSC, develop a bolted on workforce development plan that would support retention and advancement beyond the 8 week period. It would further enable JCP with partners more effective management of the clients step away from benefits over a longer period, ensuring that any monetary or debt management strategies were in place prior to benefit end dates.

#### **Impact**

Building on the success of 3 week Work Trials this flexibility would;

- Bring more disadvantaged groups into the world of work,
- Would enhance and support the retention and advancement of hardest to reach groups,
- Enable better employer engagement and meet employer need, and better address the money / debt management issues so long associated with revolving door of benefits and work.

### 6.4 **Barrier 3:**

#### **Issue**

Currently there are insufficient interventions, programmes and incentives available to meet the employment rate targets for disadvantaged groups.

In order for the Consortium to most effectively utilise mainstream resources, provision and programmes there is a need in the DAF for more flexible eligibility criteria for our hardest to help groups regardless of benefit type, length of claim, part time workers or those on NMA.

## **Solution**

The Consortium will build on existing Retention and Progression measures for a larger programme of assistance to tackle the deep rooted problem of the revolving door experience of work and benefit. However, the recycling and reurning of some of our hardest to help clients is exacerbated by the sometimes restrictive eligibility criteria to enter or re-enter national programmes. An individual can be caught between programme eligibility and regulations which restrict personal advisers from making an early intervention that would make the difference based on the individual needs of that client. The Consortium requests early entry to all Employment Zone, New Deals etc based on the disadvantage faced by those living in the DAF wards.

## **Impact**

Early intervention and action would enable clients to have the full package of options to choose from, in agreement with their adviser, that fully supports their needs and more likely to lead to sustainable outcomes. The Consortium would welcome a package of support that has 'client choice' at its core rather than limited options based on time claiming benefit or previous unsuccessful provision or programmes. A 'Choices Package' based on need not on quotas will accelerate entry into the labour market and have improved chances of sustainability and improve the chances of moving more children out of poverty.

### **6.5 Tackling extreme market failure - Barriers 4 and 5**

Worklessness and very low skill levels are aspects of market failure which constrain economic growth, social inclusion and social justice and sustainable communities objectives in Liverpool and Merseyside. The severity of the challenge and the sheer scale require accelerated programmes of intervention to enable the area to make the most of the window of opportunity of medium term economic growth to start to erode the legacy of poverty and deprivation from the structural changes in the economy thirty years ago.

The Consortium seeks to do this through two principal means;

- Stretching existing resources through better synergies and added value generated by pooling and aligning funding streams, including European Social Fund – Barrier 4; and
- Accessing additional resources for the new retention and progression measures and greater volume of provision which the Pathfinder Programme needs for sustainable outcomes;

### **6.6 Barrier 4 – flexible use of funding including European Social Fund**

The Consortium seeks to better align and pool available funding. We welcome the introduction of the Disadvantaged Areas Fund which will provide the core of the wider body of aligned and pooled funding and other resources to drive our Programme. Whilst this will stretch the current resources base, the scale and severity of worklessness in the Merseyside DAF wards require a larger volume of interventions. Moreover, we will need to resource the new employer recruitment and retention and progression measures.

## **Solution**

To focus European Social Fund under the ring fenced Merseyside post Objective 1 Programme (2007-2013) through the Consortium, using DAF as match

funding, with eligibility criteria which enable the Consortium to use ESF to co-finance measures from the Pathfinder Delivery Plan.

Additionally, agreement is needed that other programmes which we seek to pool and align, such as the Northern way IB pilots, will form the body of match funding for an enhanced Pathfinder budget.

### **Impact**

The increased resources will enable the Consortium to deliver greater impact through a larger volume of measures in the DAF wards and to fund the new employer specified pre-employment provision and retention measures. Moreover, the mechanisms of co-financing and / or matching funding streams will help to ensure greater synergies and added value, stripping away any risk of duplication of activities.

## **6.7 Barrier 5: recycling benefit savings**

The introduction of European Social Fund into the funding mix will make it possible to support a greater number of people in the DAF wards. However, to accelerate the rate at which we can start to close the gaps yet faster we seek additional programme resources in the form of agreement to recycle a proportion of the benefit savings which will accrue from the successful placing of workless people in employment. This will provide a further incentive to partners to deliver a larger volume of measures and, on an invest to save principle, will make it possible for partners to finance further new and effective employability, retention and progression measures.

### **Solution**

The Consortium seeks to agree with HMT and DWP a sliding scale of 'returned benefit savings' based on achievement of sustainable outcomes and targets.

In the Financial year 03 / 04 the total amount of benefit paid across Merseyside was as follows;

- JSA £93,378,336
- IS 474,427,844
- IB 283,579,124.

It is clear that even a modest increase in the number of claimants would generate considerable savings for the public purse. Combined with the safeguarding of public investment in the regeneration areas such as the New Heartlands Pathfinder and in disadvantaged areas adjacent to areas of investment such as the Strategic Development Areas, Airport, Ports and city and town centres, the overall long term impacts could be significant. Moreover, they would provide the foundations for sustainable communities – including the eradication of child poverty, increasing social mobility and creating a larger, more skilled and flexible workforce - for the longer term.

However, the scale of the challenge needs to be supported by a resource base which is commensurate with the volume of interventions needed in Liverpool and Merseyside. We propose an approach which is based on investment in the medium term in order to secure long term public finance outcomes.

The agreed 're-cycled savings' would be a ring fenced controlled discretionary fund with agreed eligibility criteria attached to it that would be specifically targeted to further support the engagement, employability, retention and progression of priority groups to find, get and stay in work via a cocktail of financial support and measures including the flexibility to meet individual needs

to tackle the those barriers that current provision does not meet. For example this Discretionary Fund could provide run on benefits, in work support, skills advancement provision. For added impacts, it could be targeted just on SOAs where the worklessness rate is 40% +.

**Impact**

Achieving our aim of accelerating the employment rates of our most disadvantaged groups will be dependant on having all the tools available to enable more effective targeting, buying the optimum measures necessary whilst having the necessary resources to make the difference, not least a more long term approach to funding based on performance. An agreed enhanced performance reward grant structure would make it possible to deliver a programme on a scale which could make a real and lasting impact on the culture of worklessness in areas where up to 7 out of 10 working age adults are not in work.

**6.8 Barrier 6 Simplified target / reporting structures**

Partners have varied reporting structures with differing priorities, some of which are centrally driven. We are looking to invest activity in local priorities in order to increase the employment rate in areas furthest away from the aspirational 80% national employment rate. With this in mind, shared local targeting and reporting between consortium partners would allow focussed activity in areas of highest local need.

**Solution**

DWP, DfES, DCLG and consortium partners to agree a governance structure that will facilitate the adoption of shared targets and align reporting hierarchies. This will be a natural extension of the move to harmonise corporate plans in recent years and would provide a common reporting platform to support both individual LAAs and their aggregation in the form of a Metropolitan Area Agreement.

**Impact**

If resolved this will give all key partners substantially greater flexibility to direct resources and integrate customer services in response to locally identified needs. Shared local target setting and reporting mechanisms will allow the consortium to become more responsive to local needs in addressing the differing aspects of worklessness within localities. This will allow the consortium flexibility of activity in order to improve local employment rates.

**6.9 Barrier 7: Restriction on participation of Jobcentre Plus customers in essential work focused training**

**JSA** (non-New Deal) claimants are currently not allowed to participate in employment/training programmes for more than 16 hours per week. Job Seekers Allowance claimant rates have been increasing across Liverpool and Merseyside for the past 18 months. In part, this is a reflection of the increasing numbers of Accession County in-migrants registering for entry-level work in a number Local Authority Areas. This appears to be displacing existing low skilled workers and increasing the JSA rate. Additionally, as our initial analysis of the SOAs in the DAF wards shows, there are several concentrations of very high levels of worklessness (50-60%+) where a reduction in the number of JSA claimants would make a considerable impact on the culture of worklessness.

### **Solution**

The extension of training/learning from 16 hours would comprise additional intensive Jobsearch activities (mock interviews/interview preparation/job application/CV compilation etc) embedded into this provision. Existing provision will be targeted on clearly defined priority growth sectors with an evidenced labour demand and / or specific employers and in conjunction with sourced vacancies, thereby improving progression rates whilst enhancing employer engagement. Participants will be referred via the existing formal referral mechanisms between Jobcentre Plus and Nextstep providers, with eligibility clearly defined as those JSA claimants below level two qualified and requiring skills development to meet the needs of our labour market. Consortia funding to be utilised to support additional costs incurred whilst attending training and jobsearch provision (childcare/travel).

### **Impact**

If resolved, this enabling action is expected to increase take up of employment/training programmes for workless residents, providing them with skills appropriate to employer demand in specific growth sectors.

#### **6.10 Barrier 8: Clarification of ability of consortium to promote volunteering onto Pathways to Work and to fund additional Pathways to Work provision to accommodate this.**

Providers are currently unable to promote long-term Incapacity Benefit claimants volunteering onto Pathways to Work as provision is limited.

### **Solution**

The consortium requests clarification of the ability to promote volunteering onto Pathways to Work for long-term IB claimants and the ability to purchase additional Pathways to Work provision e.g. Condition Management Programme and Return to Work Credit to enable more IB claimants to access the programme.

### **Impact**

As a result of the success of the Pathways to Work pilots, DWP have proposed to roll the programme out across the country by 2008. The consortium would like the flexibility to build upon the Pathways infrastructure already in place by funding additional capacity within the programme. This will have the impact of increasing the volume of claimants entering Pathways to Work whilst maintaining the high job outcome rate thus increasing the reduction in Incapacity Benefit claimants across the consortium area. As a result JSA rates within the consortium area are expected to stabilise and then fall.

#### **6.11 Barrier 9: Lack of flexibility to allocate LSC budgets according to local needs**

Whilst the LSC's priorities are to increase the number of people achieving qualifications there are currently restrictions on the amount of LSC's budget that can be allocated to provision that does not lead to accredited qualifications. However, a substantial proportion of our residents will not access or achieve full qualifications. In some instances the best way of moving from inactivity to volunteering, training or employment is to provide alternative non-accredited provision.

### **Solution**

To have the flexibility to determine locally commissioned provision that sits outside of the qualification framework.

### **Impact**

Providing an increased number of opportunities for disadvantaged residents that will raise skills levels to meet employer demand particularly in growth sectors.

## **7 What will your consortium achieve for its target groups, over and above existing targets? Please briefly explain how you have arrived at these targets. Who will be accountable for their achievement?**

- 7.1 At this early stage of development of the Consortium's proposals it is not possible to set out precise targets. One of the reasons for this is the very different performance measurement systems in place across the participating areas and partners. For example, the Liverpool Strategic Employment Partnership operates a Joint Single Targeting Framework which captures all operational targets, mainstream and 'additional', and monitors performance in a way which makes it possible to relate programme resources and outcomes with impacts on the city's employment rate. Similar methodologies are in use in other areas but the differences of approach are such that it is not possible to aggregate baselines, performance data and trajectories into a single model at this stage.
- 7.2 The Consortium will develop detailed targets through the Delivery Plan process, taking into account the resources available to the Pathfinder, both through the DAF and related European Social Fund and through the pooling and alignment of other funding regimes and programmes. However, the following principles will apply;
- 7.3 The Consortium will develop a single targeting framework which will operate at several spatial levels;
- **Merseyside** – aggregating all the outcomes for the Pathfinder, both for the targeted geographies and the key priority groups
  - **The two JCP Districts** – linked into their annual business plans
  - **The six local authority districts** – arising from their Local Area Agreement 4th block action plans and targets, and within these, the **DAF wards** – arising from the neighbourhood action plans which will form the building blocks of the Pathfinder programme
- 7.4 The targets will take as their starting position the combined JCP Outcome Targets for the two years of the Pathfinder and seek to stretch performance over and above these levels. For example, the combined Outcome Targets for the two Districts in 2006/07 total some 66,500 job entries.

- 7.5 In crude terms, a 5% stretch to be achieved via the Pathfinder would add 3,325 people placed in jobs during the year. However, taking into account the fact that the DAF wards represent some 60% of all Merseyside claimants, and assuming that the basic resource base of the Programme might be sufficient to place some 2,500 people into jobs, the Consortium would seek to stretch the performance of public programmes and services in these areas by up to 6%. (This is estimated as 2,500 extra job entries in the DAF wards where the pro-rata Job Outcome Targets would be 60% of 66,500, or 39,900.)
- 7.6 The actual stretch agreed in the Delivery Plan will be dependant on a number of factors including Partners' view of the volume of additional activity which can be supported by pooling and aligning available resources and achieved through the menu of interventions and delivery mechanisms across the participating areas.
- 7.7 The distribution of the Consortium's 'additional' targets will also reflect the specific targets which partners will set for the DAF wards, and indeed for the targeted Lower Super Output Areas as well as for the specific priority groups. These will be encapsulated in the 4<sup>th</sup> Block of each Local Area Agreement, adding to existing proposals in a way which demonstrates the specific added value which the Consortium will bring.
- 7.8 The range and nature of the Consortium's targets will by no means be restricted to job entries but will cover the key interventions within the delivery Plan. For example, these will include targets and outcomes in relation to;
- numbers of employers engaged and supported in relation to (a) recruitment, (b) retention and (c) work based up-skilling;
  - numbers of workless people (by DAF wards and key priority groups) (a) placed in jobs **and** supported by retention measures **and** undertaking work based training;
- 7.9 The Delivery Plan, supported by the LAA 4<sup>th</sup> Block plans, will set out agreed partner responsibilities and accountabilities for delivery. Within the Delivery Plan this will be at two main key spatial levels;
- (i) **Merseyside** - since the Delivery Plan will identify specific programme activities which necessarily will operate at this level and Consortium Partners will commit themselves to specific inputs to the common, cross border and cross-institutional strategy;
  - (ii) **Individual local Authority / LSP** – in respect of the specific objectives, targets and outcomes which LSP partners commit themselves to through the LAA;
- 7.10 The Consortium will devise a specific form of Agreement which brings together the relevant LAA plans into the Delivery Plan. To support this it will also develop a joint single targeting framework for all the key partner programme inputs.

## **8 Please outline a robust system for tracking performance against your consortium's targets.**

- 8.1 The need for precise, timely and relevant management information has been identified by Partners as a key ingredient of this joint venture. The development and up-keep of such a joint system will be one of the early joint operational actions by the Consortium Board, supported by the enhanced joint labour market intelligence system.
- 8.2 The DWP GIS system will be a central component. Partners will need to have access to this for planning, targeting and monitoring purposes. Supplementing the GIS system, the Consortium will establish a programme management and monitoring tool which is able to capture the specific activities which will be funded by DAF (and related resources such as ESF) as well as feeding in targets and outcomes from the whole raft of programmes and services which will support the Delivery Plan. Local Authorities and indeed some of the private sector partners delivering active labour market programmes in the areas deploy a number of dedicated programme information systems. The Consortium will agree on the most appropriate arrangements for supporting the 2 year Pathfinder Programme. An important consideration will be to make use of systems which are already in use in order to reduce gearing up time.
- 8.3 In addition to programme management and monitoring needs, one of the specific challenges which Partners have identified is the need for an effective programme client tracking system which can provide effective analysis of the characteristics and needs of the client as well as progression through the menu of interventions. In particular, there is a dearth of information about key priority groups such as workless people from BRM communities which is a major constraint on the planning and targeting of employability and skills measures. This will form part of the Consortium's overall management information framework.
- 8.4 Building on best practice, the Consortium will use the performance management system – and related joint labour market intelligence - for the following purposes;
- (i) To report to the Consortium Board (and Local Strategic Partnerships) on performance against target at all the key spatial levels, to support the management of the Delivery Plan, programme review and the planning of new activities;
  - (i) Programme bulletins for all partners and stakeholders to provide essential information about changes on the ground to inform local targeting and activity;
  - (ii) Labour market intelligence bulletins to alert partners to changes in demand;
  - (iii) Newsletters for participating employers to support sharing of best practice and to enable business champions to promote the Pathfinder;

- (iv) On-going capture of key lessons and best practice for delivery partners, as part of the Consortium’s objective of smarter collective working and move towards the harmonisation of the most effective approaches across the conurbation;
- (v) Regular reports and ‘key issues’ reports to DWP, DfES, DCLG and HMT on progress, to highlight policy issues for on-going dialogue between the Consortium and Whitehall;
- (vi) Public accountability – to report to the Merseyside Leaders’ Group on overall progress and key policy issues;

## 9 What will be the impact of your proposal on the wider LAA (or LAAs) - or equivalent - and other existing employment and skills strategies or initiatives?

- 9.1 The Pathfinder will directly support the following strategic frameworks;
- The Northern Way Growth Strategy’s employment and skills objectives (C1 and C5);
  - The Regional Skills Partnership and Strategy, through its focus on sectoral and occupational priorities; [LSC please help here]
  - The North West Regional Economic Strategy, and in particular the following transformational priorities;

RES Transformation Actions	RES analysis
<b>54</b> Capitalise on the strengths and key assets of the cities of (Manchester), Liverpool (and Preston) as key drivers of city regional growth.	These 3 cities have major strengths and their success is essential to city regional growth, the potential of which is being further explored in the City-Region Development Programmes.
<b>26</b> Deliver the basic skills required by employers for those individuals without qualifications with emphasis on the districts of Liverpool, (Manchester), Knowsley.... St Helens... Halton	All sectors report lack of employability skills as a major barrier to growth. The districts listed here have the highest rates of working age population without qualifications.
<b>27</b> Deliver the skills required by the priority sectors including... energy and environmental technologies, advanced engineering and materials, digital and creative industries, business and professional services	Developing appropriate skills for priority sectors is essential to support growth
<b>29</b> Deliver the skills to maximise the economic impact of key growth opportunities including: <ul style="list-style-type: none"> <li>- Liverpool European Capital of Culture</li> <li>- Ports / Airport – skills to support the growth of these regional assets</li> <li>- Strategic regional sites – skills to link local people, many in deprived areas, to new employment sites</li> </ul>	Exploiting growth including supply chain opportunities will be crucial to the future of the region. Appropriate skills be essential to future growth.

<p><b>31</b> Develop skills in the current workforce focused on:</p> <ul style="list-style-type: none"> <li>- Intermediate level skills, including stimulating employer investment and the further development of apprenticeships;</li> <li>- Higher level skills; including further development of foundation degrees;</li> <li>- Linkages to backfill vacancies created as people progress to higher level jobs from workless people</li> </ul>	<p>Intermediate and higher level skills for knowledge economy jobs are key drivers of productivity, economic growth and GVA. Skills need developing in the existing workforce, including vocational progression routes into HE aligned to sectoral priorities. This will also ease recruitment and congestion (as employers are recruiting from ever greater distances.) Linkages to workless people will help tackle worklessness.</p>
<p><b>37</b> Develop educational attainment, vocational and workplace learning opportunities, progression routes between school / FE / HE and high quality careers information, focused on the skills of 14-19 year olds.</p>	<p>Ensures young people are getting the skills they need to work and to progress to HE, securing the future workforce. Key issues include areas of low achievement at 16 and development / delivery of area learner entitlements.</p>
<p><b>87</b> Set Housing Market Renewal within a strong economic context and ensure key strategies and investment plans align with HMR priorities.</p>	<p>Ensure Pathfinders not only regenerate housing but achieve economic renewal of areas.</p>
<p><b>43</b> Deliver support to improve peoples' prospects of getting a job and reduce the high level of Incapacity Benefit claimants focused on:</p> <ul style="list-style-type: none"> <li>- HMR and URC areas</li> <li>- Halton and Knowsley</li> </ul>	<p>These areas have the lowest employment rates so maximum impact can be made. Key issues include delivery of enhanced Pathways to Work (Northern Way) and evaluation of the most effective ways of tackling worklessness.</p>

- The Liverpool City Region Development Plan – the original source of the analysis and proposals underpinning this Expression of Interest, more recently up-dated in the draft City Region Business Case;
- The draft Merseyside Sub-Regional Action Plan;
- The GM Learning and Skills Council Annual Business Plan;

9.2 Specifically, Partners involved in this Expression of Interest are clear that the purpose of the Consortium is to add value to existing strategic and programme frameworks in the following ways;

- To consolidate and extend yet further the employer and demand led approaches to employment and workforce development by considerable increasing employer engagement. In terms of the public sector offer, deliver a more integrated recruitment and workforce development support package to employers;
- To fill gaps in the current raft of programmes and initiatives, and in particular in relation to the targeting of the areas of highest worklessness and in terms of integrating skills and active labour market measures with investment in regeneration, housing and local infrastructure and local neighbourhood renewal and neighbourhood service delivery;
- To trial new approaches, including the '**engagement, intervention, retention**' continuum, tailored to specific business needs and

opportunities and to consolidate the process of building economically sustainable, skilled working communities;

- To strengthen connections between employers and key sectors and the most disadvantaged areas through the development of an end-to-end labour and skills supply chain;
- To provide an overarching joint strategic vision, framework of principles and outcomes and standards for Merseyside – as the basis for delivery strategies and programmes in the participating local authority districts to be determined by their LSPs;
- For smarter collective working. The Consortium will pool capacities for a more robust body of common resources such as better labour market intelligence, monitoring and evaluation, closer working relationships with key industrial sectors and major employers who operate across local authority (and institutional) boundaries;

## **10 How will governance arrangements need to change to accommodate and support new ways of working under your consortium? How will this fit with and relate to existing regional or local structures?**

**10.1** The Consortium will form part of the sub-regional partnership family, feeding into The Mersey Partnership (which is the sub-regional economic partnership). This structure is part of the North West Regional Development Agency's strategic and delivery structure, thereby ensuring that the Consortium is properly aligned with and feeds directly into the Regional Economic Strategy.

**10.2** Additionally, the Consortium will form part of the well established and mature framework of co-operation between the Merseyside Local Authorities, effectively forming a dedicated skills and employment partnership for the sub-region. Through the vehicle of the Sub Regional Partnership and the Joint Merseyside Local Authority fora – including the Chief Executives' and Leaders' Groups – the Consortium will also have direct strategic links with other sub-regional structures and networks. This will support key links with issues such as transport (via Merseytravel), housing and spatial planning.

**10.3** In relation to operational links, the Consortium will work closely with a number of sub-regional or cross-border organisations such as the Merseyside Employer Coalition (who will also be a Board Member), the New Heartlands Housing Market Renewal Pathfinder and the Mersey Waterfront Regional Park, whose investment and development programme is one of the sources of new jobs during the lifetime of the Consortium.

**10.4** It will also feed into the proposed city region skills and employment partnership, the planning of which is under discussion by partners across

the wider travel to work area. When established, this will help to connect the DAF wards with a wider range of employment opportunities across the travel to work area.

- 10.5** New governance arrangements will be needed to;
- Formalise the relationship between the 6 local authorities and their LSPs and the overarching Consortium Board, underpinned by some form of Metropolitan Area Agreement, as already mentioned in this submission;
  - Establish public accountability arrangements to ensure that the Pathfinder can be the subject of democratic scrutiny. It is expected that this will be via the existing Merseyside Local Authorities' Leaders' Group;
- 10.6** Additionally partners want to ensure a continuing relationship between the Consortium and Central Government, in the form of a joint working group during the lifetime of the Pathfinder. The establishment of this special relationship will be one of the issues for further discussion with DWP in the course of the development of the Delivery Plan.
-

## APPENDIX 1 – COVERAGE OF DAF WARDS

LOCAL AUTHORITY DISTRICT	Ward	Working Age Population	Total IS/IB/JSA Customers	% WA Population
Wirral	Bidston	5,953	3,195	53.67
Wirral	Birkenhead	7,871	3,951	50.20
Wirral	Tranmere	6,701	3,127	46.66
Wirral	Seacombe	8,827	3,466	39.27
Wirral	Leasowe	7,272	2,581	35.49
Wirral	Egerton	7,963	2,738	34.38
		<b>44,587</b>	<b>19,058</b>	
St. Helens	Parr and Hardshaw	4,398	2,060	46.84
St. Helens	Broad Oak	5,411	1,955	36.13
St. Helens	West Sutton	5,279	1,895	35.90
St. Helens	Queen's Park	5,167	1,845	35.71
St. Helens	Marshalls Cross	4,639	1,380	29.75
		<b>24,894</b>	<b>9,135</b>	
Sefton	Linacre	7,480	4,155	55.55
Sefton	Derby	7,049	2,525	35.82
Sefton	Litherland	6,941	2,320	33.42
Sefton	St Oswald	7,593	2,450	32.27
Sefton	Ford	7,021	2,195	31.26
Sefton	Netherton and Orrell	7,122	2,180	30.61
		<b>43,206</b>	<b>15,825</b>	
Liverpool	Smithdown	7,305	4,553	62.33
Liverpool	Vauxhall	3,993	2,388	59.80
Liverpool	Everton	5,261	3,078	58.51
Liverpool	Abercromby	8,891	5,136	57.77
Liverpool	Breckfield	6,364	3,507	55.11
Liverpool	Speke	5,081	2,720	53.53
Liverpool	Picton	9,628	5,044	52.39
Liverpool	Clubmoor	7,518	3,785	50.35
Liverpool	Pirrie	7,469	3,750	50.21
Liverpool	Netherley	4,774	2,306	48.30
Liverpool	Granby	6,790	3,270	48.16
Liverpool	Dovecot	8,062	3,699	45.88
Liverpool	St. Mary's	7,224	3,240	44.85
Liverpool	Dingle	8,433	3,694	43.80
Liverpool	Tuebrook	9,102	3,896	42.80
Liverpool	County	8,455	3,587	42.42
Liverpool	Valley	5,657	2,387	42.20
Liverpool	Anfield	8,327	3,468	41.65
Liverpool	Broadgreen	8,581	3,356	39.11
Liverpool	Old Swan	7,675	2,861	37.28
Liverpool	Kensington	8,250	3,018	36.58
Liverpool	Warbreck	11,727	4,285	36.54
Liverpool	Melrose	7,616	2,208	28.99
		<b>172,183</b>	<b>79,236</b>	

Knowsley	Princess	3,161	2,015	63.75
Knowsley	Longview	3,189	1,905	59.74
Knowsley	Cantril Farm	2,629	1,540	58.58
Knowsley	Cherryfield	3,252	1,720	52.89
Knowsley	Kirkby Central	3,537	1,830	51.74
Knowsley	Northwood	2,655	1,360	51.22
Knowsley	Halewood West	3,127	1,255	40.13
Knowsley	St. Michaels	3,238	1,270	39.22
Knowsley	St. Gabriels	3,270	1,240	37.92
Knowsley	Tower Hill	5,674	2,130	37.54
Knowsley	Halewood South	3,379	1,250	36.99
Knowsley	Whitefield	4,446	1,610	36.21
Knowsley	Page Moss	4,015	1,385	34.50
Knowsley	Park	4,208	1,385	32.91
Knowsley	Knowsley Park	3,741	1,220	32.61
Knowsley	Prescot East	3,586	1,080	30.12
		57,107	24,195	
Halton	Windmill Hill	1,441	770	53.44
Halton	Castlefields	4,033	1,720	42.65
Halton	Halton Lea	3,803	1,515	39.84
Halton	Riverside	2,797	995	35.57
Halton	Grange	3,866	1,185	30.65
Halton	Kingsway	3,538	1,080	30.53

**19,478                      7,265**

**Totals    361,455                      154,714**

