

Report to:	TOURISM ECONOMY AND RESOURCES SCRUTINY COMMITTEE
Relevant Officer:	Peter Legg, Head of Economic and Cultural Services Mike Taplin, Head of Adult Learning/Senior Programme Manager (Opportunity Areas)
Date of Meeting	13 December 2017

ENTERPRISE, SKILLS AND ECONOMIC INCLUSION

1.0 Purpose of the report:

- 1.1 To update the Committee on the latest developments attributable to the theme of Enterprise, Skills, and Economic Inclusion, providing context to the accompanying performance report.
- 1.2. This report covers services and activities derived from the Economic Development and Adult Community Learning Departments, with reference to other corporate and national initiatives where relevant.

2.0 Recommendation(s):

- 2.1 To note the report and consider any areas where the Scrutiny Committee may require further information within this broad theme.

3.0 Reasons for recommendation(s):

- 3.1 The report provides contextual information to accompany the Council Plan performance report for Q2 2017-2018.
- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No
- 3.2b Is the recommendation in accordance with the Council's approved budget? Yes
- 3.3 Other alternative options to be considered:
Not applicable.

4.0 Council Priority:

- 4.1 The relevant Council Priority is “The economy: Maximising growth and opportunity across Blackpool”.

5.0 Background Information

- 5.1 The Committee is provided with headline key performance indicator information derived from the Council Plan Performance Report for Q2 2017-2018, broadly relating to the theme of enterprise skills and economic inclusion. This qualitative report aims to add some flavour to the numbers to inform members of the scale and range of initiatives being undertaken in support of local residents, where the Council is actively involved in direct delivery or co-delivery of projects or services.

- 5.2 The two lead departments within the Place Directorate which are relevant to the above are Economic Development and Adult Community Learning. Recently Economic Development and Cultural Services combined so there is a growing appetite to explore where co-delivery of services can be achieved against common objectives such as support to jobseekers and entrepreneurs. Adult Community Learning now sits within the Place Directorate and continues to deliver a wide range of basic skills support (for residents aged 19+) within library and other settings including in support of back to work and health programmes. The Head of ACL has a split role as he also leads on Blackpool as a Social Mobility Opportunity Area (focus on pre 19).

- 5.3 In short, these adult focussed services have much in common and often align provision to provide a package of support to residents e.g. specialist employment advice alongside basic skills training. Sitting within the Place Directorate, tasked with driving forward regeneration, these services benefit from local links with employers as well as an insight into new investment and growth opportunities, resulting job creation and other social value opportunities (apprenticeships, work placements).

5.4 Enterprise

- 5.4.1 In terms of **enterprise** the Council’s Get Started service has assisted 34 starts to the end of September, and, to the end of November cumulative starts are now 49 and back on target (annual target 75). There is always some in-year volatility, for example, the number of starts in October and November 2017 (15) is almost double those achieved in the whole of Q3 2016/2017 (8). It is worth noting that the number of people attending first meetings in Q1 and Q2 is slightly down from 150 in 2016/2017 to 143 in 2017/2018, with a greater fall to the end of November 2017 with cumulatively 168 attending compared with 185 in 2016/2017 (-9%).

- 5.4.2 Statistics from Banksearch (a national business information provider) indicate that overall new business starts in Blackpool are down 14% in Q1/Q2 comparing 2017/2018 with 2016/2017. Get Started's performance is marginally better than this. Get Started as a whole is a decade old having been established under the former Local Enterprise Growth Initiative of 2007-2011. To the end of November 2017, 1127 new businesses have been assisted to start trading in this era of support.
- 5.4.3 At the end of September 2017, the 12 month survival rate for businesses directly assisted to start up was 94.4% (target 90%). The team continues to engage with young businesses in the crucial first three years of trading. This includes a mixture of workshops and 1-2-1 advice, provided to 40 businesses to the end of September (annual target 75); 136 workshop places in total as businesses attend more than one session. Workshop subjects included marketing, developing your on-line presence and financial management.
- 5.4.4 A survey was carried out with Blackpool businesses between April and June 2017. In total, 717 surveys were returned, (a response rate of 11%), giving a robust sample to reflect the views of businesses in the town. The research was carried out by the Council's in-house Infusion Research team. The aim of the survey was to provide data on current and future economic performance and practices especially for growth businesses, across a range of themes, including: business make-up and performance, local trading environment and satisfaction, business needs and future intentions, drivers and barriers to growth - including access to finance, recruitment, skills, innovation and technology and awareness and use of business support services. The results are being used to shape future services provided by the Business Support Team, and are available for use by other departments. An Executive Summary is available.
- 5.4.5 The team also manages serviced office space at Blackpool Enterprise Centre on Lytham Road (31 offices) and FYCreatives on Church St (16 offices). Occupancy at both locations was 100% at the end of September and the end of November 2017. The income achieved by maintaining high levels of occupancy in the buildings is important as it supplements (or conversely limits) the budget available for the Business Support Team to deliver initiatives such as the Enterprise Week detailed below. Achieving high occupancy levels relies on being a pro-active landlord which is more than just keeping the place clean and modern looking, but excellent customer care and understanding of the growth ambitions of businesses, connecting them to relevant support at the right time, whether Council or partner led.
- 5.4.6 More recently, the Business Support Team held *Blackpool Enterprise Week* during 13-17 November 2017. The week included 11 events, covering key business topics at venues across the resort, aimed to enthuse and inspire business start-ups and established companies. Highlights included two very well attended events at the Winter Gardens, Funding and Business Support (65 attendees) and the Sales

Masterclass (86 attendees). Several workshops were provided free by local business support partners providing variety to the week. Overall more than 300 workshop places were filled, an increase of 25% on 2016. The team utilises its social media platform, Blackpoolunlimited.com, to help promote events, showcase positive news and alert local businesses to procurement and other opportunities (in conjunction with BBLG). Lesley Crowe, Marketing and Office Manager in Blackpool Council's Business Support Team, recently won the Business Support Award 2017 in the prestigious Women in Business Awards hosted by Downtown in Business Lancashire.

5.4.7 The team also works closely with the Growth and Prosperity Team especially with businesses looking to invest in or relocate to the Blackpool Airport Enterprise Zone.

5.4.8 Early in the New Year the team will be launching the *Quality Corridors Property Improvement Fund* offering circa £1m in commercial capital grants to improve business frontages within the town centre and to lever associated investment, complementing planned public realm works.

5.4.9 In terms of policy development, the government's recently published *Industrial Strategy* is relevant as one of its five foundations of productivity is business environment – creating the best place to start and grow a business. Blackpool aspires to achieve that ambition.

5.5 Skills

5.5.1 Two indicators are referenced in the performance report related to Adult Community Learning:-

5.5.2 ***Percentage of adults progressing into education training, employment or volunteering on completing employability courses*** - employability courses are designed in consultation with Job Centre Plus to meet the needs of adults who are out of work. These include *Opening Doors* (for job seekers) and *Forward Steps* (for those furthest away from the job market). Courses are provided at Central Library, opposite the main Job Centre Plus office. Courses are also provided at HealthWorks as part of the one stop shop support for users of the centre. The performance is based on the tracking of 245 learners.

5.5.3 **Percentage of learners reporting courses had a positive impact on their lives** – a primary aim of Adult Learning courses is to build resilience in line with Council priorities, measuring confidence gained from the course is used as a proxy for resilience. In 2016/2017, this was a self-reporting measure based on a questionnaire completed at the end of the course. In September 2017, the service introduced a Confidence Wheel to provide a distance travelled measure. Whilst it is early days, 80% of learners to date showed an improvement in confidence using the new measuring tool.

5.5.4 ACL has a number of priority curriculum areas including:

- Basic Skills (English, Maths, Digital, Financial)
- Employability Skills – a Pathway To Work
- Life skills (including emotional well-being, volunteering)
- Family Learning

5.5.5 Priority groups are as follows:

- Adults in the top 30% Lower Super Output Areas
- Unemployed – on out of work benefits, more chaotic vulnerable long term, building up hours of work
- Low – moderate mental health needs
- Learning disabilities
- Homeless
- Domestic Abuse victims
- Vulnerable Families in Children’s Centres, Schools and other community settings

Please note as an education service, the reporting year is based on an academic year September – August.

5.5.6 In July 2017, the service was judged as “Requires Improvement” in an Ofsted Inspection. In brief, the vast majority of courses do not lead to a formal qualification and the Inspection framework expects to see evidence of a more robust quality assurance framework against defined standards when courses do not lead to qualifications. The service has immediately responded by putting in place a Post Inspection Action Plan which includes a re-defining of standards for courses and more robust quality assurance systems to continually improve performance against these standards. An Ofsted Inspector visited Blackpool Adult Learning 15th November 2017 for a Support and Challenge visit. The visit confirmed the service is where it needs to be at this early stage. The service is likely to be re-inspected in the academic year 2018/2019.

5.5.7 There are other forms of upskilling provision aimed at adults both out of and in work, commissioned locally and by sub-region by Jobcentre Plus, the Skills Funding Agency or National Apprenticeship Service. It is not intended to cover the impact of these in this report.

5.6 **Economic Inclusion**

5.6.1 The two key employment related indicators referred to in the report concern the numbers of unemployed residents being referred to and supported by Positive Steps into Work (this includes a wide range of employment-related provision) and numbers

supported into employment. Both these are broadly as expected at the end of Q2 based on the level of programmes running at present and where they are in their delivery life cycle.

5.6.2 At the end of May, the Council officially opened its HealthWorks facility, housing a series of integrated work, health and skills provision aimed at improving both employment and health outcomes. This has dramatically improved the environment in which support is provided for both staff and customers (including local businesses).

5.6.3 HealthWorks brings together provision under one roof, but works in partnership with a wide range of partners including work based skills providers, adult learning, welfare benefits, careers providers, Jobcentre Plus, CCG. Blackpool Teaching Hospitals Trust, and third sector organisations such as N-Compass.

5.6.4 The main programmes currently running include:

Service	Referral	Eligibility
Work Programme	Jobcentre Plus	16+ Unemployed (usually 12mth+)
Mental Health & Employment Trailblazer	Supporting Minds Jobcentre Plus	18+ Unemployed IAPT caseness (anxiety/depression score)
Healthy Lifestyles	Various/self	16+ Blackpool residents/registered with GP
Healthy Futures (Recovery)	Drug & Alcohol Recovery Services	Unemployed/D & A Recovery
Journey2Work	As above	16+ unemployed
Healthy Futures (Hsing/Transience)	Housing Options/People's Team	16+ unemployed – Hsg Options client or live in Selective Licensing Areas
Chance2Shine	In-house programmes (incl Project Search)	Unemployed
Domestic Abuse Pilot	BFW Women's Refuges	16+ DA plus mental health or D&A/ complex needs
Get Started	Various (incl in-house programmes)	Unemployed (also support employed)
Redundancy (Council)	Council HR	Staff at risk or under notice

5.6.5 The team is attuned to policy developments such as the *Work, Health and Disability Green Paper* published last year (which cites the mental health trailblazers) and Dame Carol Black's independent review into the impact on employment outcomes of drug or alcohol addiction, and obesity.

5.6.6 This retains focus on areas of continuous professional development as well as an eye on delivery opportunities. For instance, Dame Carol Black's recommended integrating a model of employment advice called Individual Placement and Support (IPS) with drug and alcohol therapy and this has been taken up by Public Health

England (PHE). The Council has been successful in a bid to Public Health England, as we deliver Individual Placement and Support within the mental health and employment trial, and have significant experience of providing employment advice to clients with drug and alcohol dependency through our *Healthy Futures* project. Blackpool is one of only seven areas in England to carry out this trial. The Individual Placement and Support model, which seeks to provide employment advice up-front and alongside treatment rather than at the end, is now being rolled out widely by the government's Work and Health Unit, together with new trials by Public Health England.

5.6.7 Again it is worth noting that HealthWorks does not operate in a vacuum. There is actually a lot of provision at present fuelled by residual European Funds matched by the Big Lottery, Department of Work and Pensions and the Skills Funding Agency. There are also other providers other than the Council. Closer to home, Blackpool Coastal Housing has been successful in securing European Funds through the *More Positive Together* project to assist social and private housing tenants some way off being employable, and have formed their own delivery team. The successor to the *Work Programme* is the *Work and Health Programme* – the Council was not successful in being awarded a sub contract opportunity under this programme but there will be collaboration with the new provider.

5.7 In summary, the range of programmes directly delivered by the Council is significant but can expand or contract depending on funding and the project delivery lifecycle. The Council has extensive expertise in this area of work, both Positive Steps and Get Started are a decade old now. Adult Learning supports over 3,000 learners a year and is a vital community service. More sophisticated integrated delivery is crucial if enhanced health, skills and employment outcomes are to be achieved. Evaluation of impact is still pending for some programmes such as the mental health trailblazer which is still live, and the Individual Placement and Support Dependency Trial yet to commence in April 2018.

Does the information submitted include any exempt information?

No

List of Appendices:

None

6.0 Legal considerations:

6.1 None.

7.0 Human Resources considerations:

7.1 Core funded services tend to employ permanent staff whereas externally funded or sub contract delivery results in temporary employment contracts. This can have

implications in terms of recruiting suitably qualified staff given the time limited nature of contracts, as well as difficulties in retaining high performing staff who look for permanent opportunities elsewhere. This is not new and is managed to ensure staff are given the opportunity to apply to work on other contracts as they arise. The Council has to deliver against contracts, especially commercial sub contract arrangements, or contracts can be cancelled and relevant staff made redundant. Thankfully, to date, we have not had a contract cancelled yet as a result of under-performance. Similarly, the way in which the Council receives funding for ACL provision could change in the future as this is not core funded.

- 7.2 The working conditions have significantly improved in the last year for staff now working out of the renovated HealthWorks facility, previously in cramped surroundings at Market Street.

8.0 Equalities considerations:

- 8.1 There is no equality considerations specifically related to this report.

9.0 Financial considerations:

- 9.1 As stated in the report, the level of core funding supporting the services above is minimal as they are heavily reliant on external funding or contract delivery. Business Support is core funded in the main, with additional rental income. Collectively, the Council has to be alert to funding opportunities in order to retain, expand or change ways of working, and as such the Council's level of influence around targeting is limited. Every funding bid is approved by the Corporate Leadership Team to ensure it meets a Council priority, as well as taking in to account match funding considerations.

10.0 Risk management considerations:

- 10.1 None.

11.0 Ethical considerations:

- 11.1 Each of these services directly contribute to the Council's ethical values and beliefs. They support many of the most disadvantaged and economically excluded members of our town: people experiencing long term unemployment; people with a number of limiting health conditions such as anxiety and stress, and alcohol and drug dependency. In addition basic skills deficiencies place people in invidious circumstances, unable to meet employer needs, struggling to manage the digital demands of claiming welfare, and other family commitments such as assisting children with their own education needs.

12.0 Internal/ External Consultation undertaken:

12.1 None.

13.0 Background papers:

- 13.1
- Blackpool Business Survey, June 2017, Blackpool Council/in:fusion.
 - Industrial Strategy Building a Britain fit for the future, Nov 17, HMG (White Paper)
 - Improving Lives: The Work, Health and Disability Green Paper, Work and Health Unit, Oct 2016
 - An Independent Review into the impact on employment outcomes of drug or alcohol addiction, and obesity. Dame Carol Black, Dec 2016.