


REPORT TO ECONOMY, SKILLS, TRANSPORT AND ENVIRONMENT SCRUTINY BOARD

15 March 2018

Subject:	Employability and Skills
Cabinet Portfolio:	Councillor Paul Moore - Cabinet Member for Regeneration and Economic Investment
Director:	Director – Education, Skills and Employment – Chris Ward
Contribution towards Vision 2030:	
Contact Officer(s):	Kelly Thomas – Employment and Skills Manager – kelly_thomas@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Economy, Skills, Transport and Environment Scrutiny Board:

1. Consider the following, which is summarised herein:
 - To provide data and a summary of the current position in Sandwell relating to Employability and Skills including apprenticeships and employment figures for Sandwell.
 - To include a statistical update on the current position of the Council's apprenticeship levy programme.
2. Make any comments and recommendations as necessary.

1 PURPOSE OF THE REPORT

- 1.1 To provide data and a summary of the current position in Sandwell relating to Employability and Skills including apprenticeships and employment figures for Sandwell.
- 1.2 To provide a statistical update on the Council's apprenticeship levy programme.

2 **IMPLICATIONS FOR SANDWELL'S VISION**

2.1 3. Our workforce and young people are skilled and talented, geared up to respond to changing business needs and to win rewarding jobs in a growing economy.

1. Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.

3 **BACKGROUND AND MAIN CONSIDERATIONS**

3.1 Data has been provided based on the current statistics for employment and skills in Sandwell. It is not possible to provide a time series of data to identify trends due to significant changes within the welfare sector and benefit categories.

3.2 Universal credit in Sandwell has been delayed until November 2018, however some Sandwell households are already in receipt of live service. The figures below do not take into account households who have already transferred to Universal credit.

3.3 The information provided for the Apprenticeship Levy is based on Sandwell Councils performance and does not represent all apprenticeship levy payers in Sandwell.

4 **THE CURRENT POSITION**

4.1 The number of workless households in Sandwell has begun to decline over recent years but there are still more than one in five of households that do not have a working age person in employment. Almost a quarter of Sandwell's children are living in households where there is no one in employment. This is more than 10% more than the West Midlands and Great Britain.

	Sandwell	West Midlands	Great Britain
Number of workless households	21,900	291,300	3,043,300
Percentage of households that are workless	22.6	16.4	15.1
Number of children in workless households	16,900	151,500	1,353,400
Percentage of children who are households that are workless	24.1	13.7	11.4

Source: Office for National Statistics (ONS) annual population survey – households by combined economic activity status. Children refers to people aged under 16.

The total number of claimants within the Sandwell area is steadily reducing with 12.4% on an out of work benefit. This is testament to the intensive work that is taking place with people who are currently unemployed. It is important to not however that although the main roll out of Universal Credit (UC) will take place for Sandwell in November 2018, some new claimants have already been signed up to UC and are not captured in the figures.

Working age client group – main benefit claimants – not seasonally adjusted (November 2016)

	Sandwell (numbers)	Sandwell %	West Midlands %	Great Britain %
Total Claimants	32,380	16.0	12.2	11.0
Main out of work benefits	24,960	12.4	9.3	8.4

Source: DWP benefit claimants – working age client group. Main benefits include job seekers, Employment Support Allowance and incapacity benefits, lone parents and others on income related benefits.

The number of qualifications within the borough remains much lower than those of the West Midlands and Great Britain. In recent years the number of people with no qualifications has risen to nearly a quarter of the working age population. This could be caused by migrants to the area with no qualifications which bring the figures down. It is also due to Sandwell residents gaining qualifications and moving out of the area to areas of greater opportunities.

Qualifications (Jan 2016 – Dec 2016)

	Sandwell (number)	Sandwell (%)	West Midlands (%)	Great Britain (%)
NVQ4 and above	38,800	19.6	31.5	38.2
NVQ2 and above	101,800	51.4	68.2	74.3
Other Qualifications	22,300	11.2	8.3	6.6
No Qualifications	49,200	24.8	11.8	8.0

- 4.2 The number of people completing apprenticeships in Sandwell currently stands at 3,880 which is a decline from 3,910 (-0.8%) The decline is not as fast as the national rate which stands at -2.9%.

However there has been an increase in Advanced and Higher apprenticeships at a growth rate of 11.8% and 28% respectively.

There have been a number of significant policy changes with apprenticeships, namely the levy and the move from frameworks to standards. Given these significant changes, reductions have been forecasted as providers adjust to the new policy environment.

Local Authority	2016/17	2015/16	Difference	% Change
Dudley	3730	3690	40	1.1%
Sandwell	3880	3910	-30	-0.8%
Walsall	3110	3280	-170	-5.2%
Wolverhampton	2850	2970	-120	-4.0%
Black Country	13570	13850	-280	-2.0%
England	489100	503900	-14800	-2.9%

By Level

Year	Intermediate	Advanced	Higher	Total
Sandwell 2016/17	2140	1420	320	3880
Sandwell 2015/16	2390	1270	250	3910
Absolute Change	-250	150	70	-30
% Change	-10.5%	11.8%	28.0%	-0.8%

- 4.3 The Apprenticeship Levy started in May 2017; all public sector organisations are targeted to employ 2.3% of the workforce as apprentices which equates to 213 per year for Sandwell MBC. This can include new apprentices to the Council and existing employees completing an apprenticeship.

Annual Profile	Achieved to date
213	128 (98 new entrants)

16-18 year olds	19-24 year olds	25 plus
39	66	23

Male	Female
48	80

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 There is no consultation associated with this report.

6 ALTERNATIVE OPTIONS

6.1 There are no alternative options.

7 STRATEGIC RESOURCE IMPLICATIONS

7.1 The apprenticeship levy funds are required to be spent within 24 months of being added to Sandwell Council's digital apprenticeship account. Funds can only be spent on apprenticeship training delivery.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

8.1 There are no specific legal and governance requirements regarding the information provided.

9 EQUALITY IMPACT ASSESSMENT

9.1 There are no equality implications arising from this report.

10 DATA PROTECTION IMPACT ASSESSMENT

10.1 The information contained herein does not include any personal data and is publicly available.

10.1 There are no data protection issues from this report.

11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 There are no crime and disorder implications arising from this report.

12 SUSTAINABILITY OF PROPOSALS

12.1 Update reports on the information herein will be available at a frequency required by Scrutiny.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 There are no specific health and wellbeing implications in the information provided.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 There are no implications of any council managed property or land in relation to this report.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 The information provided summarises the current position for employment and skills in Sandwell, including the current position of the Council's apprenticeship levy.

16 BACKGROUND PAPERS

16.1 None.

17 APPENDICES:

None.



Chris Ward
Director – Education, Skills and Employment