

HOV CITY STRATEGY - BUSINESS PLAN  
DRAFT 2 – 22 December 06

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1	Rachel Moxey	30 November 2006
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3	Rachel Moxey	21 May 2007

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**SECTION 1: VISION AND STRATEGY**

**1a: Vision**

The Heads of the Valleys Area is one of great challenge in achieving sustainable regeneration. Possibly our greatest challenge is how to address worklessness. Employment rates in the area stand at 64.3% - a long way short of Government targets of 80%. This umbrella statistic is underpinned by linked statistics such as high levels of lone parent households (5,135), high numbers of people in receipt of incapacity benefit (28,130), high levels of long term ill health and ultimately numbers of households where children live in poverty.

Our vision for the future of the Heads of the Valleys is simple

***To work with employers to identify skills gaps and design provision, targeted at disadvantaged groups, to raise their skills and competitiveness, matching them to opportunities and thus raising the employment rate towards Government targets.***

This Vision will be achieved through focus on four Strategic Aims:

- 1. Engaging employers as a key customer in programmes that are designed to move people from welfare into sustained quality employment**

- 2. Providing jobless people with the skills they need to meet business demand and to succeed and progress in a competitive labour market.**
- 3. Increasing the employability and life chances of disadvantaged people facing serious barriers to work.**
- 4. To make a significant impact in reducing child poverty**

**1b: Strategy**

**1b.i. Strategic Objectives and Milestones**

It is our intention to optimise the opportunities afforded by both 'Turning Heads' - a Strategy for the Heads of the Valleys and the City Strategy to build on what has already been achieved to date, to create prosperous communities. The City Strategy will be responsible for the delivery of the Strategic Goal – A Vibrant economic landscape offering new opportunities. Key to this goal is increasing the employment rate by helping people from our most deprived communities to get and keep work through improving their ability to compete for the new opportunities created. We know that this can only be achieved through closer partnership working to increase the job opportunities available to local residents and to tackle their barriers to work. Such commitment – already demonstrated by the growing City Strategy Consortium – aligns effort and resources through an innovative approach to the delivery of existing services for skills and employment, will raise the employment rate to **70% as a minimum by 2010**.

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Our Strategic Objectives are accompanied by crucial **Achievement Milestones** in **Table 1** below:

**Table 1 – Strategic Objectives and Achievement Milestones**

Here we have combined key achievement milestones with stepped milestones as a first stage in producing an Action Plan. The resultant Action plan will show how achievement of these strategic objectives will impact upon the targets detailed later. This step also negates the need for detailed milestones later in the plan. **Key Milestones are highlighted in RED.** In order to provide a better link up with Section 3 Programme Design, we have added a column to Table 1 – Strategic Objectives and Achievement Milestones describing which element(s) of the Programme Design will contribute to achieving the particular strategic objective. In doing this we hope to address two key points as the link between the two sections is highlighted as being required in 3b – Key Programme Elements (below).

<b>Strategic Objective</b>	<b>Key Programme Element</b>	<b>Milestone</b>	<b>Target Date</b>
<b>SO1:</b> To assess and address family poverty	<ul style="list-style-type: none"> <li>• All programme elements</li> </ul>	<ul style="list-style-type: none"> <li>• Identify a suitable model for measuring family poverty</li> <li>• Measure benefit realised</li> <li>• Measure reduction in reliance on welfare support</li> <li>• Measure reduction in provision of free school meals</li> </ul>	December 2006 Annually (March)
<b>SO2:</b> To have in place an effective and co-coordinated partnership approach to enhance local employability and local competitiveness and increase the effectiveness and performance of all welfare to work providers.	<ul style="list-style-type: none"> <li>• Lead Providers for Jobcentre Plus and DWP contracts form part of the Consortium and are being involved in its development.</li> <li>• Engagement methods will increase the numbers being referred into mainstream delivery through contracts.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Agree strategic delivery model</b></li> <li>• Recruit programme staff</li> <li>• Establish blueprint (phases to one stop service)</li> <li>• Ensure blueprint reflects DWP agreed freedoms and flexibilities</li> <li>• Establish mitigating measures to counter freedoms not granted by DWP</li> <li>• Measure and realign blueprint</li> </ul>	05/12/2006 31/12/06 31/01/07

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	<ul style="list-style-type: none"> <li>• Earlier diagnostic will identify provision required by clients prior to programme entry. This in turn will increase the number of clients entering mainstream provision that are provision/ job ready.</li> <li>• Local targets will be examined and increased appropriately to reflect estimated flows.</li> <li>• Subject to contract flexibility, providers can be given incentives to increase performance.</li> <li>• Where contracts are capped we will seek resources to fund provision</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Establish programme brief</b></li> <li>• Produce Business Plan</li> <li>• Review (internal and external)</li>   <li>• Establish strategic link to DEIN and DELLS</li> <li>• Obtain market intelligence for HOV area</li> <li>• Produce detailed process maps</li> <li>• Formalise referral mechanisms</li> <li>• Establish Engagement Strategy</li> <li>• Establish legal framework with Partners</li> <li>• <b>Transition planning from existing provision to City Strategy delivery</b></li> <li>• Establish brand</li> <li>• Aligning business needs to CCET and DELLS</li>   <li>• Recruit delivery team</li> <li>• <b>Transition plan for alignment of delivery for whom funding ceases</b></li> </ul>	<p>Annually (March)</p> <p>Annually (March) 31/03/2007</p> <p>Annually (March) April to October 2007 March 2008</p>
<p><b>SO3:</b> To effectively engage with local employers in order to support them in recruiting, training retaining and advancing the local workforce.</p>	<ul style="list-style-type: none"> <li>• DEIN led employment liaison</li> <li>• Trade Union and Careers Wales Links for further workforce development</li> <li>○ Employ methods used in 3c around employer engagement</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Establish single point of contact through Jobcentre Plus supported by Partners</b></li> <li>• Develop employer engagement strategy, predicting major recruitments</li> <li>• Establish portfolio of support available to employers</li> <li>• Establish Vocational Trends Group led by DEIN</li> <li>• Business Coordinators recruited</li> <li>• Measure business trends</li> </ul>	<p>31/03/2007</p> <p>Annually</p>

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		<ul style="list-style-type: none"> <li>Establish an HOV recruitment fair</li> </ul>	(October) Annually (May)
<p><b>SO4:</b> To identify good quality job opportunities for the “work ready” by providing job bridge or work experience activity and appropriate training to meet the skill gaps of employers.</p>	<ul style="list-style-type: none"> <li>Detailed Diagnostic and individual action planning</li> <li>Appropriate development of vocational skills delivery in demand areas in partnership with DELLS.</li> <li>Specific ‘Routes...’ – a development of the ILM model for key sectors and individuals in need of greater support.</li> <li>DEIN led employment liaison.</li> <li>In work support – training, mentoring and incentives for 12 months.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate existing ‘Routes...’ for roll out</li> <li>Transition plans for existing ‘Routes...’</li> <li>Establish freedom to extend training and volunteering time beyond the 16 hour rule to increase number of volunteers and trainees</li> <li>Establish referral mechanisms between volunteer organisations and City Strategy</li> <li>Continuation of existing selected ‘Routes....’</li> <li>Define the job search package</li> <li>Delivery of job search support</li> <li>Work with Sector Skills Councils (SSC's) and host organisations to identify five key ‘Routes...’ opportunities</li> <li>Work with public sector partners formalise the use of social procurement initiatives alongside major development opportunities around training, work and business development</li> <li><b>Launch of new ‘Routes....’</b></li> <li><b>New 14-19 frameworks launched linked to HOV education programme</b></li> <li>Establish ‘Customer care charter’</li> <li>Transition Plan for original ‘Routes...’ into social enterprises</li> <li>Establish partnerships with Private Sector to support apprenticeships</li> </ul>	<p>Dec 06 Mar 2007 April 2007</p> <p>May 2007</p> <p>September 2007</p> <p>October 2007</p> <p>Mar 2008</p> <p>Oct 2008</p>

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<p><b>SO5:</b> Employers and employees in entry-level occupations will be encouraged and supported to invest in training and upskilling.</p>	<ul style="list-style-type: none"> <li>• In work support – training, mentoring and incentives for 12 months.</li> <li>• Trade Union and Careers Wales Links for further workforce development</li> </ul>	<ul style="list-style-type: none"> <li>• Establish 'Care Charter'</li> <li>• Network with Careers Companies across the area to provide client and workforce development careers advice.</li> <li>• Launch redundancy support portfolio through key partners.</li> <li>• <b>Roll out of 'Career Pathways' in work support with particular emphasis upon cohorts such as care leavers, people moving from probation etc</b></li> <li>• To work with employers in recognition of transferable skills for entry level occupations</li> <li>• Link with 14-19 Learning Pathways</li> <li>• Trial of Career Pathways for 50+</li> <li>• Identify entry level qualifications for health and social care</li> <li>• Roll out of Career Pathways for 50+</li> <li>• Increase efficiency of links with educational establishments</li> </ul>	<p>Apr 2007</p> <p>Oct 2007</p> <p>Mar 2008</p>
<p><b>SO6:</b> To work with those furthest from the labour market in order to support them to overcome the barriers preventing them from effectively engaging in employment.</p>	<ul style="list-style-type: none"> <li>• Glue between services to give a seamless journey for the client.</li> <li>• Generic model available to all workless people.</li> <li>• Links to the voluntary and community sectors for engagement and volunteering opportunities.</li> <li>• Community based</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Establishing community led engagement via voluntary organisations to provide pre job/ 'Route...' entry experience</b></li> <li>• <b>Roll out Community Outreach Service in partnership with Communities First</b></li> <li>• Establish referral links with barrier support agencies</li> <li>• Recruit and train appropriate number of community outreach workers to provide mentoring support throughout the programme</li> </ul>	<p>Mar 2007</p> <p>Apr – Oct 2007</p> <p>Ongoing</p> <p>Apr 2007 onwards</p>

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	<p>diagnostic to enable the client to access the most appropriate and widest possible range of services.</p> <ul style="list-style-type: none"><li>• Increased referrals from hard to reach groups to mainstream partners and delivery agents.</li></ul>		
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### 2a:ii. Local Strategic Fit

The Heads of the Valley Strategic Partnership, a consortium of public, private and voluntary organisations, propose to deliver the City Strategy across the Heads of the Valley Area. The area, as defined by the Welsh Assembly Government's Spatial Plan, is one of the most deprived in Wales and a priority area for regeneration.

Building on public consultation, the Welsh Assembly Government has recently launched '**Turning Heads' A Strategy for the Heads of the Valley 2020**'. The strategy aims to breath life into a vibrant and new regeneration partnership to create an increasingly prosperous and competitive community. At the heart of the strategy is the need to increase economic activity levels as defined within its strategic goal of creating a vibrant and prosperous economic landscape offering new opportunities. In common with the City Strategy, it aims to deliver its strategic intent through close partnership working with key stakeholders and the underlying premise that local stakeholders can deliver more if they combine their efforts behind shared priorities.

More recently the 'Beecham Report' on public sector delivery in Wales recommends the creation of local strategic partnerships, which will work together through PACTs (Policy Area Contracts) to develop targets, which all partners will contribute to (not dissimilar to LSP's). City Strategy gives the opportunity to develop an early trial 'PACT'.

## SECTION 2: LOCAL CONTEXT

### 2a: Local Analysis

#### 2a:i. Geography

The Consortium covers the area targeted by the Heads of the Valleys Programme. For clarity, a map showing the geography with detail to Ward level is shown at **Figure 1** overleaf. A list of the Wards this involves can be found at **Appendix 1**. This includes details of the Wards with deprived area status.

#### 2a:ii. Key Labour and Skills Demands Issues

To convert the present economic deficit into an economic dividend the consortium needs to accelerate the increase in skills and qualifications of local people who are economically inactive in line with changing labour market demand.

Economic inactivity and deprivation are more prevalent within the Heads of the Valley than in other parts of Wales. The decline of traditional industries resulted in decades of economic stagnation. The effective use of Structural Fund Programmes over the past 6 to 8 years have helped to boost economic recovery and the overall employment rate, but unemployment rates remain above the Welsh average and economic inactivity is at an unacceptable level with some of the highest rates in the UK.

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The consortium has identified the following growth sectors within the labour market and in conjunction with the Sector Skill Councils; the appropriate skills training needed to drive up activity levels. The labour market and skills demand is:

- **Construction**, 30,000 additional jobs will be required across Wales over the next 5 years particularly through the requirements of meeting the Wales Housing Quality Standard. These include generic skills, wood trades, project management and health and safety.
- **Health and Social Care** are experiencing 5% churn coupled with the growth in demand of 1.8%. Across the Heads of the Valleys 300 new entrants per annum are required into the sector. The aging population and the requirement to re-skill the workforce by 2010 exacerbate this. Between 20 and 25% of the Healthcare workforce in Wales is currently at entry level.
- **Public Sector** is expecting between 30 and 45 % of its workforce to retire within 15 years. Around half the workforce within the Heads of the Valleys area works within the Public Sector. In addition, a large proportion of local companies are either contractors or suppliers to the public sector. The public sector suffers from poor image in terms of career choices for young people. 90% of all local authorities have long-term recruitment needs for social workers and occupational therapists. There are two aspects to this, as we want to enable access to entry-level jobs but also to work with the public sector to encourage the use of social clauses in developer agreements to

encourage the private sector to train and recruit locally. This links closely with construction above.

- **Energy sector.** EU Skills have estimated that 9% growth is to take place within the sector over the next 5 years in the UK. Coupled with around 9% turnover per annum, this represents a significant opportunity for employment. In a recent EU Skills paper the SSC also recognises that approximately 25% of experienced & senior staff are due to retire in the electricity industry over the next 5 years. This means that the industry will experience a significant shortage of technical expertise just as the industry is about to manage a massive programme of refurbishment, most of it in the transmission & distribution networks. In addition, the Consortium has recognised an upsurge in the number of companies interested in energy and linked sectors around renewables. In addition, there is a push through the Heads of the Valleys Strategy to encourage, through local procurement initiatives, the use of energy efficient products in new build programmes. These factors will encourage the development of supply chains, and associated employment growth in these sectors.
- **‘Customer Care Industries (Tourism, Hospitality, Retail and Leisure:** Across the UK, the tourism sector experiences churn of 30%, equating to 590,000 new jobs. *Turning Heads* – The strategy for the Heads of the Valleys 2020 actively promotes the tourism and leisure sectors as having a more significant role in the economic prosperity of the area. Across the region there is an upsurge in growth of this sector creating recruitment demands. The

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development of these sectors is a key push for the 'Turning Heads...' Strategy.

As part of the development of the Consortium delivery plan we will carry out detailed investigation into demands within these sectors. Clearly this investigation will take its steer from the appropriate Sector Skills Councils.

Demand remains high within the manufacturing sector in the Heads of the Valleys. We will work with DEIN to identify key opportunities arising here and where key sectors such as environmental goods and services can be supported.

Activity of the Consortium will not focus exclusively on these sectors. Clients will be encouraged into the sector of their choice. There are also a number of generic skill sets required across all sectors. These include:

- Management
- Communications
- Problem solving
- Health and Safety
- Administration

In addition, the Consortium will focus on the job preparation of young people in relation to soft skills such as teamwork, listening, communications and motivation as defined in Future Skills Wales. The Princes Trust has a key role here (see VCS links later)

### **2a:iii. Priority Groups**

As stated in the Expression of Interest, the Consortium will take a generic approach to addressing worklessness, i.e., anyone who is workless in the Heads of the Valleys area can receive support. Within this however, we will target the following groups for priority support:

- Lone parents
- 'Stock' clients in receipt of Incapacity Benefit
- Young people, not in employment, education or training (NEETs).
- Workless people of 50+.

We expect that the proportions of these groups assisted through the Consortium to reflect the appropriate percentage that they represent within all workless people (including those not claiming benefits).

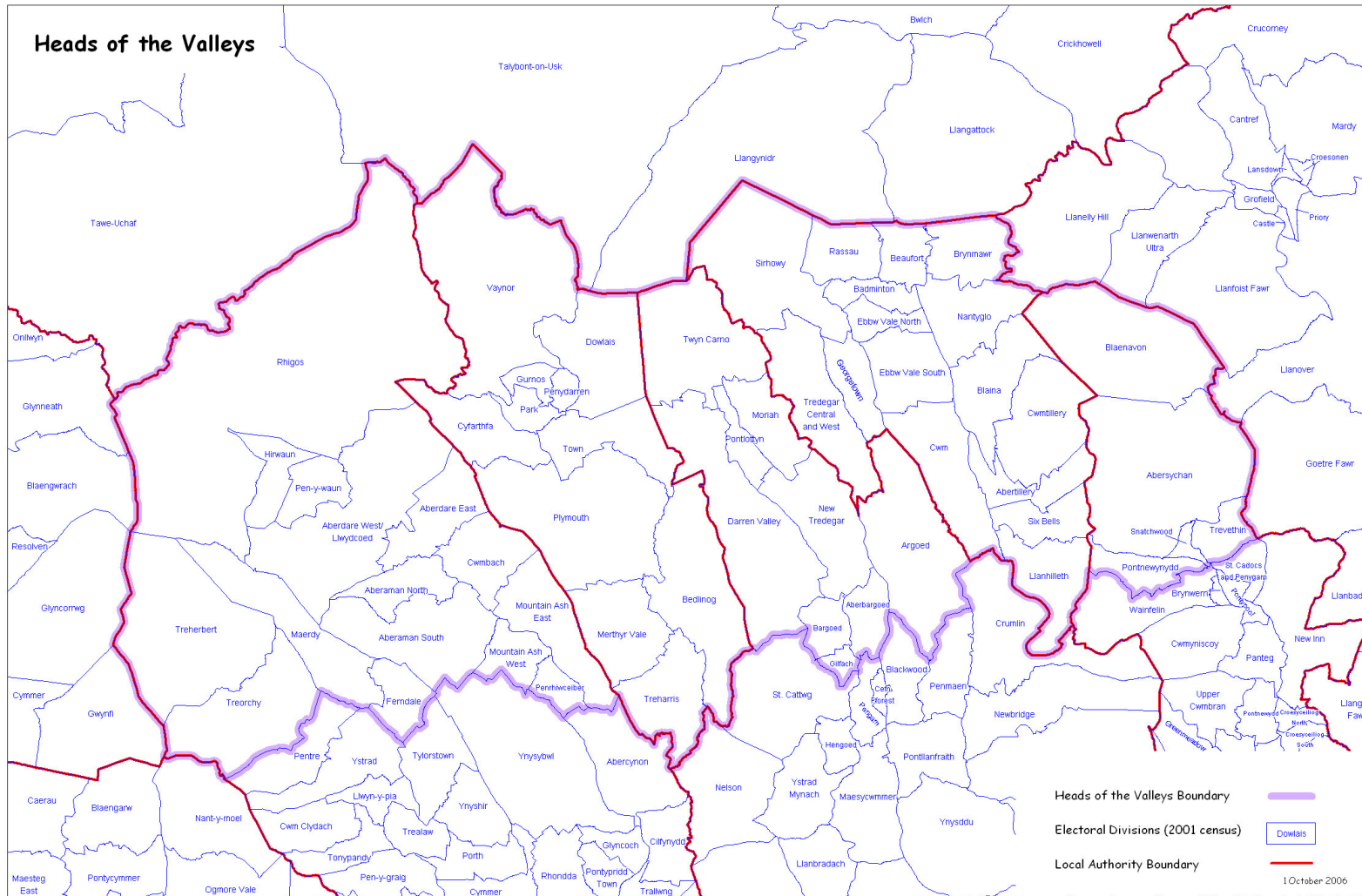
**Table 2** overleaf sets out the rationale for each group, its size and identified barriers. It is important to note here that although barriers are highlighted against client groups, these are generalisations and we cannot assume that any client group will have a set of barriers particular to it. Invariably an individual will exhibit multiple barriers. A flexible approach will therefore be followed in order to fully assess individual's barriers and address them.

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When addressing target groups, the Consortium feels it is also necessary to involve employers. Clearly, none of what we are attempting can move forward without engaging and addressing the recruitment needs of large numbers of employers. Methods of engagement and identification of employer needs are explored later in this document.

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**Table 2 – Priority Groups, Rationale, Scale and Identified Barriers**

Priority Group	Rationale	Scale	Identified Barriers to Employment
1. Lone Parents	<p>Lone parents are amongst the poorest families in the Valleys area. A one-parent family halves the opportunity to give children a good family role model. In order to maximise children's opportunities, it is essential that lone parents are supported to provide this role.</p>	<p>5135 lone parent households in the Heads of the Valleys area. This equates to 11.4% of all benefit claimants.</p>	<p>Lack of appropriate and affordable childcare. Benefits Trap. Lack of work experience Low qualification attainment Non flexible learning and working arrangements Transport No understanding of job market Lack of understanding of transferable skills Poor money management skills</p>
2. 'Stock' clients in receipt of Incapacity Benefit	<p>This group is the largest single group of benefit claimants. Pathways to Work do not compel these clients to undertake provision.</p>	<p>Some 28,130 people in the Heads of the Valleys area are in receipt of Incapacity Benefit, the majority of which are 'stock' clients. This equates to 62.4% of all benefit claimants.</p>	<p>Long term (or perceived) limiting illness. Identified as incapable of working in area of choice. Benefits Trap Low confidence and morale No understanding of job market Confusion about new qualification levels</p>

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<p><b>3. Young people, not in employment, education or training (NEETs).</b></p>	<p><b>The NEETs group is one of particular significance in the Heads of the Valleys. The NEETs group show large correlation with youngsters involved in criminal or antisocial behaviour</b></p>	<p><b>1,668 young people are classed as 'NEETs' in the Heads of the Valleys area. This equates to 16.1% of all 16-18 year olds.</b></p>	<p><b>Out of date skills Lack of understanding of transferable skills Poor interview techniques Poor money management skills Fear of making condition worse Employer prejudice and fears e.g. of legal challenges For individual, fear of employer discrimination SME's – no access/support to occupational health for them or staff</b></p> <p><b>Poor communication skills Lack of confidence/ discipline Negative peer pressure Hidden learning difficulties/ basic skills Bad behaviour/ attitude No work experience/ vocational skills Attention deficit problems Gender stereotyping of young male learners Poor home/ family upbringing</b></p>
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<b>4. Workless people of 50+.</b>	<b>This group is of increasing significance given the ageing population – particularly prevalent in the Valleys.</b>	<b>48,9219 of people in the Heads of the Valleys area are aged 50+. This equates to 36.6% of the overall population.</b>	<b>Benefits Trap</b> <b>Lack of understanding about pensions and tax regulations acting as disincentives to work.</b> <b>Many in receipt of health related benefits.</b> <b>Lack of formally recognised skills/ qualifications</b> <b>Ageism by employers</b> <b>Lack of value associated with volunteering</b> <b>Caring responsibilities for partner/ grand children parent(s)</b>
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**2b: Mapping current Provision**

**A matrix of Jobcentre Plus Provision is included at Appendix 2**

Please note that these are version 1 of the mapping and do not yet include the findings in the charity, voluntary organisations that are included in the consortium.

Conclusions of partnership

- All LA areas and partners need a co-ordinated network of employer forums to identify skill needs
- Partnership needs to establish a forum responsible for influencing the Department of Education, Learning & skills on the curriculum need of the various employment sectors
- Consortium partners become exemplar organisations
- Beneficiaries need to be able to draw down assistance whilst waiting for redundancy notification
- Beneficiaries who are working need assistance to move along the career pathway especially in sectors such as social and health care

- Basic skill delivery needs more coordination to allow for outside normal hour delivery in the business environment
- Beneficiaries need to be supported through the process of considering and initial set up of business
- The 14-19 age group need concentrated assistance with key skills and work experience opportunities. This will require more activity by Princes Trust and better outcome links to this initiative
- The partnership must improve the value assigned to volunteering activities
- The 50+ group needs activities to pass life skills onto less experienced people, to improve their opportunities to work and train. Particular concentration needs to be given to the mentoring and assessment & work place assessor needs of the vocational training provision
- Childcare provision is sporadic and non flexible
- Business need more support in delivering improved Human Resource management such as Recruitment and selection, adherence to employment law, duty of care, awards of recognition such as IIP
- Training organisations need more timely requests for provision of new courses and more flexibility in provision e.g. roll on roll off; part time; short courses interspersed with employment

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- Advice to beneficiaries and business regarding working with health conditions and health and wellbeing initiatives generally
- Lack of focus on key issues relating to specific sectors such as construction, care etc
- Clear induction for the partnership members about initiative and their deliverables so that everyone understands the provision on offer.

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Of this provision:

- The gaps we have identified are highlighted in the section on plugging the Gaps below.
- Potential areas of duplication have been identified and can now be avoided in programme design.
- Provision currently meets the needs of some disadvantaged residents. There is however a lack of parity for workless people according to their demographics and geography. This we have sought to address in programme design.

### **SECTION 3: PROGRAMME DESIGN**

#### **3a: Approach and Programme Design**

Working with Jobcentre Plus and other key service providers, the Consortium will ensure there is a better co-ordinated approach to reducing levels of economic inactivity to raise the rate of employment. This will entail delivery of a tailored programme of support and designed around current grant funded/ ESF/ mainstream provision such as JobMatch, Want2Work and Pathways to Work, giving added value to them as well as offering an holistic approach to both business and individuals. We plan to build changes into the structure and delivery of already effective mainstream programmes seeking to further improve their delivery records. Improvements to their efficiency will enable us to redirect

partner resources to enhance the service provided to employers to improve job retention and advancement.

**What will this look like? .....**

#### **1. Employers**

**We will provide...**

- A single point of contact for recruitment within the area ensuring that all local stakeholders work in partnership, whilst still enabling the needs of each jobseeker to be met;
- A quick and responsive matching and recruitment service for employers, supported by a Service level Agreement establishing minimum standards;
- Regular quality reviews of the service offered to employer, supported by employer forums;
- Administrative and advisory support for employers as part of a new job retention, progression and rotation service; this will also help support them to identify good quality job opportunities within their companies.
- Integration of Work Place Health Connect with the aim of the City Strategy to ensure we support employers to manage health conditions and disability in the workplace and to provide effective occupational health and vocational rehabilitation

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support thereby reducing entry into economic inactivity;

- Encouragement and support to employers to provide on site childcare facilities.
- Encouragement and support to employers to participate in work experience, job bridging activities and apprenticeship programmes.
- Links to specialist support agencies for those wishing to pursue self -employment opportunities.
- A 'Charter' approach addressing the needs of key sectors highlighted

It is anticipated that efficiency gains derived from a more co-ordinated approach to supporting employers will enable resources to be reinvested to support employers in the development of their workforce to improve job retention, progression and rotation.

### **2. Client Engagement**

#### **We will provide...**

- An individual client based approach for engagement and continuous support as required.
- Local Action Plans linked to Community Plans which provide an integrated approach to client engagement through community outreach and which connect community-based programmes to mainstream provision.

- An approach to engagement, which will lead to the creation of a 'one stop shop' at the heart of local communities. We propose to develop this concept during the life of the pilot to include an holistic service providing support for health issues, securing employment, addressing housing issues, building skills and motivation, tackling social exclusion, reducing child poverty and helping people to understand benefit entitlement and managing their money;
- Better engagement of voluntary and community sector partners to help people who are furthest from the labour market or who have special needs to prepare for work (detail in section on VCS later);
- A '*passport to service*' enabling family members of people participating in mandatory employment programmes to gain access to Consortium supported Provision;
- Eligibility conditions applied to different welfare to work programmes can cause confusion and exclude people. We would seek to develop a more inclusive approach to programme design.
- For people furthest from the labour market we will introduce 'life coaching' to help people plan for the future, assisting in skills such as positive thinking and personal goal setting. This will be supported through voluntary sector partners and volunteer activity.

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### 3. Skills

#### We will provide...

- An integrated system for individual skills analysis and development and employment support to help more people into work. The focus of skills delivery will be determined according to client need and in consultation with the relevant Sector Skills Councils.
- Targets aligned with those of the SSC's, to maximise the use of their resources and provision to the sectors they serve.
- Strategic links to DELLS to influence 14-19 provision to support vocational development for key growth areas highlighted.
- Programmes aimed at maximising an individuals potential, further justification of the push with employers to offer good quality job opportunities.
- A focus on generic skills required for employment including basic skills and IT. Again, this needs to be aligned strategically with DELLS programmes.

### 4. Management

#### We will provide...

- Strategic links to DEIN and DELLS provision to maximise programme impact.

- Improved co-ordination and management of services to ensure partner organisations work effectively together and focus on priorities; this would be supported through an agreed communications strategy.
- A centralised secretariat for the converged model supporting partner agencies to align provision and targets.
- More effective use of information, particularly that available through Jobcentre Plus' GIS tool (subject to Jobcentre Plus Head Office approval), to better target support to areas of greatest need or to provide a partnership approach in support of specific client groups.
- Increased support for preparatory and vocational training programmes focusing on the skills in demand from priority sectors, Construction, Health and Social Care, Public Sectors, Energy Sectors, Tourism, Hospitality and Leisure. This will enable appropriate training to support the economically inactive to take up employment opportunities and respond to sectors experiencing growth.

### 3b: Key Programme Elements

#### Delivery Responsibilities of Partners.

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The Section on Governance below shows how the various delivery partners have been drawn into the structure through thematic sub groups.

In terms of delivery, we include below a copy of the 'Typical Client Walkthrough' Schematic Diagram (see page 27). Partner involvement is described in the 'boxed' delivery elements which have been numbered here for clarity. These then, link back to appropriate sub groups, which are described in more detail below. In the spirit of true partnership, no one partner has sole responsibility for any individual element of programme delivery. In addition, some of the delivery elements have yet to be worked up as part of the implementation phase, through consultation with partners. The following text should give a flavour of our direction of travel.

The Welsh Assembly Government is the lead body for Cities in the Heads of the Valleys.

The Heads of the Valleys Programme Team coordinates activity

A small Team is being seconded to manage overall delivery responsibility.

Core coordination (Programme team) and administration is being hosted by Blaenau Gwent CBC and overseen by the Heads of the Valley's Programme

Each local authority, including Blaenau Gwent will also host its own operational team made up of individuals, directly seconded from partner organisations or recruited to fill roles.

Delivery Teams will take responsibility for the various elements of client delivery highlighted in figure 2 on page 27.

### **3b:i. Plugging the Gaps**

The Mapping Exercise identified a number of key gap areas in current provision. These are highlighted above

- **GLUE! Links between the various types of provision.** Referral mechanisms are not, as a result always efficient.
- **GLUE! Links between agencies/ groups providing employer liaison about recruitment.** Neither employers, nor clients therefore are necessarily receiving the optimum service in terms of recruitment.
- **Different support according to Geography.** Pathways to Work will not operate in Torfaen until September 2007. Only Merthyr and Blaenau Gwent have benefited from generic support models such as JobMatch and Want2Work.

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- **Different support according to client group with assumptions about barriers.** An individual approach is required in order to fully assess the issues faced by a client.
- **Inadequate engagement methods in some areas.** Outreach specifically for employment purposes currently only operates in Blaenau Gwent and Merthyr. The Voluntary and community sectors are currently an under-utilised resource in terms of engagement
- **Different levels of provision in terms of type and longevity according to geography and client group.** Accessibility to provision is complicated and excludes many individuals.
- **Different levels of ‘in work’ support according to geography and client group.** Comprehensive in work support is currently only available through certain programmes and for certain groups.
- **Inadequate progression frameworks within current provision for individuals.**
- **Few agencies use volunteer networks for provision or engagement.**
- **Provision is limited for the 50+ group.**
- **Innovative models outside of DWP provision will cease in many instances in 2007.**
- **Coordination around business recruitment support is fragmented.**

### **3b:ii. Addressing Duplication and Fragmentation in the Existing System**

The Mapping Exercise has sought to identify areas of duplication in the existing system. All key partners (including Providers through Jobcentre Plus) have submitted details of their delivery that directly and indirectly seeks to impact upon worklessness.

This exercise has enabled us to identify existing areas of duplication. The potential areas of duplication arose from the introduction of Pathways to Work in Caerphilly, Blaenau Gwent and Merthyr, where EU funded programmes such as JobMatch and Want2Work were already giving provision to ‘stock and flow’ clients on IB. In designing the Consortiums approach, referral mechanisms will ensure that clients are appropriated to mainstream provision when eligible thus seeking to gain maximum benefit from mainstream programmes and spending additional resources on individuals who would not otherwise receive provision. In terms of future delivery, this same approach will be taken to ensure that other mainstream programmes such as New Deals, Employment Zones or provision through Careers Services etc. are maximised. Here the Consortium would examine what is on offer through mainstream provision, use it where applicable and if required provide top up provision to meet an individuals needs.

Effectively each individual will be treated as such. A packaged approach will be taken towards development of

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individual Action Plans through detailed diagnostics. Consortium Links will then enable access to support from the widest range of agencies.

Added value will be provided in 11 key areas:

1. Glue between services to give a seamless journey for the client.
2. Generic model available to all workless people.
3. Links to the voluntary and community sectors for engagement and volunteering opportunities.
4. Community based diagnostic to enable the client to access the most appropriate and widest possible range of services.
5. Increased referrals from hard to reach groups to mainstream partners and delivery agents.
6. Increased contractual performance
7. Appropriate development of vocational skills delivery in demand areas in partnership with DELLS.
8. Specific 'Routes...' – a development of the ILM model for key sectors and individuals in need of greater support.
9. DEIN led employment liaison.
10. In work support – training, mentoring and incentives for 12 months.
11. Trade Union and Careers Wales Links for further Workforce Development.

### **3b:iii. Driving Up Quality**

Seeking to improve quality will achieve two things. Firstly it will increase the numbers of local people achieving a positive outcome through intervention. Secondly it will enable providers to participate in the delivery of City Strategy.

Quality Improvements will be sought in the following ways:

- Lead Providers for Jobcentre Plus and DWP contracts form part of the Consortium and are being involved in its development.
- Engagement methods can potentially increase the numbers being referred into mainstream delivery through contracts.
- Earlier diagnostic will identify provision required by clients prior to programme entry. This in turn will increase the number of clients entering mainstream provision that are provision/ job ready.
- Local targets will be examined and increased appropriately to reflect estimated flows.
- Subject to contract flexibility, providers can be given incentives to increase performance.
- Where contracts are capped we will seek resources to fund provision

### **3b:iv. Meeting the Needs of Priority Groups**

As mentioned earlier, whilst it is recognised that certain client groups will typically exhibit specific barriers, in many case clients will have multiple barriers. For this reason, individual rather than client group action planning is required. In terms of

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engagement, the Voluntary and Community Sectors have key roles here. The Consortium will collaborate with the VCS to provide activities to draw in specific target groups. Some of the methods to be employed are described in Section 3d later.

Outreach activities naturally focus on the needs of specific Target Groups in that they seek to contact the Community in many instances through group work. Targeting a mum and toddlers group will for example attract significant numbers of lone parents. Equally work with Youth Offending Teams will attract significant numbers of NEETs.

### **3b:v. Meeting the Needs of Non Priority Groups**

As already highlighted in this document, the Consortium will seek to address the issue of worklessness, specifically targeting key groups. Clearly the target of employment rate is of paramount importance here, but we have also been asked to focus upon reductions in child poverty. This determines our approach to target key groups whilst giving a service to anyone who is workless.

### **3b:vi. Meeting the Needs of Local Employers**

The majority of businesses in the Heads of the Valleys are SME's. Section 3c deals with employer engagement. The mechanisms described here will enable the Consortium to determine the pattern of demand and devise solutions. The Consortium will also work closely with Sector Skills Councils

to help them refine their information about local companies and skills needs.

The largest local employers are within the public sector. The Local Authorities alone employ in excess of 33,000 people. When coupled with employers in health and the Civil Service, around half of the workforce is employed in the public sector in the area. Many private sector employers will be delivering contracts or services on behalf of the public sector in the area. One of the key aims of the Consortium, therefore, is to place a significant emphasis upon meeting the recruitment needs of the Public Sector.

### **3b:vii. Meeting the Needs of Diverse Local Groups**

Employment needs as a result of gender are more an issue than that of ethnic diversity. The BEM population of the area is extremely low (1%). Clients from these groups would be given the same individual action plan service of other clients. As City Strategy develops however, we are aware increasingly of the growing eastern European population within the area. We will continually review the needs of these people, recruiting specialist individuals/ provision, as demand requires addressing their particular issues.

### **3b:viii. Meeting the Needs of the Local Labour Market.**

Increasingly the SSC's are identifying ways of assessing local need. The Consortium has established liaison arrangements with relevant SSC's to keep informed of trends. In addition,

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DELLS (WAG's Department for Education, Lifelong Learning and Skills) seeks local data on an annual basis through County Borough level CCET's (Community Consortia for Education and Training) in formulating its Regional Statement of Needs and Priorities with recommendations for learning provision developments.

As part of the Heads of the Valleys Programme, the Strategic Programme Manager for Employment also has a remit around skills development and feeds employment skills provision requirements into the Heads of the Valleys Group on Vocationally Based Skills Development.

Close contact with colleagues in Business Support through the arrangements described in 3c below on Employer Engagement will enable good intelligence on local growth opportunities through either inward investment or business expansion.

### **3b:ix. Case Studies**

Clearly as we will not start our operational phase until April next year it is impossible to give case studies that have benefited from provision. The following case studies are from existing models which demonstrate partnership working and how joining up activity can increase the overall benefit and outcome to a client.

#### ***Case Study 1 – Prince Charles Hospital employs 45 people from the Gurnos Estate, Merthyr.***

Over the past 2 years a partnership has been developed between M.T.C.B.C. (Neighbourhood Learning Centre) N.G.H.T. (the employer), Jobcentre Plus – Want 2 Work and Working Links.

This unique partnership enabled the employer (i) driving the employment Agenda forward in identifying vacancies (ii) helping shape the specific learning aligned to vacancies within N.G.H.T. It has enabled the Neighbourhood Learning Centre to act as a conduit to the process bringing together key partners and ensured that there is a direct link between the employer and the referral agency. It has enabled Want 2 work and Working links to ensure that their clients are ready to undertake this sector specific training.

Working Links has throughout, acted as a course facilitator, constantly monitoring the progress of clients on the Course and acting as a mentor. This collaboration resulted in 45 local people getting jobs within Prince Charles Hospital – N.G.H.T. These jobs have been within the Health Care and Hotel Services sectors.

#### ***Jim overcomes his physical barriers to work through JobMatch***

Jim had not been in full time work since a freak accident left him without his sight 20 years ago despite having good qualifications and experience in administrative work. He signed up to JobMatch in 2004 and was referred to the

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Administration ILM. Through this he achieved further qualifications and had a number of work placements. As a result he secured a fixed term position with Blaenau Gwent Council as an administrator/ receptionist at the Valleys Information Technology centre in Tredegar.

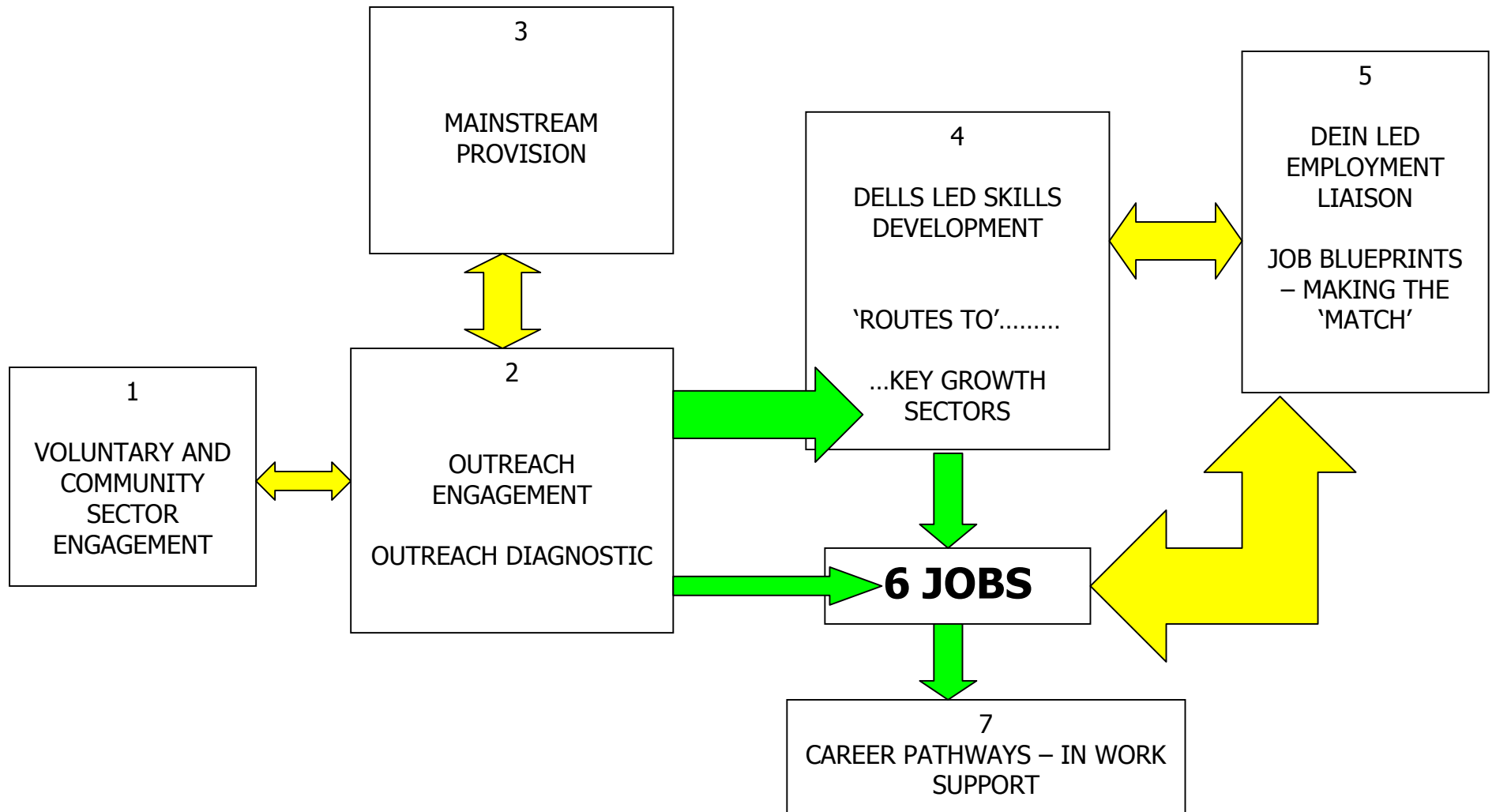
George has now been in work for over a year and is in his second year at University.

### ***George gets work through partner support***

George is 43. He is married with two children and lives in Ebbw Vale. He has a criminal record and had not worked for six years following a heart attack when he was 37. George was in receipt of incapacity benefit.

He was engaged through JobMatch Community Outreach and expressed interest in youth work. They advised him to get some volunteering experience and helped him to contact and work with a number of youth groups across Blaenau Gwent. Later that year outreach re-contacted him. He signed up to JobMatch who helped him to identify suitable courses and advised him how to gain maximum benefit. He therefore signed up to Broker Cymru (on IB therefore qualified for NDDP and protected benefit status) Progress to Work (ex offender) and JobMatch who helped him to enrol at Newport University to do a Youth and Community Work Degree, fund his first year at University and find work with Ebbw Vale District Development Trust as a Development Youth Project Worker. Action Teams helped him to purchase a laptop and he also gained a first aid qualification.

Figure 2. Flow Chart Illustrating Typical Client 'Walk Through' from engagement to post employment support.



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**Description of Schematic and Responsibilities.**

In describing these functions, it must be understood that the responsibility for coordination lies with the central programme team, reporting into the Heads of the Valleys Programme.

- 1 **Voluntary and community sector** engagement is self explanatory. The capacity issues, particularly within the voluntary sector are however recognised. The Consortium has established a voluntary sector sub group to drive this element, whilst determining capacity issues for the sector and seeking solutions.
- 2 **Outreach engagement and diagnostic** will be carried out by delivery teams at the local level, made up of seconded and recruited individuals. Local authorities will have responsibility with local delivery partners for determining the mix of individuals within these delivery teams. Teams of outreach workers will work alongside other community professionals to engage local people 'within their comfort zone' in their local community. They will carry out initial diagnostic, establishing an individuals 'readiness' for provision before detailed diagnostics take place. Detailed diagnostic will result in the development of individual action plans.

- Diagnostic teams will typically be seconded from organisations such as Jobcentre Plus and Working Links.
- 3 Referral to **Mainstream Provision** will take place in appropriate cases subject to a client's suitability and eligibility. Here they would receive whatever provision was available through the mainstream programme – New Deal, Pathways to Work, Employment Zone etc. This provision is the responsibility of the mainstream organisation – typically Jobcentre Plus (or one of their local providers), Work Based Learning Provider or Careers Wales. Increased referrals through V&CS partners and outreach will result in increased referrals to **mainstream provision** such. Equally there is an opportunity for mainstream providers to make referrals to additional provision available through the Consortium, should it be deemed appropriate. Process mapping, and use by operational staff will determine that mainstream, and Consortium operational staff will have responsibility for this cross referral.
  - 4 DELLS led Skills Development. 'Routes to..... Key Growth Sectors'. There are several aspects to this provision for which the responsibilities lie with several organisations.

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- Firstly, the Consortium will work strategically with DELLS (Department for Education, Lifelong Learning and Skills within the Welsh Assembly Government) to ensure that local skills provision matches labour market demand, thus creating training opportunities in areas where jobs are available. Delivery responsibility falls to local delivery teams made up of secondees/ appointees, both from partners and external recruitment. The Heads of the Valleys (HOV) Strategic Programme Manager (SPM) for Employment will work closely with the HOVSPM for Education to ensure compliance with/ influence of the Welsh Assembly Governments Department of Education, Lifelong Learning and Skills in terms of the compatibility of policy direction on both sides. 'Routes to...Key Growth Sectors' will developed to assist skills developments in the five key growth sectors highlighted. Routes development will be the responsibility of operational teams working at the local authority level. All partners will be encouraged to take a role, as a 'host' organisation for clients undergoing 'Routes' development.
  - Short, focussed job related provision will be made available to clients with specific short term needs. Delivery responsibility falls to local delivery teams made up of secondees/ appointees, both from partners and external recruitment.
  - 'Routes to..... Key Growth Sectors' – an adaptation of the intermediate labour market – shorter, more cost effective and more closely linked to employers. Design responsibility falls to local delivery teams. Delivery relies upon 'host' organisations within the Consortium, able to support employment placements and with longer term entry level recruitment needs.
- 5 DEIN led employment liaison – job blueprints – making the match. As mentioned elsewhere within the business plan the Consortium is looking to DEIN to provide leadership in terms of labour market information and employer contact. The XXXX group, led by DEIN will take responsibility for coordinating information about employment trends. This in turn will help to determine to continued relevance (or not) of the prioritised sectors. With this direction, operational employment liaison teams will carry out local contacts with

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employers, job broking and 'making the match'.

- 6 JOBS – self explanatory.
- 7 Career Pathways – In Work Support.  
Responsibility here lies between local employment liaison teams (carrying out a mentoring role and determining incentive payments) and Careers Wales (Gwent and Mid Glamorgan) who provide advice to clients on in work training that will take them to the next level. Beneficiaries will also be given means tested incentive payments for 12 months, based on attendance and performance. If Freedoms and flexibilities are granted to the Consortium, these will be given as tax exempt payments – as available through Jobcentre Plus provision. If not, they will be given as voucher payments.

### **3c: Employer Engagement**

#### **3c: i. Current Mechanisms for Employer Engagement**

Employers are engaged in a number of different and positive ways in the area. In addition, interface with local employers takes place around an enormous range of

issues relating to individual companies and groups of employers. These invariably relate to business support activities in terms of sites, grants and workforce.

Locally, Business Fora and Business Support Partnerships exist. These feed information about developments to CCET's and consequently, the Consortium. DEIN (WAG's Department for Innovation, Enterprise and Networks) provide the constant within all these groups. As mentioned above, CCET's annually assist DELLS in the development of their Regional Statement of Needs and Priorities through consultation with CCET members and SSC's. This in turn gives reliable trend information to Training Providers about vocational skills needs. There is however little incentive to training providers, particularly in the public sector to undertake capital works to respond to trends. Equally DELLS contracts with learning providers are fairly inflexible due to capped budgets. For clarity, **Figure 3** shows this mechanism and also how CCET's interact with the Consortium. It also shows the mechanisms for interface with the Voluntary and Community Sector. Key contacts taking liaison to the next level are highlighted.

#### **3c:ii. Strengthening the Involvement of Employers**

It must be stressed here that whilst clients assisted through the Consortium will be from the Heads of the Valleys area, businesses from around the Region will be assisted. Road and rail infrastructure developments will

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enable increased travel to work distances and consequently opportunities for local people. We do however realise that local people in the area have short travel to work distances, thus reducing the likelihood of long travel distances.

Employer opinion will be sought and fed into programme design at a number of levels:

- Key Public and Private sector Employers have been invited to and take part in Consortium meetings. The Consortium is prioritising sectors according to demands. These are as follows:
  1. Construction
  2. Care (Health Social and Childcare)
  2. Public Sector
  3. Customer Care Industries (Tourism, Leisure, Hospitality, Retail)
  4. Energy
- The Structure shown in **Figure 3** enables employer interaction, or interaction of those representing employers such as DEIN/ SSC's.
- DEIN will take responsibility on behalf of the Consortium for identifying recruitment trends and coordinating a response.
- On behalf of the Consortium (and badged by the Consortium) Jobcentre Plus have offered to

provide a central point of contact for employers re their recruitment needs. Responses will then be coordinated via local Business Support Partnerships where required (dependant upon scale of development).

- All work with employers will be underpinned by advice to encourage clients into self-employment.
- Policy agreements with employers will be developed to encourage quality and opportunity

### **3c:iii Encouraging Employers to Increase Workforce Diversity**

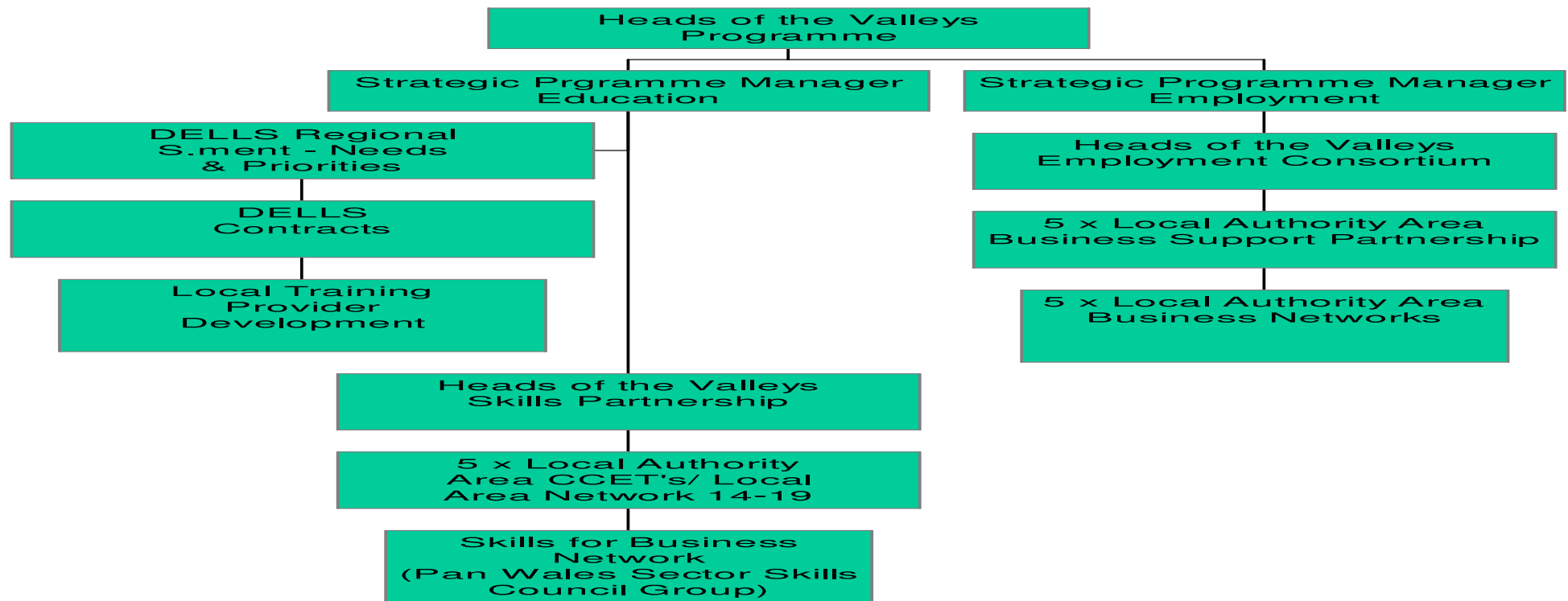
The greatest opportunities here are with relation to public sector employers. Merthyr County Borough have introduced 'Merthyr Works' to encourage recruitment of local people from disadvantaged groups. Effectively, recruitment to entry-level posts is initially directed through the local employment partnership to enable workless people to apply. If unsuccessful, they then use normal recruitment channels. A similar relationship has been developed through Want2Work and Working Links in Prince Charles Hospital, Merthyr, where recruitment, again for entry-level posts, has targeted people from Gurnos Estate. The Consortium will seek to develop these principles with all public sector employers in the area.

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The majority of private sector employers in the area are SME's and most of these employ less than 5 people. Clearly, such small businesses cannot afford in-house human resource advice. In order to encourage and support local companies to recruit a more diverse workforce we will provide them with such advice as part of our recruitment service.

**3c: iv. Encouraging Training Providers to Develop Provision in Line with Labour Market Need**

In order to encourage local training providers in this way, the Consortium will through the Heads of the Valleys Skills Group develop proposals for and seek funding to enable a capital fund support training business development. Provision offered on a flexible basis (roll on roll off) to encourage diversity in terms of access will be encouraged and prioritised.



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### **3d: Voluntary and Community Sector engagement.**

#### **3d:i. Consultation in programme design and delivery**

The 'umbrella' organisations representing the Voluntary Sector form part of the Consortium. Consequently, they have been consulted at all stages in the development of the Consortium's design and delivery plans. These groups include the following:

- Gwent Association of Voluntary Organisations (GAVO)
- Interlink (Rhondda Cynon Taff)
- Voluntary Action Merthyr Tydfil (VAMT)
- Torfaen Voluntary Alliance
- Local Groundwork Trusts
- British Trust for Conservation Volunteers (BTCV)

BTCV are convening a sub group of Voluntary Sector Organisations on behalf of the Consortium to flesh out possibilities for added value to City Strategy delivery from the sector.

In addition, the Consortium is currently negotiating provision with a number of voluntary sector partners to add value to our approach, with particular target groups in mind. These include:

- Princes Trust – provision to attract young people, particularly NEET's into the construction industry.
- BTCV and Groundwork – provision to attract target groups into the landscape industry.
- Early discussions with Citizens Advice Bureau (CAB) around attracting lone parents into work.
- PRIME Cymru to attract 50+ clients into employment and self-employment.
- Chwarae Teg to ensure that we attract and create opportunities to maximise workforce diversity.

#### **3d:ii Engagement of disadvantaged communities through the VCS**

Programmes such as JobMatch and Want2Work have benefited greatly from linking their outreach services to existing community networks. In the full delivery model the Consortium will enhance this approach, networking with appropriate groups at the community level. The Communities First Initiative in Wales provides a ready-made network within the community to assist outreach to maximise contact with local people.

Voluntary Sector Organisations such as CAB, BTCV, Groundwork and the umbrella groups have been

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targeted to provide engagement routes to employability activities.

**3d:iii Capacity Building in the VCS**

Outreach teams will provide the Community and its groups with added capacity and bespoke advice about employment opportunities. Outreach workers will provide workshop advice for community workers/ teams about assistance that is available through the Consortium so that the web of contact within the community stretches farther

Clearly, as with all employers we are looking to ensure a high quality experience for clients. Where capacity

needs are identified within the Voluntary Sector to enable them to participate in this way and add value to Consortium Activity, these elements will be costed and funding provided/ joint bids made to enable them to increase their activity where possible.

Social enterprise opportunities will be encouraged as a means of expanding voluntary and community sector capacity. Here, the Consortium will link to wider business support to encourage third sector development

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### 3e: Targets

Targets have been determined assuming that these outputs are **additional** to those already achieved through Jobcentre Plus (direct delivery and contractual delivery). Existing performance here provides our baseline. The targets in the business plan therefore represent the stretch over and above Jobcentre Plus targets (assuming that these remain at current levels). The targets have been based upon the past three year's operation of the JobMatch programme in Blaenau Gwent with the client group. These targets have then been multiplied to reflect the population statistics and demographics of the Heads of the Valleys area as well as the existing and proposed employment base for the area.

The Consortium has set up the Performance and Change Management Support Team, involving key funding and delivery stakeholders. This group will have responsibility for the following

- Initially to determine a monitoring system linking achievements through existing contracts and assessing churn rates.

- Secondly to monitor the impact of Consortium delivery against this to assess the net impact of Consortium activity.
- Thirdly to report performance against targets to the Consortium.
- Fourthly to instigate change controls to address underperformance.

This group and its relationship within the governance structure are explored under 4a later.

In order to achieve these targets it is essential that we engage employers at the appropriate rates, reflecting the local picture in terms of sector size. In addition to this, the Consortium will skew its activity to give areas such as construction high priority. In this basis, employer engagement activity will receive the following priority:

- 1 Public Sector (30%)
- 2 Construction (20%)
- 3 Health and Social care (20%)
- 4 Customer Care areas (20%)
- 5 Energy/ Environmental Goods and Services (5%)
- 6 Other employers (5%)

Jobcentre Plus are preparing an employer engagement plan on behalf of the Consortium. This will be completed by the end of April 2007. This plan will be reviewed annually reflecting sector change.

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**Annual Targets**

Detailed Local Targets can be found at Appendix 9. These targets underpin the achievement of a 70% employment rate in the Heads of the Valleys whilst achieving the benefit reductions required by DWP. Explicitly these are to reduce benefit claimants to 32,010 by May 2009.

NB Achievement of these targets will greatly be assisted through granting the freedoms and flexibilities reiterated in Appendix 8. They are essential if we are to make significant inroads into achieving an 70% employment rate.

**3f: Programme Budget**

Below is an outline budget for the Consortium. Please note this equates only to the first three years of operation and takes costs to fully operational. The detailed budget can be supplied if required.

**Table 4: Budget**

**Cities Overall Budget**

	2006/07	2007/08	2008/09	All Years
<b>Staff Costs Seed Corn</b>	109,407.53	208,892.63	0	<b>318,300.16</b>
<b>Staff Costs Other</b>	287,460.75	926,582.65	1,377,245.57	<b>2,591,288.96</b>
<b>Total Staff Costs</b>	396,868.28	1,135,475.28	1,377,245.57	<b>2,909,589.13</b>
<b>Total Beneficiary Costs</b>	-	2,053,400.00	2,620,300.00	<b>4,673,700.00</b>
<b>Total Annual Costs</b>	<b>396,868.28</b>	<b>3,188,875.28</b>	<b>3,997,545.57</b>	<b>7,583,289.13</b>

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The budget highlighted will enable parity of provision across the Heads of the Valleys area for local people. The added value elements within the programme relate to 8 main change areas. These are:

- Better co-ordination of resources around engagement and employer links.
- Better co-ordination of referral and access to the widest benefits from the clients perspective.
- Parity of provision for workless people
- Additional methods of engagement through community based outreach.
- Community based diagnostic.
- Additional provision through the 'Routes' Programmes
- In work support with work based training for all participants

### **Additional Leverage**

We have estimated that around 40% of our funds will be provided through existing provision, utilising existing posts or delivery. In addition to funds available through City Strategy, we have secured £1.8 million (over three years) through the Heads of the Valleys Programme. Additional funding requirements will be met through Convergence Funds. A bid for these funds will be made in March of next year.

### **3g: Cross cutting themes appraisal**

#### **3g:i. Impact on Diversity (including gender, ethnicity and disability monitoring)**

Management information will be provided in such a way as to monitor impact upon gender, ethnicity and disability.

We have provided above specific targets with relation to gender, disability and welsh speaking clients. Here we have made assumptions based on other programme delivery but anticipate positive progress in terms of encouraging workforce diversity in terms of enabling women, older men, welsh speakers and individuals with a disability to obtain and sustain work.

Chwarae Teg have been engaged as part of the Consortium to provide specific as advice about diversity issues

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#### **3g:ii. Impact on Health**

We intend through City Strategy to increase the numbers of referrals onto Pathways to Work from 'stock' clients. This in turn will increase access to the Condition Management Programme enabling clients to work better with their condition. Recognising the pressure this will create we have built additional occupational health support into our programme to cope with demand.

We will also seek to integrate Work Place Health Connect with the aim our City Strategy to ensure we support employers to manage health conditions and disability in the workplace and provide effective occupational health and vocational rehabilitation support thereby reducing entry into economic inactivity.

#### **3g:iii. Impact on Economic growth**

'Turning Heads...' a Strategy for the Heads of the Valleys, encourages and provides incentives for economic investment. Many key developments have recently taken place or are planned for the area. These are just a few:

- Cyfartha Retail Park – Merthyr
- Redevelopment of five key town centres
- WAG Office development Merthyr
- Redevelopment of Ebbw Vale Tin Plate Works
- Construction of Ebbw Valley Railway.
- Major tourist developments across the sub region

- Housing stock externalisation and redevelopment (40,000 homes)
- Significant private sector house building
- Significant trunk road and bypass developments

These developments do not include major expansion of local companies or inward investment.

Colleagues in DEIN reliably inform us that businesses look for three key issues when investing; sites, grants and workforce. Through trend identification as highlighted above, the Consortium will help to plan the skills development of the region, thus supporting Economic Growth.

#### **3g:iv. Impact on Regeneration**

Placing pounds in the pockets and increasing the independence of local people is the ultimate goal of sustainable regeneration. The investment planned above must provide linked opportunities in terms of skills development and employment for local people if we are ultimately to sustain lasting change through reducing poverty

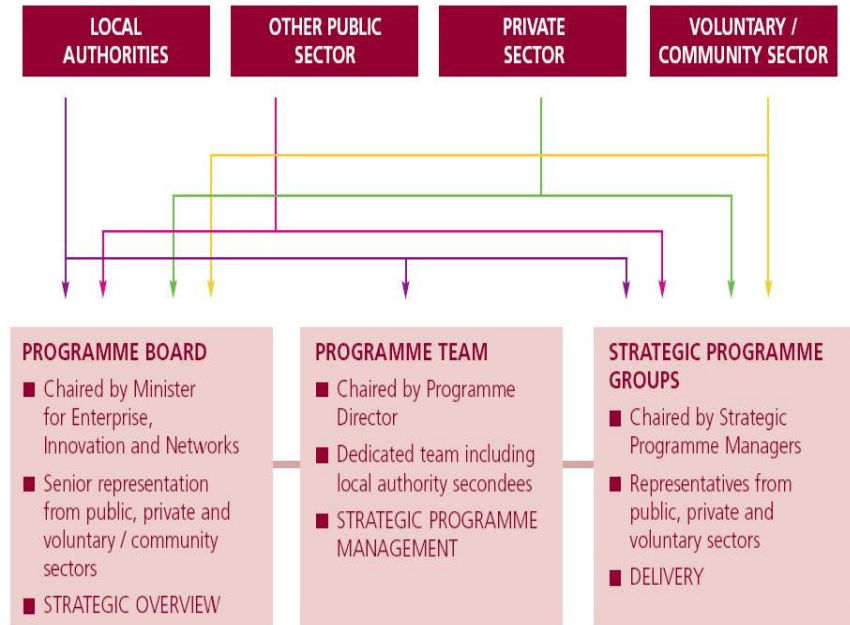
#### **3g:v. Impact on Social Inclusion**

The work of the Consortium will, in moving closer to the 80% in employment target, ensure that a higher number of

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people are socially and economically included and Child Poverty is reduced. Also of importance is the social inclusion that takes place along the path to employment. This may involve volunteering, community group work, participating in supported work trials, partaking in training, achievement of a qualification etc. all of which better enable an individual to make a positive contribution and help them to compete longer term for their place in the labour market.

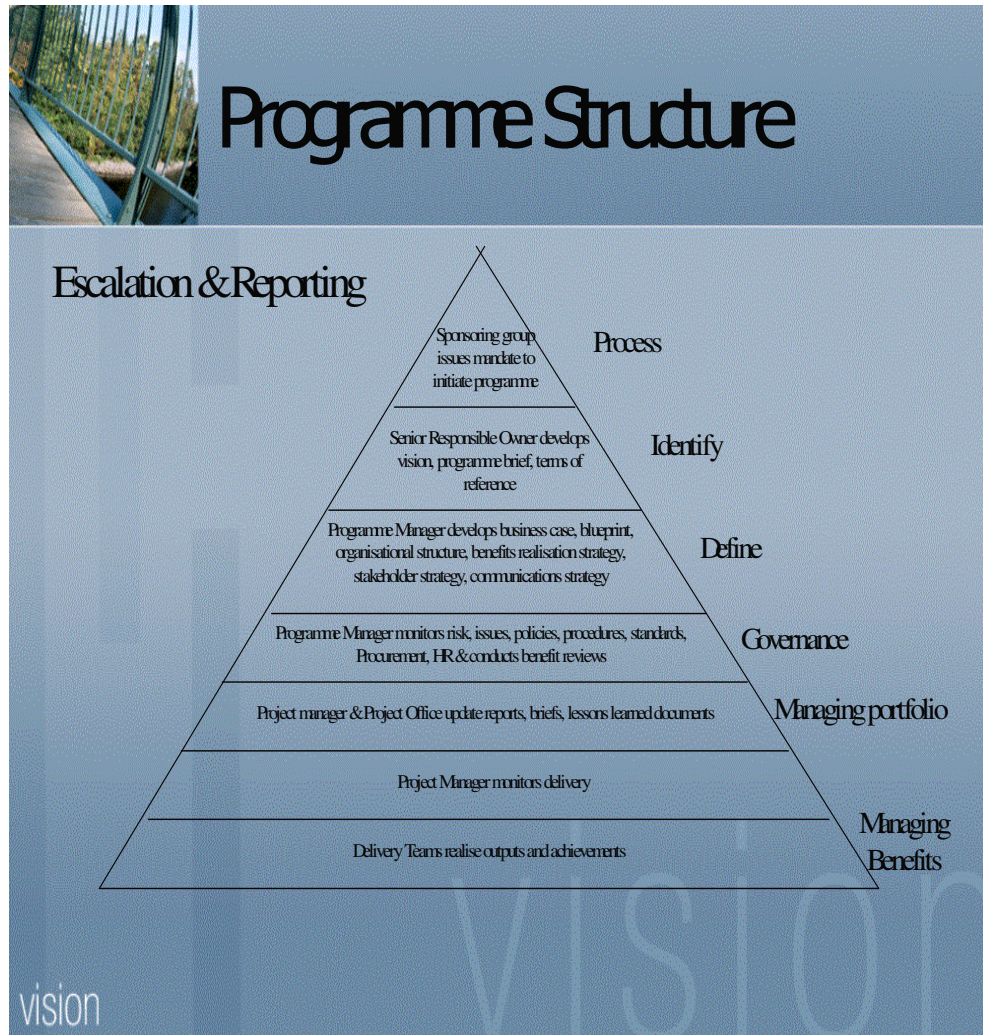


The diagram above demonstrates how the HOV strategic programmes will be managed. The Strategic Programme manager will then develop and deliver the programme as set out in the diagram below. This is a new structure and one that is agreed as the delivery process for all programmes across

### SECTION 4: GOVERNANCE AND MANAGEMENT

#### 4a: Governance

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the Heads of the Valleys. It is not possible to say at this stage how the process would need to change, as clearly the approach has not yet been tested. Continual improvement would be part of the programme's delivery

The Terms of Reference for the Consortium is attached at **Appendix 3**. In **Appendix 4** we have set out the roles, responsibilities, accountabilities and functions of all key posts.

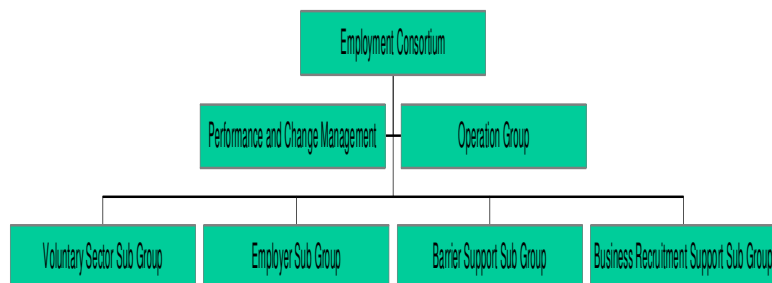
**Appendix 5** holds a chart demonstrating the diversity of the Consortium. Please note that the ethnic population within the Heads of the Valleys area is 1%. No Consortium Members are from Black or Minority Ethnic Groups. This is however felt to be reflective of local demographics. We do have Welsh speakers within the Consortium.

The Diagram below '*Consortium Support Structure*' shows the development of the Consortium to include a Performance and Change Management Support Group and an Operational Support Group. These are further supported by a series of thematic development groups leading on specific operational issues (Barriers, Employers, Recruitment Support and Voluntary Sector Activity). This development resulted from the need to structure the Consortium so as to minimise the likelihood of conflict of interest where decision making is required.

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### Consortium Support Structure



Terms of Reference for the Performance and Change Management Group can be found at Appendix 3. The TOR for the Operational Group will be developed following its first meeting in May.

The **Voluntary Sector (VS) Sub Group** is established and a broad cross section of organisations represents the Voluntary Sector. The group is chaired by BTCV (British Trust for Conservation Volunteers) and supported by the Cities Delivery Team. This group has responsibility for development and delivery of VS activity to support beneficiaries. The Chair is working to develop acceptable terms of reference with this group.

The **Employer Sub Group** will involve employers from the Public, Private and Voluntary sectors and will focus upon how their Human Resource policies can support workless people

back to work. Jobcentre Plus will chair this group. Terms of reference will be developed once the group is established.

The **Barrier Support Sub** Group will bring together organisations addressing key barriers, seeking ways to ensure parity of access to support across the Heads of the Valleys area. Terms of reference will be developed once the group is established.

Led by DEIN, the **Business Recruitment Support** Group brings together partners involved in giving this support, seeking to coordinate the work of partners better. Terms of reference will be developed once the group is established.

Clearly Training is a key requirement in any support moving people towards work. Through the Heads of the Valleys Strategic Programme Managers for Lifelong Learning and Employment the Consortium will work with the Heads of the Valleys Skills Group to influence local training provision and development.

#### 4b: Programme Management

The Welsh Assembly Government (Heads of the Valleys Programme) will act as the management/administrative lead and budget holder. The charts, overleaf, show the management structure. Detailed organisational charts to local authority level at the Year 3 point (2008/09) can be found at **Appendix 7**.

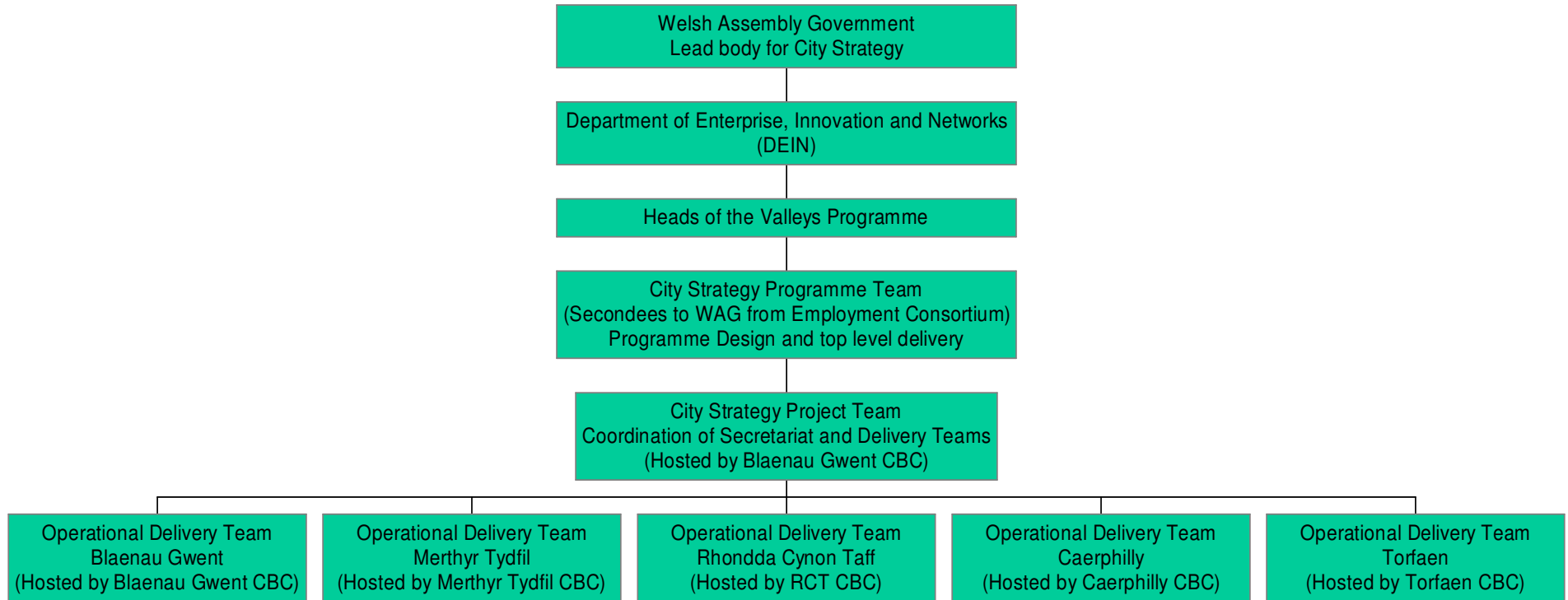
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#### ***Explanation***

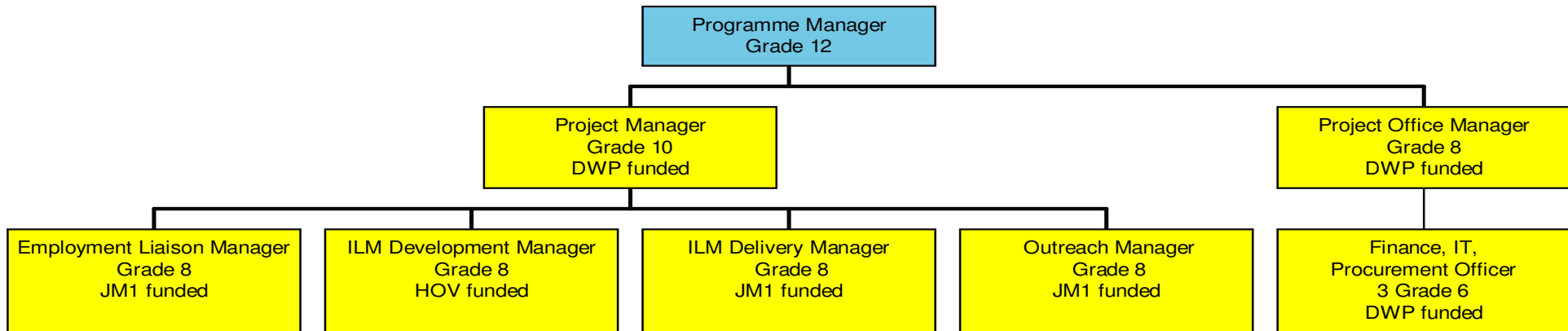
- The Welsh Assembly Government is the lead body for City Strategy within the Heads of the Valleys.
- The Heads of the Valleys Programme Team have responsibility for delivery of the 'Turning Heads...Strategy for the Heads of the Valleys'.
- Strategic Programme Managers have been appointed/ seconded from local Partner organisations to lead on the various Strategic Programmes within the Strategy – Life long Learning, Built Environment, Health, Employment etc.
- The Strategic Programme Manager for Employment has been seconded from Blaenau Gwent CBC to the Heads of the Valleys Programme to lead on Employment Programmes and consequently, City Strategy.
- The Heads of the Valleys Employment Consortium brings together partners and their expertise to determine Consortium delivery under Cities. The membership of the Consortium is described in detail in the Business Plan and terms of reference are supplied. As the work of the Consortium develops, its terms of reference will also change, reflecting the requirement for Consortia to increasingly direct the local Welfare to Work agenda.
- A small Team is being seconded from the Consortium members to the Heads of the Valleys Programme to deal with programme design, control and management.
- Blaenau Gwent CBC will host the core delivery team and secretariat for City Strategy. This team will ensure that performance information, sufficient to satisfy the various funding stakeholders is maintained and that process maps to ensure the collection of this information from local delivery teams are adhered to.
- Each local authority area (including Blaenau Gwent) will have its own local delivery structure, working with beneficiaries and collecting the required information at the local level. These teams will contain individuals, by secondment or direct appointment, to deliver the various interventions with the client group. (Engagement, assessment, links to training provision or 'Routes to...' Employment Liaison and JobMatching and Career Pathways – in work support).
- Performance and change control will be reported and controlled through this structure from local delivery team, through the secretariat and core team to the programme team and Strategic Programme Manager to the Consortium. This process will be complemented by the Performance and Change Management sub group (P and CM Group). The Strategic Programme Manager will report performance of direct (added value) Cities delivery to the P and CM group. Other funding and delivery partners will report the performance of mainstream and other activities to the P and CM Group.

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**City Strategy Project Officer & Management Team Structure**



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### **4c: Performance and financial management**

The governance section above explains the lines for reporting performance with relation to finance and beneficiary tracking.

Through the structure described, staff at all levels will be directed as to the use of Welsh Assembly Government financial and performance management tracking systems as well as being governed by WAG procurement procedures.

#### **Management of Over/ Under Performance.**

Tolerances would be set at 10% for either over or under performance for either client or financial targets. If breached, change management procedures would be triggered through the Performance and Change Management Group. This group would report how mitigating actions would be instigated and management to the Consortium

#### **Potential Funding Sources and their Financial Management**

In order to deliver the proposals for City Strategy in the Heads of the Valleys, funding will be sought from a number of sources (potential intervention rates and commitment to date below). These sources will include:

City Strategy Seed-corn funds - £310,000 commitment  
Deprived area funds – 60% top slice of Jobcentre Plus District Budget for 2007/08, 2008/09 and possibly 2009/10.

Heads of the Valleys Programme - £800,000 per year until 2008/09

In kind resources - Secondedees will in some instances retain funding from their substantive employer. Funding of this type is eligible for match under European funding regulations. Convergence Fund – whatever we generate in terms of either cash or 'in kind' resource for Cities can potentially be matched with Convergence fund (estimated 50% intervention rate). All of the Heads of the Valleys area qualifies for this fund. The Consortium has worked closely with Colleagues in the Welsh Assembly to ensure that the City Strategy Proposals clearly match the requirements under the strategic framework for Convergence. Bids (with possible retrospection will be invited later in 2007 (probably late summer).

Each of these funding stakeholders has its own requirements in terms of financial management and development of audit trails. The most demanding of these is European funding legislation. It is the intention of the Consortium that management information will be developed to satisfy European requirements. On the beneficiary tracking side, a management information system compatible with partner systems has been identified. On the financial tracking side, WAG and local authority financial tracking systems will be used to record payments – either to staff or beneficiaries.

### **4d: Management Information Requirements**

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Management information will be required to satisfy a number of ad hoc and regular reporting functions. Ad hoc reports will detail the following:

- Business supported
- Clients supported
- Performance of 'Routes...'
- Area based information at both ward and County level
- Training organisations
  - Portfolio of delivery
  - Delivery record in terms of quality and quantity

Regular reports will be required to detail performance against regular targets and financial information comparing actual against profiles.

In order to record sufficient details about client groups to log starting point, demographics and distance travelled, the following fields need to be recorded.

*Number of beneficiaries engaged from Local Authority Areas:*

*Blaenau Gwent  
Caerphilly  
Merthyr Tydfil  
Rhondda Cynon Taff  
Torfaen*

*Number of Beneficiaries from individual wards recording whether DAF or non-DAF.*

*Number of beneficiaries who are:*

*14-15 on engagement  
16-18 on engagement  
19-24 on engagement  
25-49 on engagement  
50+ on engagement  
Lone Parents on engagement*

*Number of beneficiaries with:*

*Disability  
Basic Skills Need  
No fixed Abode (Homeless)  
Criminal Record (Ex-Offender)*

*Number of Welsh Speakers*

*Number of Ethnic Minorities*

*Number of beneficiaries claiming:*

*Jobseekers Allowance  
Incapacity Benefit  
Income Support (Stock & Flow)  
Severe Disability Allowance  
Invalid Carers Allowance  
Widows Benefit  
Other Benefit  
No Benefit*

*Number of beneficiaries*

*Never worked  
Unemployed 0-5 months  
Unemployed 6-11 months*

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*Unemployed 12-17 months*  
*Unemployed 18 months – 3 years*  
*Unemployed 3 years +*

*Number of beneficiaries on Training Courses*  
*Number of beneficiaries completing Training Courses*  
*Number of beneficiaries gaining a Qualification*  
*Number of beneficiaries receiving Self Employment advice*  
*Number of beneficiaries starting up a business*  
*Number of beneficiaries sustaining a business for 12 months*  
*Number of beneficiaries into education*  
*Number of beneficiaries into full-time work*  
*Number of beneficiaries into voluntary sector*  
*Number of beneficiaries with reduced child poverty*  
*Number of beneficiaries who have reduced reliance on welfare*

What measures have you taken to ensure robust financial management systems and processes are in place?

**4d: Administrative Budget.**

Administrative Costs are detailed in the Budget Section above.

Administrative Costs from April 2008 will be met through Convergence Funds. A bid will be made for these funds will be made in early 2007. Early indications through Convergence Consultation Documents show that the Consortiums Approach fits well with the draft objectives.

**4e: Risk Management**

The risks that have been identified can be found in the attached risks register in **Appendix 6**. The project assumes that it has the Consortium and Heads of the Valleys Programme Board support for the time and resource implications involved in implementing any counter measures. The Project should communicate clearly the need for continual monitoring and consideration of risks to it. Risks encountered through working with other projects and initiatives are also located in the risk log. The control measures will be included in the same register under mitigating actions and will be developed as part of the project planning process.

Risks that affect the programme will be reported to the programme manager.

The Heads of the Valleys Programme Team will need to determine the amount of risk tolerance they are prepared to bear before implementing countermeasures.

The Heads of the Valleys Programme Team are responsible for:

- Notifying the project manager of any external risk exposure to the project.
- Making decisions on the programme managers recommended reactions to risk.

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- Striking a balance between the level of risk and the potential benefits that the project may achieve.

Notifying programme management of any risks that effect the projects ability to meet programme objectives.

The process recommended for risk management is to:

- Identify
- Evaluate, based on probability and impact (time, quality, benefit, people, resources).
- Identify responses based on prevention, reduction, transference, acceptance, and contingency.
- Select countermeasures based on the cost, likelihood and impact of risk occurring.
- Plan and resource the countermeasures by developing a detailed plan of action and obtaining approval from the programme manager for a contingency budget.

Monitoring and reporting on the risks and countermeasures by watching the warning signs of the risk, checking management is being applied effectively and that planned actions have the desired effect.

The project will report risks to the programme board via an entry in the monthly highlight report in an easy to read diagram. Those risks crossing the risk tolerance line will be referred to the board for authority to action.

### **4f: Implementation timeline**

The milestones are set out in considerable detail above in Table 1 on page 3, as well as key implementation dates. Our overall implementation timeframe is as follows:

Set up – December 2006 to March 2007

Initiate project April to June 2007

Delivery on existing April 2007 – Roll out July 2007 onwards.

First evaluation March 2008

## **SECTION 5: CONSULTATION, COMMUNICATIONS AND LEARNING**

### **5a: Consultation**

#### **5a:i Local Community Organisations**

The Communities First and Community Development Networks across the Heads of the Valleys provide a ready-made consultation framework for the Consortium at local ward level. It is essential that these networks be engaged for two reasons. Firstly to ensure the widest possible consultation about City Strategy and secondly to provide outreach services with a ready made network of community professionals to help maximise client engagement. Local Authority partners are key to this consultation and will be involved in arranging events.

#### **5a:ii Clients**

Expensive publicity drives have proven to be ineffective with the client group. What is far more effective is word of mouth communications either by friends and family, or through people they trust within the community. Outreach, Community

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Development and Voluntary Sector Partners will be essential here.

### **5a:iii Employers**

A number of employers in the public, private and voluntary sectors are partners within the Consortium. In addition, presentations will take place prior to the City Strategy launch with Business For a across the area. Again networking is of paramount importance. Briefings to local authority business support teams and colleagues in DEIN will also form part of consultation.

### **5a:iv Providers**

The Consortium held a consultation workshop on 5 December with providers and stakeholders to raise awareness. From this meeting we plan to hold 6 monthly update sessions with provider organisations.

### **5b: Communications**

The Consultation event above was the first of a number of events with Stakeholders. This will be followed by a number of facilitated workshops at the local authority level in the New Year.

### **5c: Learning**

We will:

- Identify and learn from the most successful elements of our pathfinder by carrying out annual internal and external evaluations. We will also seek regular feedback from consortium members. We will also look at the evaluation of other Pathfinders in order to benchmark our progress.
- Share this learning with other Pathfinders, and with non-Pathfinder areas by providing this information to DWP and placing evaluation data on the Assembly's and partner websites.
- Ensure regular customer feedback on our services by collecting and evaluating employer and client feedback sheets.

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2. Matrix of Jobcentre Plus Provision
3. Terms of Reference – Heads of the Valleys Employment Consortium and Support Groups
4. Roles and Responsibilities of Key Posts
5. Consortium Members, Role and Diversity
6. Risk Register
7. Detailed Organisational Charts
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