

## SKILLS HUB INITIATIVE

**Head of Service/Contact:** Rod Brown, Head of Housing & Community

**Urgent Decision?(yes/no)** No

**If yes, reason urgent decision required:**

**Annexes/Appendices (attached):** **Annex 1:** proposed budget for skills hub

**Other available papers (not attached):**

### Report summary

The Committee is asked to consider and approve a proposal to fund the establishment of a skills hub to help local people develop skills to seek employment.

### Recommendation (s)

**The Committee are asked to fund Surrey Life Long Learning for a period of one year to establish and operate a skills hub in Epsom as detailed in this report at a cost of £43,270.**

## 1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 The proposals in this report would help vulnerable members of our community to get into work, this would grow our own supply of skilled residents and reduce the Council's reliance on nightly paid temporary accommodation. This would positively impact on the objectives of the Corporate Plan, particularly "Supporting our Community", "Supporting business and our local economy" and "Managing our Resources"

## 2 Background

- 2.1 The causes of homelessness are varied, however often affordability is a key issue. This is particularly so for residents who are unemployed, as they are likely to be benefit capped.

# Strategy and Resources Committee

## 30 January 2020

- 2.2 The introduction of the Benefit Cap in 2013 was intended to ensure no one was better off not working than if they were working. The Cap restricts an individual's overall annual benefit payments, including all housing and living costs, to £20,000 for a couple and £13,400 for a single adult. Average rents for a one bedroom flat within the borough is approximately £800 - 900 per month.
- 2.3 The impact of the benefit cap on the housing circumstances of residents is very significant and often puts the household at risk of homelessness resulting in a homeless application to the council. In many circumstances the typical social housing, offered by Housing Associations, is beyond the reach of those households that are benefit capped. The most likely outcome is for the household to be transferred into Nightly Paid temporary Accommodation, often referred to as B&B accommodation, which is expensive and exposes the Council to additional homelessness expenditure. Employment status is therefore a key determinant in whether a household can afford rental property within the borough.
- 2.4 Whilst unemployment is relatively low in Surrey (in comparison to many other parts of the UK) and the majority of households in temporary accommodation are in employment; there are many households living in nightly paid temporary accommodation (provided by the Council) who are either employed in low paid, or fragile employment or unemployed.
- 2.5 The Council has long recognised the need to assist these households in seeking work. For several years the Council has commissioned Surrey Life Long Learning Partnership to provide a valuable job seeking service to these residents, known as ETHOS at a cost of £10,000 per year.
- 2.6 ETHOS works to support and motivate residents who are seeking employment or volunteering, helping them find suitable employment opportunities, creating effective CVs and developing their interview techniques so that they can gain employment.
- 2.7 Surrey Life Long Learning Partnerships have an excellent record of achieving effective engagement and positive outcomes with the Council's Housing Service clients through ETHOS, with performance within the borough often being amongst the highest across Surrey.
- 2.8 Whilst the engagement with job seekers via ETHOS is helpful, under the current arrangements there is no provision within ETHOS for training or skills development. During ETHOS, the need for further skills development is frequently identified and the lack of availability is seen as a major obstacle for successful employment outcomes.
- 2.9 For these reasons it is felt many of the recipients of the ETHOS service would benefit from help in acquiring and developing such basic skills, and existing availability to such training is severely limited.

# Strategy and Resources Committee

## 30 January 2020

### 3 Proposal

- 3.1 The proposal is to fund Surrey Life Long Learning for a period of one year to establish and operate a skills hub at the Epsom Job Centre Plus in East Street Epsom. The Hub would be available to any adult aged 19 years or more, who is either unemployed, or unsustainably employed (zero hours contract; temporary contract; low paid and/or low skilled job role etc.). The skills hub would be fully complementary to the existing ETHOS service, with referrals between them as required.
- 3.2 The Council's Housing Service would be able to direct any of their clients into the skills hub and will be including such a requirement, where appropriate, into individual's personalised housing action plans.
- 3.3 The skills hub would identify the requirement for skills development with the individual and provide a range of training opportunities to address these.
- 3.4 The skills hub would aim to upskill those attending to pre-Entry and up to Level 3, so as to enable the individuals to either seek employment or recognised training opportunities and build their confidence. This would also increase the availability of skills/experience/qualification in the local talent pool available for local employers.
- 3.5 A rolling programme of tutor led and/or online workshops will be available including:
  - One to one-small group pre-entry and entry level literacy/numeracy/ESOL skills
  - Soft employability skills e.g. confidence building, interview skills, resilience
  - Digital skills e.g. Go Online, email management, MS Office
  - Self-employment/small business start-up
  - Money management
- 3.6 In addition, the skills hub would give supported access to readily available learning platforms and users offered support to succeed. One to one coaching/mentoring/tutor support will be available for all learners who need it, and breaking down barriers to adult learning. There will also be on-going research to ensure training offered meets user needs and local employer skill requirements.
- 3.7 Participants will learn at their own pace, feel safe and be supported in their confidence building, which will minimise drop out, increase uptake and overcome resistance to adult learning.

# Strategy and Resources Committee

## 30 January 2020

- 3.8 The local Epsom Job Centre Plus have agreed to offer accommodation for the duration of the one year pilot as a contribution in kind. This will ensure a venue that is known, highly visible and accessible to all. The accommodation offered includes areas where group teaching can occur as well as separate areas where individual work can be done.
- 3.9 The proposal is that the skills hub will be operated by Surrey Life Long Learning for 48 weeks in 2020/21 and be open 3 days each week between 09:30 – 15:30.
- 3.10 The progress and performance of the one year skills hub pilot will be managed through clear performance indicators

### Outcomes

- 3.11 The outcomes required from the skills hub will be managed through formal quantitative and qualitative performance monitoring and quarterly review/ planning meetings with the Council as set out in the Service Level Agreement. The outcomes from the pilot will include:
- Engagement with all referrals/self-referrals
  - 95% positive feedback following engagement
  - An increase in referrals over the year
  - At least 75% of those engaged achieve a successful learning outcome through completing a course and gaining a certificate
  - At least 30% engaged undertaking a second course
  - At least 25% engaged progressing to an accredited qualification course
  - At least 15% moving into paid employment

### 4 Financial and Manpower Implications

- 4.1 The budget proposed for the provision of the skills hub by Surrey Life Long Learning Partnership, as outlined above, is £43,270 for 12 months and is set out in detail in **Annex 1**.
- 4.2 Epsom Job Centre Plus will be contributing the cost of accommodation and furniture as benefit in kind and is valued at £13,260.
- 4.3 The proposal is that the Council will contribute up to a maximum of £43,270, to be funded from the Flexible Housing Support Grant.

# Strategy and Resources Committee

## 30 January 2020

- 4.4 The intention of this pilot is to increase the employability of those receiving the service, including gaining qualifications, increasing their confidence to apply for jobs and to become employed. Employment will increase the affordability of rental properties within the Borough, for those using the service, in addition to removing the threat of the benefit cap.
- 4.5 The typical net cost to the council of accommodating residents in nightly paid temporary accommodation is very high and the cost of providing the service in 2019/20 is significantly exceeding the service's budget.
- 4.6 The net cost to the council of providing nightly paid temporary accommodation is as follows:

Household size	Average annual net cost to the Council (£)
Single person	12,000
Small family	18,000
Large family	23,000

- 4.7 Given the high net cost (i.e. the cost charged minus any Housing Benefit payment received) of providing this accommodation, full payback of the total cost of the pilot would only require (for example) one large family and two single people to gain employment and hence avoid the imposition of the benefit cap, to exceed the £43,270 proposed pilot cost.
- 4.8 **Chief Finance Officer's comments:** The Flexible Housing Support Grant (FHSG) Reserve holds an unearmarked balance of £131,800. Allocating up to £43,270 for the pilot would reduce the unearmarked balance to £88,530.
- 4.9 If the pilot were continue beyond 12 months, any future funding requirement would need to be identified either from future FHSG allocations or from existing service budgets.

## 5 Legal Implications (including implications for matters relating to equality)

- 5.1 The Homelessness Reduction Act (HRA) places duties on the Council to help prevent and relieve homelessness. The main focus of the Act is to prevent homelessness by placing greater emphasis on working together with applicants to resolve their housing problems.
- 5.2 The delivery of the skills hub pilot is a prevention activity and will be managed through an agreement between the Council and Surrey Life Long Learning Partnerships and also to ensure the provision of the location for the duration of the pilot and agreement with Epsom Job Centre Plus.

# Strategy and Resources Committee

## 30 January 2020

5.3 **Monitoring Officer's comments:** none arising from the contents of this report.

### 6 Sustainability Policy and Community Safety Implications

6.1 The proposal will seek to improve the employment prospects for vulnerable people, including those who are homeless or at risk of homelessness. Homelessness has been identified as a significant factor in increasing the vulnerability of individuals, so the proposal will contribute to reduced vulnerability.

### 7 Partnerships

7.1 Partnerships are an important aspect of this proposal. Surrey Life Long Learning Partnership has a well-established partnership with the Council in the provision of services to homeless residents.

7.2 The proposal also represents a strengthening of the partnership with the Epsom Job Centre Plus. The majority of the client group using the service will be known to both the Council and Epsom Job Centre plus.

7.3 Should the pilot be successful over the course of one year, it is envisaged that other partners may fund an extension of the pilot.

### 8 Risk Assessment

8.1 The cost to the Council of accommodating homeless households in nightly paid temporary accommodation is very high and exceeds the current budget for provision of this service. Not increasing the level of employment amongst the homeless households would exacerbate the financial pressures on the homelessness budget.

8.2 The risks of pilot costs exceeding the proposed budget for the pilot will be mitigated through use of a Service Level Agreement and quarterly project meetings.

### 9 Conclusion and Recommendations

9.1 Employment, as well improving an individual's wellbeing, it is one of the most significant factors in making rental accommodation within the borough more affordable to those who are homeless or at risk of homelessness.

9.2 The recommendation of this report is that the Committee agrees to spend £43,270 to support a one year skills hub pilot to provide skills training to reduce unemployment and improve employment opportunities.

**Ward(s) affected:** (All Wards);