

At a meeting of the PROSPERITY AND ECONOMIC DEVELOPMENT SCRUTINY COMMITTEE held in the CIVIC CENTRE on WEDNESDAY 15TH DECEMBER, 2010 at 5.30 p.m.

Present:-

Councillor Mordey in the Chair

Councillors Bell, Cuthbert, D. Forbes, P. Gibson, Howe, J.B. Scott, Snowdon, A. Wright and T. Wright.

Also Present:-

Councillor D. Tate – Chairman of the Management Scrutiny Committee.

Apologies for Absence

An apology for absence was submitted to the meeting on behalf of Councillor Old.

Declarations of Interest

Item 4 – Low Carbon Economy – Policy Review 1010/11: Offshore Wind

The Chairman declared a personal and prejudicial interest in the item as a Council appointed member of the Port Board and left the meeting during the consideration of the item.

Minutes of the Last Meeting of the Committee held on 17th November

1. RESOLVED that the minutes of the last meeting of the Committee held on 17th November, 2010 be confirmed and signed as a correct record.

Low Carbon Economy – Policy Review 2010/11: Offshore Wind

The Chairman welcomed and introduced Matthew Hunt, Port Director, who was present to provide Members with a presentation as evidence for their Policy Review of the Low Carbon Economy.

(For copy presentation – see original minutes).

Mr. Hunt informed Members that the Port of Sunderland was the United Kingdom's second largest municipally owned port. It represented a prime asset in the City's profile of a key destination for major commercial growth, stemming from the development of successful trade and business operations. Members were informed that:-

- the recommendations of the Department of Transport's Municipal Ports Review (2006) had been adopted;
- the new Port Board and Port Director had been appointed to enhance the commercial and operational decision making process;
- the single Port operation, comprising:-
 - Competent Harbour Authority;
 - Competent Pilotage Authority;
 - Landlord and development;
 - Stevedoring, warehousing and logistics;
- the potential for offshore renewable energy had been recognised in the Sunderland Economic Masterplan.

The Port facilities included:-

- Deepwater river berths close to the open sea with non-compulsory pilotage;
- Multi-use impounded dock system with vessel locking capability;
- Rail connections to Corporation Quay river berth and South Docks;
- Comprehensive cargo handling, warehousing and distribution services;
- Fully flexible, highly trained and well qualified workforce.

With regard to the development of the Port's market this would centre on:-

- Mixed dry bulks (steel scrap, grain, technical bulks);
- General and project cargo (e.g. Liebherr maritime and offshore cranes, self-propelled modular transport);
- North Sea Oil and gas industry support;
- Ship repair and marine engineering;
- Renewable energy and subsea engineering.

Mr. Hunt informed Members of the Market Opportunity with regard to offshore wind as a renewable energy. This centred on Round Three of the Crown Estates initiative and would target Zone 3 (Dogger Bank) which was one of 9 zones surrounding the UK. The Developer for Zone 3 which was the largest of the 9 Zones was Forewind which was a consortia comprising SSE, RWE, Statoil and StatKraft.

Parsons Brinckerhoff had carried out a market assessment of the potential Port of Sunderland expansion. This had identified the following four development phases:-

- pre-development marine surveys;
- manufacture;
- assembly and installation;
- operations and maintenance.

In conclusion Mr. Hunt advised Members of the Land Development Potential at the Port.

In response to an enquiry from Councillor Howe, Mr. Hunt advised that the oil operation at the Port had been closed by the business concerned due to changing patterns in the supply chain. It had been a market led decision.

Councillor T. Wright referred to the 150 acres of land at the Port and asked if this included the railway sidings. In addition he asked who owned the sidings and if they could be included in the Port's portfolio. Mr. Hunt replied that he was unsure of the current ownership, however, they were not owned by the Port.

Councillor Gibson referred to the planning regulations that seemed to curtail wind farm development when compared to other areas such as the South West United States and asked if it was possible that Port land could be developed for this purpose. Mr. Hunt confirmed that it was certainly a suggestion that was worthy of consideration going forward.

Councillor Cuthbert welcomed the plans to attract revenue from the offshore industry and in particular the plans to attract manufacturing industries. He referred to the loss of the oil contract and asked what percentage of the Port's business it represented. In addition he asked which of the Port's five market streams was in the best position to make up the loss. Mr. Hunt replied that he did not have the exact figure to hand but would supply it to Councillor Cuthbert. With regard to the market streams there was a danger in being too prescriptive, he believed he would be in a position to provide a more definitive answer in a year's time.

Councillor Cuthbert referred to the establishment of the new Port Board and asked if Mr. Hunt believed it to be the correct format as it currently stood. Mr. Hunt advised that he had been appointed on 1st June, 2010 and that the new arrangements had already been implemented by that stage, however, he informed the Committee that the Port's governance arrangements were one of the attractions in applying for the job. He stated that arrangements were working well and that the Board had been supportive in developing the five market development streams.

In response to an enquiry from Councillor A. Wright regarding the type of potential manufacturing that could be attracted, Mr. Hunt referred to the example of a wind turbine. This would comprise concrete and steel foundations, the tower/superstructure, gear box, blades, internal electronics and cabling together with an export cable to transmit the power. This would involve a whole host of manufacturing industries and organisations. The opportunities were huge and exciting and involved a variety of skills.

Councillor Bell highlighted the development potential in utilising the railway infrastructure at the Port given the Green Agenda to reduce freight capacity on the

roads. He also highlighted the potential to develop a small scale, rail fed container terminal.

Councillor Howe welcomed Mr. Hunt's upbeat attitude but expressed concern at the competition from Blyth, Port of Tyne, Teesport, Seaham and Humberside, all of which he believed to be well established and ahead of Sunderland. Mr. Hunt acknowledged that the competition was very strong, however, the current challenging economic climate was tough for all Ports. There was a need to establish and be clear about niche positions. For example, the Dogger bank Offshore Wind initiative would provide pre development opportunities, manufacturing, assembly and maintenance opportunities. These were all tangible opportunities but Sunderland couldn't afford to be complacent.

The Chairman having thanked Mr. Hunt for his presentation, it was:-

2. RESOLVED that the report and presentation be received and noted.

Low Carbon Place task and Finish Group Work Programme 2010-11

Claire Harrison, Assistant Scrutiny Officer, presented a report of the Chief Executive (copy circulated) which provided Members with the current Work Programme for the Committee's Low Carbon Place Task and Finish Group for the 2010-11 Council Year.

(For copy report – see original minutes).

The Chairman, in response to an enquiry from Councillor Gibson, advised that it was hoped the retrofit visit would be rescheduled for January 2011. Members were also advised that representatives from the University would now be appearing before the full Committee rather than the Task and Finish Group.

3. RESOLVED that the Low Carbon Place Task and Finish Group Work Programme for 2010-2011 be received and noted.

Performance Report Quarter 2 (April-September 2010)

The Chief Executive submitted a report (copy circulated) which provided the Committee with performance information in relation to the following issues:-

- Progress in relation to the LAA targets and other national indicators;
- Progress in relation to the Economic Challenges Policy Review and Working Neighbourhood Strategy Policy Review Recommendations;
- the results of the annual MORI residents survey which took place during May to July 2010.

(For copy report – see original minutes).

Gillian Robinson, Corporate Performance Monitoring Manager, presented the report and with regard to the MORI survey advised that most residents spoke well of Sunderland City Centre. Over three in five thought it was good, compared with one in five who rated it poorly. Frequent visitors tended to be more positive; two thirds of those who came at least once a month (67%) said that the City Centre was good overall.

With regard to the individual aspects of the City Centre, satisfaction was highest with footpaths and pedestrian areas, things to do in the evening and signposting – about two in three people said these were good. Three in five also said this about the general cleanliness of the City Centre, its leisure and entertainment facilities and the shopping facilities, the cleanliness 'net' good rating increased from +27 in 2006 to +44 in 2010.

Opinion was much more divided on new buildings and developments with only two in five people rating these as good and one in five considering them poor. Similarly, only three in ten gave future plans for the City Centre a favourable rating, compared with one in five who rated these negatively.

Young people aged 16-24 spoke particularly well of the City Centre. For example, they were much more likely than residents aged 65+ to rate as 'good' the City Centre overall (81% compared with 53%) and shopping facilities (81% compared with 48%).

On the other hand, affluent residents were more critical. People in social grades A and B were more likely than the City norm to rate the shopping facilities as poor (38% compared with 25% overall), as well as future plans for regeneration (26% compared with 19%) and the City Centre overall (33% compared with 20%). Owner-occupiers were also more negative than others, which may be because they are more likely to be in grades A and B. For instance, three in ten (30%) said shopping facilities were poor, considerably more than among either social tenants (19%) or private sector rents (14%).

Attitudes also varied geographically, Coalfield residents being more satisfied with the City Centre than the Sunderland average (69% compared with 63%). Conversely, people were more critical in North and East Sunderland. For example, dissatisfaction with shopping facilities was greater in these areas than the City Norm (33% in the North and 34% in the East compared with 25% overall).

Members attention was then drawn to Appendix 2 of the report which provided an overview of the position for relevant national indicators and any retained local indicators.

In conclusion, Ms. Robinson briefed the Committee on progress to date in implementing the recommendations from the Committee's Policy Review into Economic Challenges and Working neighbourhood Strategy.

Councillor Cuthbert welcomed the report but working in a job dealing with statistics he expressed concern that a lot of the statistics presented in the report were confusing at first glance. In particular, he pointed to the example of the pie charts on

page 15 of the agenda. Ms. Robinson acknowledged this point and advised that the statistical data and charts in that section of the report had been supplied by Ipsos MORI.

The Chairman having thanked Ms. Robinson for her presentation it was:-

4. RESOLVED that the report be received and noted.

Forward Plan – Key Decisions for the Period 1st December, 2010 to 31st March, 2011

The Chief Executive submitted a report (copy circulated) to provide Members with an opportunity to consider those items on the Executive's Forward Plan for the period 1st December 2010 to 31st March, 2011 relating to the Prosperity and Economic Development Scrutiny Committee.

(For copy report – see original minutes).

Jim Diamond, Scrutiny Officer, presented the report and advised that item 01409, 'to approve the employment strategy' would not now be submitted to Cabinet in January. It would, however, be submitted to this Committee in January prior to any consideration by Cabinet.

Councillor T. Wright referred to item 01477 'to approve the appointment of contractors to deliver the Marine Walk public realm improvements'. He noted that a lot of retailers in the area were not happy with the proposals and hoped that officers were talking to them and appropriate consultation had been carried out. Councillor Rolph requested that item 01451 'to agree the Low Carbon Homes Strategy' was brought to the Committee if appropriate. Mr. Diamond confirmed that this would be the case.

Work Programme 2010-11

The Chief Executive submitted a report (copy circulated) which attached for Members' information the Committee's current programme of work for the 2010-11 Council year.

(For copy report – see original minutes).

6. RESOLVED that the Committee's Work Programme for 2010-11 be received and noted.

The Chairman then closed the meeting having thanked everyone for their attendance and wished Members and Officers a Merry Christmas and a Happy New Year.

(Signed) M. MORDEY,
Chairman.

**NORTH EAST CHAMBER OF COMMERCE – BUSINESS
UPDATE**

REPORT OF THE DEPUTY CHIEF EXECUTIVE

Strategic Priorities: SP1 Prosperous City, SP5 Attractive City

**Corporate Priorities: CIO1: Delivering Customer Focused Services, CIO4:
Improving partnership working to deliver 'One City'.**

1. Purpose of the report

- 1.1 To receive a report from Andrew Sugden from the North East Chamber of Commerce (NECC).

2. Current Position

- 2.1 Andrew Sugden (Director of Membership and Policy) and Ross Smith (Head of Policy and Research) have been invited to the meeting in order to provide a short presentation on the work of the Chamber and, in relation to the Committee's policy review, its contribution to the development of the low carbon economy.
- 2.2 The presentation will focus on the plans set out in the NECC's 2011 Manifesto and other ongoing efforts on behalf of business in Sunderland. This will include the actions required to bolster the competitiveness of local businesses, the investment priorities required to secure economic growth and the measures necessary to maintain the economic recovery. A copy of the 2011 Manifesto is attached as an appendix.
- 2.3 The presentation will also refer to the views of the NECC in relation to the development of the low carbon economy in Sunderland.

3 Recommendation

That the report of the North East Chamber of Commerce be received and information on the development of the low carbon economy be incorporated into the policy review.

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Driving sustainable growth

Foreword

Welcome to *Driving Sustainable Growth*, the North East Chamber of Commerce's Manifesto 2011. This sets out the priority issues on which NECC will focus its rigorous campaigning activity during the year.

NECC is the region's leading business organisation. Our 4,000 members cover all parts of the region, all industrial sectors and all sizes of business. The priorities set out in this Manifesto have been drawn up following extensive consultation with these businesses, including through our range of local and sub-regional committees.

The Manifesto therefore represents a uniquely powerful agenda for North East business. It makes clear what it is that North East businesses want in order to create jobs, encourage new investment and generate success.

The challenge for the next year is to maintain and accelerate the growth that businesses have started to deliver in 2010. This needs to happen against the backdrop of the efforts to tackle the UK's deficit. Cuts across a series of public sector budgets will require difficult decisions on priorities. The outcome of these choices will perhaps be felt more keenly in the North East due to the public sector's relative size in our economy.

It is critical that policy leaders and decision makers

recognise the need for the North East's private sector to grow, in order to replace jobs lost in the public sector and create the tax revenues which will rebuild public finances. Improving the conditions for businesses to flourish in our region must therefore be their overriding consideration. We must also ensure that all the new organisations which will emerge in the North East in the coming months truly have business interests at their very heart. They and we must all work tirelessly to excite businesses to grow and succeed.

This Manifesto clearly sets out what this will mean in practice.

NECC will forcefully represent members' views to local, regional and national bodies to make sure this is clearly understood and quickly acted upon.



Martyn Pellew
NECC President

Introduction

The start of 2011 comes in the midst of a period of significant change for businesses in the North East. Some of this is very positive – UK growth figures are improving, predictions of a ‘double-dip’ recession are starting to fade, and talk of ‘recovery’ is being replaced by more straightforward ‘growth’. It would be dangerous to assume this is a foregone conclusion, but signs of renewed health are there. NECC will ensure up to date information and intelligence on the state of the North East economy is provided to key decision makers during 2011.

There are also major changes to policy. 2011 will be the first full year of the new coalition government, which is implementing a series of often radically different ideas to the previous administration. This includes re-structuring the architecture of government in the North East, with the regional development agency (RDA) on its way out, and local enterprise partnerships (LEPs) on their way in. Action being taken to tackle the UK deficit is adding to a sense of flux in policy. This is perhaps being felt more keenly in the North East than any other part of the UK, due to the prominence and investment levels of the RDA and the relative size of the public sector in the region’s economy.

A shift is therefore required in the relationship between the private and public sector in the region. Businesses will welcome the opportunity to take a greater lead and a bigger share of the economy. But the public sector’s role as a major customer and employer in the North East means adjusting to this change won’t be without its challenges.

This state of flux needs to be replaced quickly with stability. Government bodies both in Whitehall and the North East must quickly establish and communicate the policy framework in which businesses will need to operate, in order that they can effectively plan the investments that will deliver the wealth, employment and tax revenues this region requires.

However, it does create an opportunity, which the business community must grab, to work with such bodies to shape these reforms to policy in order to address barriers to growth and create better conditions for business in the North East. Businesses must also be clear in articulating where reform would in fact be damaging, and in prioritising the investments that should be made with limited funds available.

This Manifesto therefore outlines NECC's lobbying priorities under the following three themes:

- **Safeguarding** assets and policy positions which are critical to maintaining **the recovery**;
- **Reforming** areas of policy to bolster the **competitiveness** of North East businesses and UK plc;
- **Investing** in priority areas where this will unlock economic **growth**.

Strong leadership will be required in the North East both to take the decisions needed within the region, and to make a clear case to Government for action which will unlock the specific opportunities that exist here. NECC and its members will work closely with local authorities and others, including through the North East Economic Partnership and LEPs, to ensure business is at the centre of this change.



Safeguarding the recovery

While a new Government in Whitehall and new partnerships in the North East are rightly assessing where policy needs to change, they must pay heed to the assets and policy positions which businesses have identified as beneficial and wish to see protected.

Some elements of support for businesses must be maintained. While some skills funding has been poorly targeted, support for apprenticeships is vital both to de-risk the investment required by businesses and to give young people the confidence to follow this route. The Government has signalled its commitment to apprenticeships and must follow this up by ensuring the right funding is provided to encourage sufficient take-up, especially in the North East where unemployment among young people showed a worrying rise in the recent recession. Backing for innovation in sectors where the North East shows genuine strength, including low carbon vehicles, renewable energy, process industries and plastic electronics, must also be continued. This includes maintaining innovation centres which have brought world class expertise to the region.

The North East requires fresh investment in transport infrastructure, which is detailed elsewhere in this Manifesto. But there is also a need to ensure the assets the region already has continue to operate effectively. The arrival of inter-continental travel to the North East in the shape of a daily Emirates flight from Newcastle International Airport to Dubai has been a major fillip for business. Connections such as these must not be undermined by punitive taxation, or by imposing constraints on the growth of aviation. The East Coast Main Line must be maintained as a high quality north-south link through the region, including by ensuring the

region is connected from day one to planned high speed services, with a detailed timetable for how it will be linked into the network.

Other changes which are already taking place must be managed to ensure they do not create any adverse impact on the business community. Examples include the juxtaposition of 'localism' with cuts to local government budgets. Local authorities must resist the option to plug gaps in central funding by increasing taxes or service charges for businesses. Additionally, new migration controls, while a key election issue and seen therefore as a priority for action by Government, must be implemented without damaging firms' ability to recruit the skilled workforce they need, particularly in an area like the North East with a relatively small labour market.



In 2011, NECC will campaign for:

Transport

- A tax and regulatory system which supports air links between the North East and key markets;
- A detailed timetable for inclusion of the North East in a high speed rail network.

Skills

- Support for employers taking on and retaining apprentices to de-risk this investment.

Finance

- Continuation of targeted support for businesses through the Finance for Business North East programme.

Tax

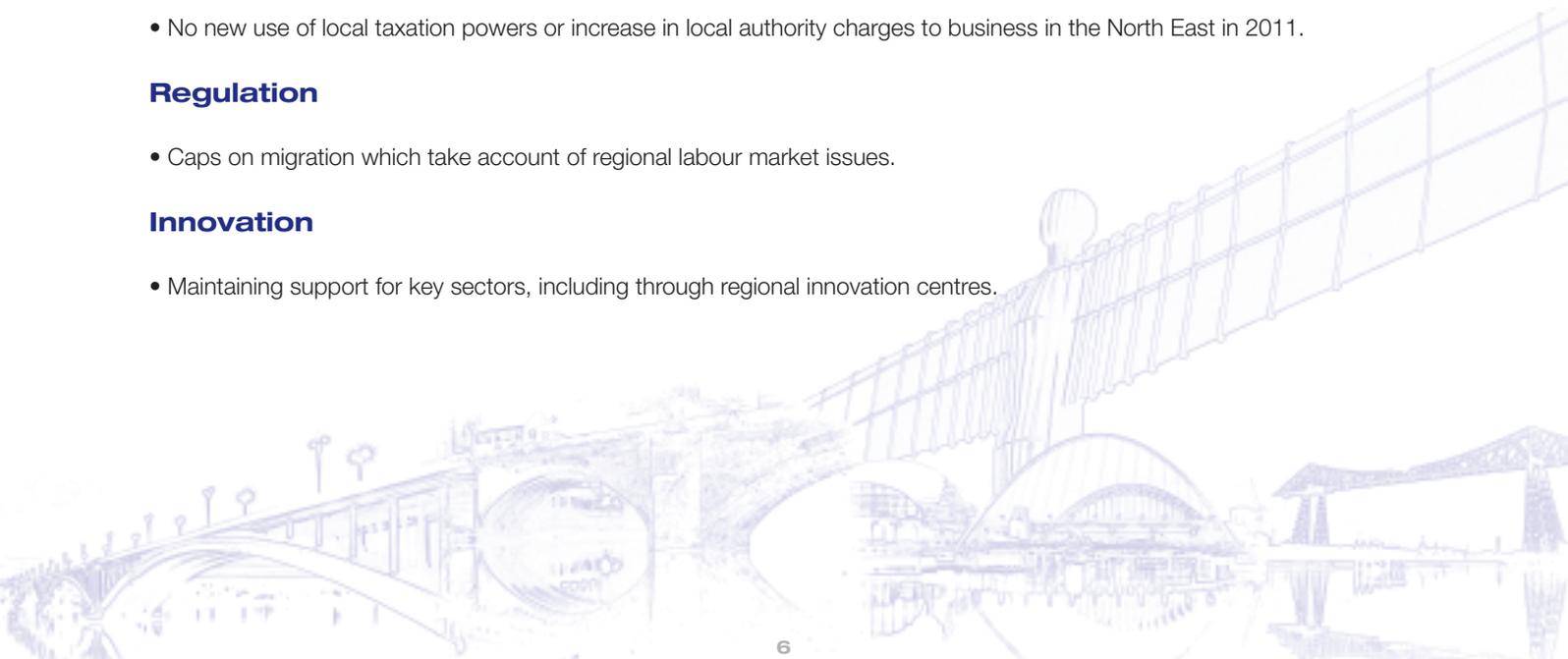
- No new use of local taxation powers or increase in local authority charges to business in the North East in 2011.

Regulation

- Caps on migration which take account of regional labour market issues.

Innovation

- Maintaining support for key sectors, including through regional innovation centres.



Reforming for competitiveness

Some elements of reform will undoubtedly be beneficial to businesses, and the opportunity must be seized to make lasting changes which will create a more competitive business environment in North East England.

The Government has already made welcome commitments on reducing corporation tax levels over the medium term. This greater degree of certainty is something businesses have been seeking. It should be followed through in other areas of the tax system in order to ensure North East businesses have the confidence to invest, after a period of understandable reluctance in a turbulent economic period. Critically, businesses should be given assurances that tax policy positions in place when they make an investment will remain constant.

In other areas, Government has made positive comments regarding reform, but businesses need certainty that these will be reflected in action at ground level in the North East. On planning, statements about a presumption in favour of development must be backed with action, and not jeopardised by an approach to 'localism' which may in practice give succour to NIMBYism. On procurement, an aspiration to open up central Government contracts to greater competition must be echoed in public bodies in the North East, and not undermined by a heavy handed approach to achieving 'efficiency savings'. Both of these issues will require continuing culture change within North East local authorities and other agencies.

Changes must also enable markets to work better, allowing North East businesses to choose the services they need. Finance must remain available to North East businesses, including through an effectively functioning

banking system. Appropriate mechanisms must be in place to enable businesses to demand and receive the training they need to up-skill their workforce and to articulate future skills demand. And while a desire to give a tighter focus to use of public money for business support will be understood, this must be linked to changes which enable the private sector to effectively supply the services firms need.

One area in urgent need of reform is the way in which public funding for infrastructure is allocated and private investment is incentivised. Huge disparities in grid connection charges which direct development towards crowded areas of the South East, and transport funding formulae which favour spending to put sticking plasters on congestion rather than investment in capacity, must be reconsidered.



In 2011, NECC will campaign for:

Infrastructure

- Mechanisms which direct investment towards areas of capacity, not congestion – including through grid connection charges, transport spending criteria and use of water assets.

Skills

- A market which more flexibly enables providers to meet employers' medium-term needs and not just short-term demands.

Business Support

- Facilitating private sector provision of key business support products.

Finance

- Banking reform which does not undermine lending to businesses;
- Commitment from banks on speed of decision-making and transparency of process.

Tax

- Consistency of tax policy positions through 'grandfathering' to de-risk major investments.

Planning

- Policy and culture which proactively supports development.

Public procurement

- Reforms to create broader, simpler and smarter public procurement in the North East.

Investing in growth

With limited funds available in the region, partnerships between business and the public sector must carefully choose both how to spend the money available to them, and how to focus lobbying to central Government for investment.

It is critical to continue to make strategic interventions where the North East has genuine excellence in order to foster world class industries. This includes the low carbon sector and high value manufacturing, although less hi-tech industries such as tourism which make a valuable contribution to the North East economy must also not be overlooked. The focus must clearly be where carefully targeted spending will contribute to sustained long-term growth. Central to this will be backing for international trade in the region. The North East already boasts the largest volume of exports per head and the only consistently positive balance of trade in England, but this is on the back of the success of a relatively small number

of firms. More must be given high quality assistance to find markets to bring in greater wealth to the region.

Investment in infrastructure critical for businesses must also be prioritised. Cancellation of funding for strategic roads both into and within the North East flies in the face of business priorities and should be reversed. The North East must also put together coherent proposals to ensure it is at the forefront of moves to upgrade digital connections in the UK.



In 2011, NECC will campaign for:

Strategic sector support

- Targeted sector support where the North East demonstrates genuine excellence.
- Regional Growth Fund bids which unlock investment in low carbon industry, including R&D.

International trade

- Strategic export support in line with specific regional strengths and opportunities to broaden the base of exporters.

Digital

- Effective partnerships between the public and private sector to provide next generation broadband to businesses across the North East.

Transport

- Reversing the decision to cancel investment in strategic road connections to and within the North East.

necc

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**LOW CARBON ECONOMY - POLICY
REVIEW 2010/11: VEHICLES**

REPORT OF THE DEPUTY CHIEF EXECUTIVE

STRATEGIC PRIORITIES: SP: PROSPEROUS CITY

CORPORATE PRIORITIES: CIO1: Delivering Customer Focussed Services, C102: Being 'One Council', C103: Efficient and Effective Council, C104: Improving partnership working to deliver 'One City'.

1. Purpose of Report

- 1.1 The purpose of the report is to receive a presentation from Janet Snaith, Head of City Business and Investment Team on the development of the vehicle sector of the low carbon economy in Sunderland.

2. Background

- 2.1 On 18 June 2009, the Committee agreed to undertake a policy review into the development of a Low Carbon Economy in Sunderland.
- 2.2 At its meeting on 14 July, the Committee agreed the following terms of reference:-
- (a) To gain an understanding of what we mean by the term 'low carbon economy';
 - (b) To consider the difference between the concepts of low carbon *business* and a low carbon *place*;
 - (b) To investigate the land and infrastructure requirements of a low carbon city;
 - (c) To consider the potential skills requirements of a low carbon economy and the measures that can be taken to ensure that the City's working population are equipped to meet the demand;
 - (e) To consider the role of the Council in providing community leadership and championing the low carbon economy;
 - (f) To consider how best to market the City in order to attract new low carbon industries and consider the promotion of flagship schemes;

(g) To consider how best to involve individuals in making low carbon choices, for example, through energy conservation or generation measures;

(h) To look at the action being taken by the City as a whole (businesses and residents) and the work being done to encourage businesses and residents to sign up to the low carbon agenda;

(i) To consider the role of the FE / HE sector in providing research into the development of low carbon industries and meeting the likely skills demands. How can we make courses more attractive to young people and ensure that their skills are transferable?

(j) To map those low carbon businesses already in the city to provide a benchmark for moving forward;

(k) To look at the work being done in schools and other Council buildings to reduce carbon emissions.

2.3 As part of the review, Janet Snaith has been invited to the meeting to discuss the potential of the vehicle sector as part of the low carbon economy. This will cover the following themes:-

Ultra Low Carbon Vehicles

- Background (Economic Masterplan)
- Electric Vehicles Production (Tanfield Group)
- Nissan Battery Plant
- Nissan Leaf Electric Vehicle
- Research & Development (Test Track)
- Sector Support and Locations
- Skills (Green Collar Training)
- Infrastructure (Plugged in Places)
- Issues (Resources and Market Potential)

2.4 Arrangements are currently being made for a visit to the Nissan site in order to view the facilities.

3. Recommendations

3.1 That the information provided and the comments of members be included as part of the Committees policy review.

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SUNDERLAND EMPLOYMENT STRATEGY 2011-2014

REPORT OF THE DEPUTY CHIEF EXECUTIVE

Strategic Priorities: SP1 Prosperous City, SP5 Attractive City

Corporate Priorities: CI01: Delivering Customer Focused Services, CI04: Improving partnership working to deliver 'One City'.

1. Purpose of the report

- 1.1 To seek the views and comments of the Committee on the draft Sunderland Employment Strategy 2011-2014.

2. Current Position

- 2.1 An Employment Strategy for Sunderland has been developed in order to make the city a more prosperous one, made up of thriving neighbourhoods where people want to work and where businesses want to be based. It will also contribute to reducing the significant gaps between the wealthy and the poor in our City and maintaining and building upon the improvements that delivered by the Working Neighbourhood Strategy 2008 – 2011.
- 2.2 The Employment Strategy vision which overarches these goals is:
To support Sunderland at a neighbourhood level, to achieve high levels of good quality employment and profitable self-employment.
- 2.3 The Employment Strategy for Sunderland is an important part of a whole range of programmes which focus solely on making Sunderland a more prosperous city over the next 15 years. This range of programmes comes under one title; The Economic Masterplan. The Employment Strategy complements Sunderland's Skills Strategy and Sunderland's Enterprise and Innovation Strategy, which will also help deliver the Economic Masterplan. It also supports the city's Child Poverty Strategy.
- 2.4 The Employment Strategy will direct and enable the allocation of any available strategic resources and will support the delivery of the Economic Masterplan for Sunderland; it complements the Skills Strategy and the Enterprise and Innovation Strategy for Sunderland being developed in spring 2011.
- 2.5 A copy of the draft Sunderland Employment Strategy is attached as an appendix.

3 Recommendation

That the views and comments of members be sought on the draft Sunderland Employment Strategy 2011-2014.

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Getting Sunderland Working

**Sunderland Employment
Strategy 2011 - 2014**

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1. Executive Summary

Work is not only the best way out of poverty but has wider health and social benefits, not only for the individual but also for the community in which they live and the UK as a whole.¹

Sunderland wants to be a more prosperous place, made up of thriving neighbourhoods where people want to work, do not live in poverty, and where businesses want to be.

Great strides have been made in previous years through the strategic allocation of resources and strong partnership working in moving people from benefits and into employment or self-employment, but many challenges still remain if we are to emerge from recession economically stronger.

Sunderland has many past achievements around combating worklessness of which to be proud. In evaluating and reviewing the Working Neighbourhood Funded initiatives, which have supported over 2000 people from benefits and into employment and seen the establishment of over 400 new business start-ups in the period 2008 to 2010, we know neighbourhood and community based support and bespoke individual approaches, which add value to mainstream provision, have worked.

The new government policy framework around Welfare to Work programmes, the withdrawal of external funding to tackle worklessness and the changing labour market with its predicted heavy public sector losses and the need to stimulate growth in the private sector provides us with many future challenges. We know that there will be individuals who are eligible for mainstream support and those who may not be, but nonetheless need it, and we have identified these individuals and put them as the focus of our short term priorities for action between 2011 and 2014.

The Employment Strategy will direct and enable the allocation of any available strategic resources and will support the delivery of the Economic Masterplan for Sunderland; it complements the Skills Strategy and the Enterprise and Innovation Strategy for Sunderland being developed in spring 2011.

¹ Work Programme prospectus, DWP, Nov 2010

2. Background and Context

Purpose

An Employment Strategy for Sunderland has been developed because we want to make the city a more prosperous one, made up of thriving neighbourhoods where people want to work and where businesses want to be based. We want to reduce the significant gaps between the wealthy and the poor in our City. We want to maintain and build upon the improvements that our Working Neighbourhood Strategy 2008 - 2011 has delivered from 2008.

The Employment Strategy vision which overarches these goals is:

To support Sunderland at a neighbourhood level, to achieve high levels of good quality employment and profitable self-employment.

The Employment Strategy for Sunderland is an important part of a whole range of programmes which focus solely on making Sunderland a more prosperous city over the next 15 years. This range of programmes comes under one title; The Economic Masterplan. The Employment Strategy complements Sunderland's Skills Strategy and Sunderland's Enterprise and Innovation Strategy, which will also help deliver the Economic Masterplan. It also supports the city's Child Poverty Strategy.



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The Employment Strategy has been created around the strategic priorities which are key to realising the vision. These priorities were identified by collecting evidence, analysing it and comparing it with our goals for the city according to the Economic Masterplan and deciding, with the help of others in the city, which issues were most important.

The Employment Strategy proposes a neighbourhood approach rather than a uniform, one-size-fits-all approach across the city, as this has delivered successful results in the past. Action planning will show how partners will work together to realise the vision, recognising that changing government policy will impact on the roles of partners, which may be very different in future to those in the past.

Background

The development of the Employment Strategy builds upon the achievements of the Working Neighbourhoods Strategy (WNS) for Sunderland 2009-2011. The Economic Masterplan (Aim 4 - An Inclusive City Economy for all Ages) strategic delivery group recognised the requirement to produce an Employment Strategy for Sunderland in order to deliver the outcomes within its scope and to sustain the best practice and momentum already achieved through the Working Neighbourhoods Fund investment. It is acknowledged that the previously successful neighbourhood-focus should be maintained, in order to continue to narrow the gap between our most deprived and our better-off neighbourhoods.

Current Context – the challenge for Sunderland today

The impact of the recession and more recently the Coalition Government's welfare reforms has dramatically changed Sunderland regarding opportunities for enterprise and employment.

The recession has seen a significant reduction in employment within Sunderland and the wider region, with the total number of employee jobs in the North East declining from over 1.25 million in June 2007 to around 1.21 million by December 2009, a loss of over 47,000 jobs in 30 months. Many companies across a range of sectors within Sunderland have cut jobs as a response to lower levels of demand within the economy. The subsequent recovery in the labour market has seen moves towards flexible working, part time working and self employment happen more quickly than was previously anticipated.

Sunderland has difficult times ahead following the recession, made especially challenging by changes in the welfare system and public sector cuts which will affect a large number of Sunderland residents.

There is likely to continue to be job losses in both the private but more significantly, the public sector and, in order to generate the necessary economic growth in the private sector, mechanisms will need to be put in

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place to equip people with the skills and offer support to move into alternative sectors and also into self-employment.

This economic backdrop does provide the opportunity to improve the systems in the city that have already been proven to work and to provide more of the neighbourhood-based, holistic style of support and guidance that is called for in these difficult times.

The strategy will consider how, as a city, partners can work together to increase the numbers of residents who can move from economic inactivity and into employment or self-employment. In addition, the strategy will also consider how we can ensure residents continue to develop relevant skills to sustain and progress within the labour market. This focus on skills will be further developed within the related document – the Sunderland Skills Strategy.

Related Strategies

The Employment Strategy has strong links with a number of other strategies being developed under the Economic Masterplan:

- The Sunderland Skills Strategy, which will consider the demand side of sectoral growth areas and the skills needed within these;
- Sunderland's Child Poverty Strategy, which aims to reduce the number of children living in poverty, and recognises that employment has an important role in lifting families out of poverty;
- Enterprise & Innovation Strategy, which will set the direction for strategic investment which will underpin economic growth.

3. Current Model, evaluation and review

Current Delivery

The Working Neighbourhoods Strategy (WNS)

Between 2009 and 2011, neighbourhood-focused employment and enterprise support has been delivered through the Working Neighbourhoods Strategy (WNS). The strategy was developed to address worklessness and low levels of enterprise at a neighbourhood level and assist in the strategic allocation and management of £30m Working Neighbourhoods Fund (WNF). The strategy recognised that in order to meet the overall programme objective of reducing Sunderland's benefit claim rate by 3000 persons, that there were two potential routes from unemployment/incapacity into work, or from lower paid to higher paid work, either by getting a job and working for others or by being self-employed and working for yourself.

The WNS therefore had two main areas: Assisting People into Work and Boosting Enterprise. By focusing activity on both areas at the same time, a higher impact and greater outcomes could be achieved. The Employment Strategy will build on this approach.

Current Delivery Model – Employability

Assisting People into Work

For the 2 year period, commencing 1 April 2009, employability provision has been delivered in Sunderland under the 'Assisting People into Work' strand of the WNS. The approach was designed to sit alongside and complement mainstream employment provision, as delivered through Jobcentre Plus. The model was based upon the principles of One North East's Regional Employability Framework (REF – diagram 1 overleaf) and the best practice which had evolved through the city's Job Linkage partnership network since 1996. Working alongside Jobcentre Plus, the Job Linkage network has contributed towards tackling the city's significant worklessness problems and achieving success against employability performance indicators.

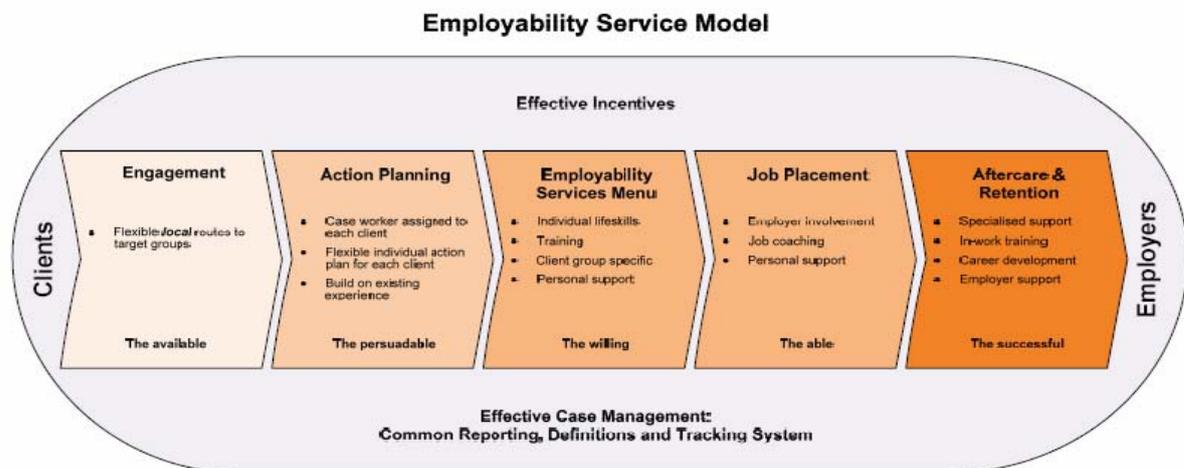
The WNS approach continued and built upon the existing Job Linkage network, enhancing and strengthening the client delivery model with the inclusion of a range of 'bolt-on' specialist providers. The core Job Linkage service has comprised of three broad areas of delivery: (a) client engagement; (b) provision of information, advice and guidance (IAG); and (c) employer engagement and recruitment support.

Through Job Linkage, workless residents have been supported through an end-to-end service, as advocated by the REF, from initial community engagement, registration and induction, into a wide ranging menu of

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provision, tailored to particular needs, finally resulting in employment, with sustainability (where the person has maintained their employment at the company) measured at both 13 and 26 weeks. The model has ensured that each element of the journey has been delivered by the most appropriate delivery partner, to achieve effective progression and also cost savings by removing potential duplication.

Diagram 1: Regional Employability Framework (REF)



The journey to employment has been tracked via a common management information system, the Hanlon “Skills Register” which every provider has used to record client progression and entry into employment. This has provided management with consistent information on performance, both on an individual project and at various spatial levels (including super output area, ward, area and city-wide).

The employability programme aimed to focus delivery on ‘hard to reach/hard to help’ clients, to add value to mainstream Jobcentre Plus provision. Engagement of people in receipt of ‘inactive benefits’ was prioritised, namely those on Incapacity Benefit (IB) and Income Support (IS). A focus was also given to residents living in the most economically deprived areas of the city (measured as the top 30% lower super output areas).

The core Job Linkage service was delivered through a network of 14 neighbourhood-based centres, located within key deprived wards. This neighbourhood approach encouraged voluntary participation of benefit

recipients for whom there was no mandatory requirement to look for work, ie the 'hard to reach'.

The core Job Linkage service has been supplemented by a range of specialist providers, who were grant funded to provide holistic, wrap-around support to directly target 'hard to reach/hard to help' client groups and/or address specific barriers². A total of 15 employability projects were grant funded to provide this specialist support, delivered by organisations from across the public, private and voluntary sectors.

Current Delivery Model – Enterprise

Boosting Enterprise

In order to stimulate enterprise at a neighbourhood level, the WNS proposed a Boosting Enterprise Programme which was aimed at offering a range of support to encourage more business start-ups. The core element of the programme was Neighbourhood Talent Scouts and Business Advisors, along with a number of support projects, these being:

- Access to Finance – to mitigate difficulty in acquiring start-up finance
- Visible Workspaces – to identify and then provide latent and known demand for start-up workspace
- Enterprise in Education – to embed enterprising skills within secondary school age children, demonstrating enterprise is a future viable alternative to employment
- Additional Specialist engagement, motivation and support – to provide flexible funding to add value to the core delivery by Talent Scouts and Business Advisors for the provision of bespoke engagement and motivation support not available within the main core programme support
- Franchising – to promote franchising as a route to self-employment and support potential franchisees with information and advice
- Procurement – to develop a system to support and encourage more local firms to apply for and deliver council contracts
- Underserved Markets – to research the gaps in service provision and match new business start-ups into new markets

A Consortium of local organisations; North East Business and Innovation Centre, Sustainable Enterprises Sunderland, FISCUS, Sunderland North Community Business Centre and Gentoo were awarded a competitive contract to deliver the core element which had output targets of : 800 referrals into pre-business support and 400 new 'Enterprise Ready' businesses.

² These included people with health problems (physical, mental, learning difficulties), financial inclusion/debt management, people lacking recent/relevant work experience or with low/no skills, people who were homeless or with drug/alcohol issues, offenders/ex-offenders, carers/ex-carers, people from the BME community, NEETs, older workers and lone parents.

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A team of 9 Talent Scouts were located in targeted neighbourhoods and it was their role to engage with residents who were interested in self-employment, through the use of existing community networks, and to work with these clients on individual barriers to self employment, such as confidence, self-esteem, childcare etc. Once the personal barriers had been addressed the clients were referred to one of 7 Business Advisors, also based in neighbourhood centres who offered support to assist them to be 'Enterprise ready'. This support included practical skills for business such as business planning, marketing, financial management and signposting to mainstream business support agencies and services.

Evaluation

This section highlights key findings from the research, review and evaluation work undertaken on our current activity. The findings are summarised in this section, more detail can be found in the appendices.

Key Findings

Enterprise

The Enterprise review was undertaken using the following methods:

- Self-assessment of project activity by the project deliverers undertaken in July 2010, covering Talent Scouts and Business Advisors, Access to Finance, Specialist Support (Benefit and Tax Advice), and Procurement.
- A postal questionnaire sent to 50 new start-ups conducted during September 2010
- Best-practice benchmarking undertaken by S4W Consultants
- Performance information undertaken by S4W Consultants
- 3 focus groups held during September 2010 at Houghton, Grindon and Hendon

The main findings from the review were that:

- the spread of start-ups across the city is good with coverage in every area
- the type of businesses set up within the programme show variety and has not led to saturation in any particular geographical area of the city
- focused work at a neighbourhood level using community based organisations is effective at engaging and supporting harder to reach clients into self-employment
- Named and retained advisors offering intensive one to one bespoke support through out the pre-start up stage has a strong correlation with successful self-employment outcomes

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- Access to finance is a major barrier to enterprise and offering start-up grants is a major incentive to pre-start ups
- Ongoing support is required once the business has started especially with marketing, and assistance with seeking other finance in order to grow

Employment

Worklessness Assessment

As part of the Employment Strategy's evidence base, a detailed worklessness assessment has been carried out. The Houghton Review recommended, "The causes and context of worklessness are different from place to place and, therefore the answers to it also require an understanding based not only on place but of those affected by it." Consequently, the assessment covered population, characteristics, geography, employer demand issues and barriers to employment. The full findings are attached as an Annex.

Statistics show there continues to be a downward trend for people claiming Jobseekers Allowance (JSA), which at 9,297 in September 2010, stands at its lowest level since August 2009 (however this still represents 5.28% of the working age population). However, to get a true picture of 'worklessness', all out-of-work benefits must be considered. The findings showed that in November 2009 there were 34,270 people claiming a range of out-of-work benefits, including Incapacity Benefit (IB), Employment Support Allowance (ESA) and Income Support (IS) as well as JSA. This represents almost 20% of Sunderland's working age population and this figure reflects more accurately the scale of the worklessness problem faced by the City. In addition, there are a substantial number of people who are not working, but for various reasons, do not claim any form of 'out-of-work benefit' and these also need to be considered under this strategy.

There have been some indications of improvements: numbers claiming out of work benefits showed a welcome reduction in 2009, after rising sharply in 2008. The number of people employed has also showed a modest increase over the period 2005-09, compared to an overall decrease in both the North East and Great Britain. Similarly, the number of economically inactive residents in Sunderland has steadily decreased and the rate is now below that for the region and almost the same as the national rate. These results may seem to be at least partly due to Sunderland's Working Neighbourhoods Strategy and evidence that the model used has been effective in general terms. However, few of the city's 43 worst performing lower super output areas (LSOAs) showed any reduction in the rate of people claiming out-of-work benefits. This suggests that there still needs to be a targeted approach to supporting Sunderland's most deprived neighbourhoods, to narrow the gap between the better performing and the worst performing areas of the City.

Job Linkage Review

The review and evaluation of Job Linkage was carried out in the period June to September 2010 by consultants Roger Tym & Partners. It was commissioned to consider the service's overall performance, the relevance, impact, efficiency, effectiveness and sustainability of the Job Linkage network, how effectively it embraces partnership working and to identify key performance lessons.

The findings indicate that Job Linkage is a fundamentally successful model with clear strengths. Since 1996, Job Linkage has developed considerable experience in delivering high quality, personalised employability to services: to those in the community with most severe barriers in accessing employment opportunities: and in the city's most deprived wards. There is widespread recognition within the City Region and from Jobcentre Plus (JCP) management of Job Linkage's effectiveness in engaging its target groups and in improving their employability. There is also recognition that the Employer Link service is complementary to that offered by JCP, engaging small and medium sized enterprises (SMEs) to a far higher degree than JCP has been able to do.

Job Linkage is an important part of Sunderland's employability infrastructure and the delivery staff are well known and experienced in the community. While its network of centres enables ready access to employability services, it also affords access to a range of other community facilities and services.

Job Linkage is seen as broadly successful and doing what it is meant to do, ie moving people from benefits, closer to an active role in the labour market and ultimately into work. As borne out by the annual and quarterly monitoring reports, the scale of its activity in engaging new clients, providing relevant advice and training and matching them with employment opportunities is impressive. In terms of value for money, the service has achieved a high volume of outputs at relatively low cost.

In its conclusion, the report recommends that Job Linkage positions itself to act as a sub contractor under Work Programme, with the intention to sustain an adequate amount of infrastructure across the city, to continue to offer a meaningful level of quality provision to Sunderland's out-of-work residents..

Focus Groups – service users and delivery providers

The consultation process, particularly with current service users and also with delivery providers, recognised the importance of continuing to ensure a wide and diverse range of employability provision is available, suitable for people with very different needs, including the long term unemployed, people with disabilities, people with either no or low skills and others that could be described as the more 'socially excluded' people within Sunderland's communities.

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In terms of the model of delivery, certain key features were seen to be essential. These included employability provision being located within a local community setting, for ease of access for the service users and to achieve a sense of 'responsiveness' to local need. The availability of intensive, one-to-one support, customised to individual needs and delivered by a dedicated, named adviser was also high on the list of priorities. The adviser should be able to signpost clients to a wide range of specialist providers, to address specific barriers to employment, such as debt advice or housing issues. Access to flexible funding was also seen as important in the delivery model, again for the purpose of removing 'barriers to employment' such as travel costs or clothing for interviews.

When considering the Council's future strategic role, there was common agreement that ensuring and influencing the continued provision of an effective employability service was an essential part of the Council's role, especially in the present economic climate. As well as providing some of the City's most disadvantaged residents with an effective level of support to find work (not always available from mainstream services) it was felt this would also have a beneficial impact on the City's economy by helping to increase the number of residents in work and reducing those on out-of-work benefits.

4. New Policy and its Impact

The Coalition Government has developed new policy to reform the welfare state, changing the way that people can receive benefits and the way that they can apply for work. This policy change has a direct effect on the Employment Strategy and how it can support Sunderland residents. Whilst the previous chapter has highlighted the good work that the Working Neighbourhoods Strategy (WNS) has achieved for the residents benefiting from its services, this chapter explains the recent policy announcements from the Coalition Government, and the impact of this on the Employment Strategy and Sunderland residents.

The Coalition Government has taken the decision to reduce public spending in an attempt to reduce the country's financial deficit. This includes spending on benefits. Commenting on the Department of Work and Pensions website;

“The Government has identified two key problems with the current system: work incentives are poor and the system is too complex. We want to reform the system to help people to move into and progress in work, while supporting the most vulnerable.”

Many of the policy announcements have been to encourage people on out-of-work benefits (including Incapacity Benefits) into employment or self employment. Following a lengthy consultation process, the Government has set out the specifics of its plans for welfare reforms in the White Paper *“Universal Credits: welfare that works”* in November 2010. This aims to create a fairer and more affordable welfare system, improve incentives to work and tackle dependency, while protecting those who are genuinely unable to work.

A significant announcement in the comprehensive spending review of October 2010 was that the current system of means-tested benefits will be replaced by the introduction of a single, universal benefit that will be tapered off as the recipient enters work, decreasing as the recipient receives a higher salary. This is to ensure that “work always pays” and people who find employment will be financially better off than those who are on benefits.

Changes to the Incapacity and Employment Support Allowance are also taking effect. Those who currently claim sickness-related benefits (such as Incapacity Benefit and Severe Disability Allowance) will undergo a Work Capability Assessment; if they are deemed unable to work, they will remain on the benefit, however, if they are deemed capable of undertaking some level of work, they will be put onto JSA and expected to find suitable employment. All current recipients of IB will be reassessed in this manner.

The Work Programme

Alongside these changes to the welfare system, there are also changes to the way that those looking for work are helped to find employment. Current

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programmes such as New Deal and Pathways to Work will cease and be replaced by a single national scheme, the Work Programme that *“will provide a single, personalised welfare to work programme for all client groups, delivered through contracted out provision.”* The Coalition Government is putting in place a framework from which to select suitable providers from the private and voluntary sector and it is expected that the Work Programme will be operational by summer 2011.

The providers for the Work Programme are expected to be very large, financially secure organisations and they will be contracted to deliver employability services on behalf of the Department of Work and Pensions (DWP). The main providers, or ‘Prime Contractors’ as they are being described, are expected to select a number of sub contractors to assist in the delivery in local areas. The Primes are encouraged to identify partners, ideally from within the Voluntary and Community Sector (VCS) who have experience and a proven track record of working with workless clients in their neighbourhoods. This approach is intended make best use of existing infrastructures and networks, to enable the new scheme to make maximum impact as soon as possible.

In recent years, analysis of worklessness and ‘economic inactivity’ has focused on various categories of clients, based on the type of benefit they claimed. With the move towards a universal benefit, this method of client segmentation has to change. People currently in receipt of IB will undergo a Work Capability Assessment (WCA), to see if they are capable of carrying out some form of work. The focus will shift from what a person can’t do, to what a person can, in terms of work. This will result in the number of people claiming IB decreasing, whilst those actively seeking employment (ie claiming JSA) rising.

Every client who is actively seeking employment will be supported to do so by the Work Programme, from a set point in their claimant history (ranging from 3 months to 12 months on benefits). Those clients who are medically assessed and deemed incapable of carrying out any form of work will remain on an appropriate benefit and will not be expected to actively seek employment. (The details of these benefit changes and the process for transferring people to alternative benefits is still emerging and will become clearer in the coming months.)

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The customer groups who will receive support under the Work Programme are as follows³:

Customer Group	Time of Referral	Basis for referral
JSA customers aged 25+	From 12 months	Mandatory
JSA customers aged 18-24	From 9 months	Mandatory
JSA customers who have recently moved from Incapacity Benefit	From 3 months	Mandatory
JSA customers facing significant disadvantage (eg young people with significant barriers, NEETs, ex offenders)	From 3 months	Mandatory or voluntary depending on circumstance
All Employment and Support Allowance customers	At any time after their Work Capability Assessment	Voluntary
Employment and Support Allowance (income related) customers who are placed in the Work Related Activity Group	When customers are expected to be fit for work in 3 months	Mandatory

Those most in need of support, for example ex-offenders or those young people who are struggling to make the transition between education and work, will be offered early access to the Work Programme (ie from 3 months on benefits) to ensure they receive it within a timescale that is most appropriate to them.

Support for those not included in the Work Programme

The Work Programme is not being delivered in isolation: it will be supported by a more flexible advisory service in Jobcentre Plus, which will give local offices more control and allow them to deliver in a way that is responsive to local needs. Clients who are not eligible for Work Programme will have access to a range of other support measures, as follows:

- Jobcentre Plus (JCP), along with its strategic partners, will help people to volunteer, do work experience or take advantage of peer-to-peer support, before they enter the Work Programme. These initiatives are part of the “Get Britain Working” measures. As part of this, DWP has launched ‘Work Clubs’, which encourage people who are out of work to exchange skills and share experiences, and ‘Work Together’, which allows people to develop work skills through volunteering.
- From 25 October 2010, DWP has also been offering disabled people with significant employment support needs access to Work Choice, which will run alongside the Work Programme, and provide the

³ The Work Programme Prospectus, DWP, November 2010

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additional help that the most severely disabled people need to get back to work.

- Finally, JCP will offer enhanced support to lone parents in receipt of Income Support. This will include an offer of support through the JCP “Support Contract”, the JCP Flexible Fund and ongoing advisor support. JCP will also continue to play a key role in helping customers with benefit claims, decisions and appeals.

There are also a significant number of people in Sunderland who are not eligible for Jobcentre Plus support. These are people who are not in receipt of any form of out-of-work benefits. In the period of Working Neighbourhoods Funding from 1 April 2009 to December 2010, approximately 2,000 such clients registered with and received support from the Job Linkage service. Consequently, a key focus of the Employment Strategy will be to examine how employability support can continue to be provided for this cohort of clients in the future.

Quality of service

Within the Work Programme, DWP is clear that providers are best placed to know what works for customers and so the contracts will not specify what providers should deliver. However, the clients should know what level of service they can expect. As a result, bidders for Work Programme contracts will be asked to provide a summary in their tender of the minimum service they will offer to all client groups. These minimum service levels will be translated into a small number of Key Performance Indicators within each contract and will be articulated to clients at the point they start the provision. These promised service levels will be made public so that clients and their representatives will be able to judge whether providers are delivering what they have promised. An important role of the local strategic partnership will be to monitor the service levels and ensure that all residents are receiving a quality service.

Related Policy Areas

Whilst the most significant change impacting on the Employment Strategy is the Work Programme, other policy changes also need to be considered.

Local Enterprise Partnerships (LEPs)

LEPs will replace Regional Development Agencies which will be disbanded by 2012. They will bring councils and businesses together on an equal footing, across natural economic geographies and will have as their primary focus planning and infrastructure projects, with less of a focus on economic development to drive economic growth. LEPs will receive no core funding and will be expected to fund its own day-to-day running costs.

LEPs will be able to submit bids into the new Regional Growth Fund (RGF), which is worth £1.4 billion over 3 years. Its purpose is to encourage private

sector enterprise by providing support for projects with significant potential for economic growth and job creation. It is also intended to support those areas of the country that are currently dependent on the public sector to make the transition to sustainable, private sector-led growth. The fund will encourage private sector enterprise (including social enterprises) to create opportunities for affected localities to adjust to reductions in public spending and enable private sector investors, businesses, the public sector and communities to come together with an overall strategy for their area. It is envisaged it will provide a mixture of direct support for investments that would otherwise not occur (and which will create sustainable employment) and infrastructure provision to remove barriers to private sector-led economic growth. There is an opportunity for the North Eastern LEP to submit a bid for NGF to support activities that will directly support job creation and enterprise initiatives.

Business Link and Enterprise Support

The future of enterprise support is also subject to significant change. While some enterprise support will be delivered through the Work Programme, through the 'Working for Yourself' strand a number of uncertainties remain over the future make-up of the enterprise and business support agenda.

Changes to Business Link mean it will lose its existing regional focus and move towards becoming a national telephone and web based support service. As a consequence there are concerns around the potential impact of these developments to the future delivery of this support within the North East.

The availability and nature of enterprise and business support clearly has a potential impact on enterprise development.

Learning and Skills

The learning and skills infrastructure is also going through a significant period of transition, including the way in which lead providers such as colleges of Further Education are funded, with the loss of ring fenced budgets for the unemployed and cuts to funding for adult skills, which will impact on the future skills agenda.

It is envisaged that employer engagement activity will increasingly be left to individual providers, with a potential lack of strategically driven activity in this area. This may lead to the Skills Funding Agency taking a step back from this work and shifting towards an increasingly national focus and infrastructure. Learning and skills impact will be explored in more detail within the Skills Strategy for Sunderland.

5. The Changing Labour Market

Policy changes have created considerable uncertainty over future developments for employability and enterprise. Welfare and benefits reform is at the heart of the Coalition Government's agenda, however the detail of the precise programmes and policy intervention position are only just emerging. Nevertheless, these policy shifts will have a major influencing role in the design and delivery of Sunderland's strategy to support employability and enterprise activity and the use of any discretionary funding which may become available. It is therefore crucial that the Employment Strategy is a dynamic document subject to early and regular review to ensure emerging policy detail and new policy can be fully reflected.

The impact of the recession

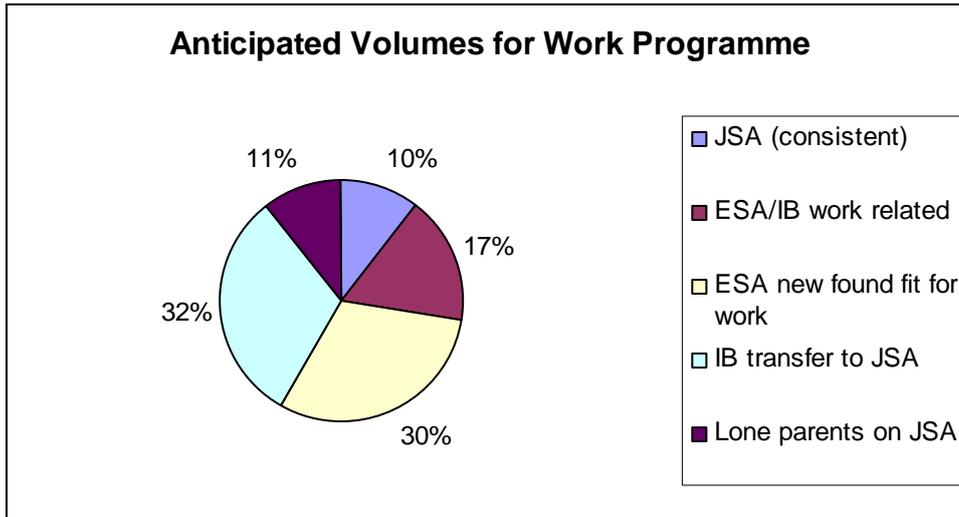
At the point of UK recession in Autumn 2008 Sunderland's pattern of benefit claimants was showing a definite downward trend particularly long-term JSAs and also clients in receipt of incapacity benefit (those normally described as 'hard to help').

The impact of the recession has seen massive increases in JSA numbers (from 5,240 or 3% of the working age population in November 2005 to 10,560 or 6% at its peak in February 2009) however interestingly there was much less of an impact on non-JSA clients as would have been expected looking at trends from previous recessions. Whilst JSA figures rose steeply, the worklessness assessment demonstrated Sunderland's economically inactive⁴ figures have gradually reduced from 45,300 or 25.8% in 2005 down to 37,100 or 21.2% in 2009, this pattern has continued and suggests a strong correlation to initiatives delivered under WNS.

It is expected that during the period of delivery of this employment strategy that changes in policy will mean a reduction in clients claiming sickness benefits for which there is no compulsion to seek employment. Welfare to Work policy will see greater numbers of people being classified as 'fit for work' and therefore their benefit type will be changed to reflect that.

The following analysis has been carried out by the Centre for Economic & Social Inclusion, to estimate the relative percentages of the various cohorts expected to make up the Work Programme client base in the future.

⁴ The economically inactive are defined as people of working age who are not working, are not in full-time education or training and are not actively seeking work.



It is anticipated that around 10% of clients will be 'typical' JSAs, in terms of our prior understanding of this client type. These are the 'consistent' JSA shown above.

By far the dominant group will be those who have been found fit for work under the new regime and who, in the old system, would have been on health-related benefits. It is expected that around 32% will be clients who have been transferred from IB to JSA, having been found fit for work through a Work Capability Assessment. A further 30% will be those on Employment Support Allowance (ESA) who have been found fit for work. It is likely that these people will require more intensive support, potentially over a longer period of time, before they successfully move into a job, compared to people without previous health issues.

Public Sector Job Losses

Recent policy papers state job losses of as many as 49,000 workers with 20,000⁵ of those in the public sector between 2010 and 2015 for the north east. The job losses arise from a number of factors, a contracting public sector supply chain within the north east, indirect impacts of spending cuts occurring outside of the north east and reduced household consumption; this is significant to Sunderland as the public sector is one of the largest employers in the City (indeed in the wider North East), with 2008 estimates showing public sector employment as 22%⁶, with a resultant decrease in Gross Value Added (GVA) of £1.8bn. Those leaving the public sector will be expected to find employment in the private and third sector and they too will be supported by the Work Programme.

⁵ 'Mind the Gap': Assessing the impact of reduced government spending on the north east economy, Durham University, November 2010

⁶ Workplace based ABI extract, ONS, 2008

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What this will mean is that employment provision will be extremely different from summer 2011 than we have experienced previously, and so will our future market. In previous years, there were a number of government funded programmes and strategic initiatives, each catering for a different beneficiary type (ie Pathways to Work for IB claimants, New Deal for JSA claimants, Working Neighbourhoods-funded programmes in Sunderland targeting the 'hardest-to-help', etc), from the summer of 2011 there will be a single offer, the Work Programme, which will be expected to offer employability support to a very wide and diverse client group.

It is therefore the role of the Employment Strategy to understand the Work Programme and its potential impact on supporting clients to move off benefits and into sustainable employment, identifying what mainstream provision will be able to deliver successfully and then work with our partners on actions to support value-added activity to support those clients who may fall outside of mainstream support.

6. Future Strategy

The future employment strategy is about the changing landscape and how partners' actions will respond to it. The following chapters outline the programmes that will be available from mainstream service, identifies where the gaps might be and the actions to be taken to address these gaps.

Our strategic objectives for employment and enterprise, as stated in the Economic Masterplan, are:

- To work with employers and job seekers to match the right people with the right jobs;
- To tackle issues that inhibit people from working;
- To support people once they have a job;
- To encourage enterprise at a neighbourhood level.

The outcomes to be achieved by the strategy are:

- Raise the employment rate, because if more people are working there is more money in the economy.
 - The employment rate for Sunderland has deteriorated significantly since the recession began and today stands at 64.9%. A target of securing a 0.5% improvement per annum was previously agreed within the City Region's MAA (as smaller geographical levels are subject to big statistical fluctuations) and it is considered reasonable to expect this level of growth across the City Region over the next 3 years.
- Reduce those on out-of-work benefits, because if less people are on benefits there is less drain on the City's resources.
 - There has been significant improvement (0.8%) over the past 12 months, relating to rapid job growth as businesses reconstitute their workforce post recession. This is higher than the target which had been set within the LAA (which was between 0.5 and 0.7%). More modest improvement can be expected over the next few years, with a 0.5% increase per annum increase being a challenging but realistic target.
- Increase the numbers of young people working and living in the City, because young people are the drivers of the future economy.

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- Sunderland's population has experienced an 11.8% reduction in the 15-29 age group since 1991, which is more severe than both national and regional declines. There are several indicators of improvement for this target, including population and NEET statistics. There is currently no single specific performance measure to use for this outcome, rather a combination of measures that taken together, can demonstrate a positive impact.
- Narrow the gap between the priority neighbourhoods⁷ and the City average, reducing overall workless rates in the priority neighbourhoods, because this will bring more people out of poverty and help bridge the poverty gap.
 - The LAA set a target of a reduction of the number of people claiming out-of-work benefits in the worst performing areas, by 0.9%. As the economic situation worsened during the recession, this was revised and expressed in terms of minimising the extent of deterioration. Taking past experience into account and recognising that we will not have the benefit of WNF interventions, narrowing the gap significantly will be difficult to achieve. However, a target of 0.7% improvement per annum may be realistic.
- Increase the numbers of new businesses formed particularly in the more deprived areas, because this will create wealth for the City.
 - The LAA target of NI171 was based on VAT registration rates, although this was revised following the release of the New Business Registration Rate (VAT and PAYE). The targets related to an annual increase of 1.4 business registrations per 10,000 population. Latest performance data suggests this is still a realistic target.
- Improve the survival rate of business start-ups and help existing businesses to expand, because this will lead to a sustainable business base.
 - Although there is currently no national performance indicator to measure the success rate of business start-ups, there is an expectation that over 80% of people who receive enterprise support will sustain their business for 2 years. This has been evidenced by local enterprise support agencies and will be used as the target for

⁷ Priority neighbourhoods are those Lower Super Output areas which are in top 30% of deprivation as measured by the Indices of Deprivation 2007

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neighbourhood-based enterprise support services in Sunderland under this strategy.

Whilst there exists a significant amount of uncertainty in the future for employment and skills infrastructure, key priority client groups are emerging which are different to those identified and worked with in the past. In terms of the Employment Strategy, it is important to emphasise that we are in transient times and it is far from certain whether the government's proposals will adequately support all client groups. There will be a need to regularly monitor and evaluate future Work Programme delivery to ensure that its performance shapes any additional, non-mainstream interventions that may be needed and put in place by partners.

The Employment Strategy will seek to create a unified approach for all partners responsible for employability activity, to avoid the potential of fragmentation and duplication of effort. The Strategy will articulate a common approach and a shared understanding to inform efficient and effective working.

There is a clear need for an increased focus on the employer side, to ensure that deliverers of employability programmes are fully informed about demand for skills and also to ensure clients are being progressed off benefits and towards viable opportunities in growth areas. This will be explored in more detail within the Skills Strategy for Sunderland.

The starting point for the future strategy was looking at the working age population, segmented into several distinct cohorts. Each cohort has been examined to identify its unique requirements, followed by a consideration of available resources and the roles of various agencies in meeting those requirements.

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Segmenting working age population for the Sunderland Employment Strategy

Cohort	Programme or Action Required	Effect
Those in low skilled/poorly paid jobs	Up-skilling / Re-skilling	More efficient labour market Space created for new job entrants
Those under threat of redundancy in public/private sectors Those not eligible for / not in receipt of benefits	Information Advice and Guidance / Re-skilling Triage and support (IAG, etc)	
JSA (aged 25+) / JSA (18+) / JSA (ex IB) / ESA (ex IB) / ESA (flow) / ESA (volunteers)	WORK PROGRAMME (Work Capability Assessments will determine if those currently on IB move into the Work Programme or not)	Moving clients off benefits and into work
Most severely disabled IB/ESA claimants	WORK CHOICE	To move into suitable work and improve quality of life
Lone Parents on Income Support	JCP Support Contract	Moving clients into work

Consultation has identified potential gaps that may occur when the effect of the Work Programme is mapped against cohorts of the working age population (which includes benefit claimants in receipt of JSA, IB, IS, ESA; those people who are working but are under threat of redundancy; those who are working but have low skills in vulnerable jobs and others not working but not in receipt of benefits).

It can be seen that there are potential gaps in three cohorts of the working age population which will not be covered by mainstream employability programmes:

- those who are employed, but who have low skills or in poorly paid jobs;
- those who are employed but are under threat of redundancy (particularly in the public sector, but also in the private and voluntary sector); and will need support to re-skill or up-skill;
- those who are economically inactive, not eligible for or not in receipt of out-of-work benefits;

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The Employment Strategy will identify interventions that will be:

- delivered to support individuals who will qualify for mainstream support into sustainable employment or self-employment;
- developed to support these individuals who fall outside of mainstream support, into sustainable employment or self-employment.

Interventions will prioritise these individuals into two groups

- those in employment
- those out of work

and identify the focus for activity, if resources were to become available.

This is explained in more detail in the following chapter.

7. Action Planning

Potential Actions and Opportunities

The Employment Strategy's actions will be divided into two priorities:

- Priority 1: a focus on people who are out of work;
- Priority 2: a focus on people in employment, but who require either re-skilling or up-skilling.

There is significant potential overlap with the content of both the Skills Strategy and also the Enterprise and Innovation Strategy. The Skills Strategy will look in more detail at the sectors of growth, to determine the types of skills people will need to enter these sectors, to ensure our 'supply' of people matches the 'demand' of employers.

The Enterprise & Innovation Strategy will focus on the priorities required for long term city-wide economic growth, but will also replicate the neighbourhood dimension detailed within this strategy. It is well recognised that self-employment is one of the two ways of tackling high levels of worklessness in Sunderland – by supporting people either into a job or into setting up their own business. This strategy will focus on rebalancing the economy towards greater private sector provision through business start-ups, where 'working for yourself' is both a route off benefits for some people and an opportunity to move from the public to private sector for others.

This chapter has been produced at a time where there are still a lot of unknowns around the provision of mainstream employability/self employment programmes. Therefore, it provides a snapshot using the information that is currently available to anticipate the type of actions required. It is difficult to predict the type and volume of support that will be available for various client cohorts through the Work Programme, therefore the potential 'gaps' in provision that have been identified in this strategy may change, or others may emerge. Consequently, estimates have been made, but the strategy will be reviewed on a 3 monthly basis by the Aim 4 Delivery Group between April 2011 and March 2012, to ensure that when further details become clear, this Chapter is updated.

Priority 1 – Extending Employment Opportunities (for those out of work)

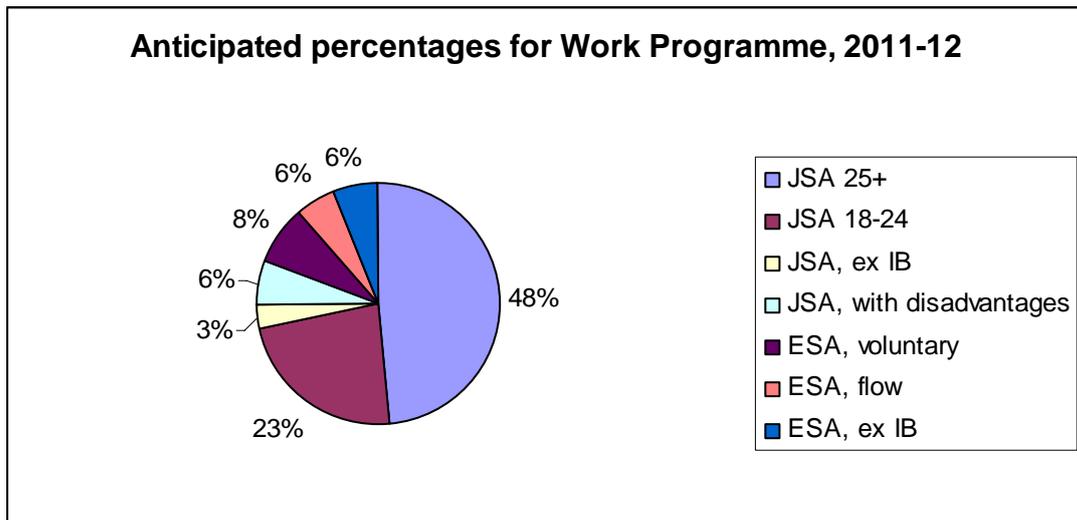
P1.1 The Work Programme – the 'mainstream offer'

The Work Programme will be available from the Summer of 2011 and is expected to caseload up to 870,000 clients nationally in its first year of operation, with a total of 3.2 million expecting to be supported over the 5 year period up to March 2015⁸. The diagram below shows the relative

⁸ The DWP Work Programme Prospectus, November 2010

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percentages of client cohorts which are expected to make up the total caseload for the first year of deliver, 2011-12.



The main changes in the approach of the Work Programme compared to previous initiatives are

- a move towards explicitly rewarding providers based on the savings that the state makes by having people in work rather than unemployed;
- the anticipated inclusion of Incapacity Benefit (IB) and Employment and Support Allowance (ESA) claimants alongside Jobseeker's Allowance (JSA) claimants on a single programme for all unemployed adults, rather than a range of different welfare regimes;
- a greater focus on sustainable jobs.

It is important to understand the implications of the policy to reassess more than 2.5 million IB claimants nationally under the 'Work Capability Assessment'. Our worklessness assessment shows the number of people on sickness-related benefits (IB/ESA) in Sunderland was 19,220, or 10.9% of the working age population (compared to 7.1% nationally). This migration started in October 2010 and early results showed around 70% of claimants were assessed as fit for work.

It is expected this migration policy will result in an unprecedented volume of new JSA claimants who need specialist support services to re-engage themselves with the labour market. Whilst lessons may have been learnt from previous programmes dealing with clients with health issues, such as Pathways to Work, there is no direct comparator to indicate the level of support this group will need to move to job-readiness. For this reason, a key requirement of the Employment Strategy will be to monitor the performance relating to this client cohort, in terms of the numbers successfully moving off benefits and into employment.

Actions

1.1a : establish appropriate lines of communication with Work Programme providers (both prime contractors and sub contractors), once they have been selected.

1.1b : facilitate representation for Work Programme prime contractors at appropriate strategic partnership meetings (Economic Leadership Board, LSP and/or LEP).

1.1c : monitor performance of Work Programme provision, to assess its impact in terms of different client cohorts.

1.1d : inform Work Programme providers of 'demand side' opportunities for clients, that will represent sustainable jobs in and around the Sunderland economic area.

1.1e : maximise the use of 'social clauses' within Council contracts, to increase the number of targeted recruitment and training (TRT) opportunities for unemployed residents created through procurement and commissioning activity.

1.1f : link with Sunderland's Child Poverty Strategy, recognising that to support people off benefits and into a job is a route out of poverty for many families.

1.1g : ensure the provision of any skills components delivered within the Work Programme, (particularly pre-employability route-ways and intermediate labour market (ILM) programmes) is informed by the Skills and Employment Demand Survey, which is due to be carried out in the Spring of 2011 and the subsequent Skills Strategy for Sunderland.

1.1h : inform and influence DWP, as commissioners of mainstream employability services, to ensure contract specifications and subsequent delivery is appropriate to the needs of the City.

Responsibility: Aim 4 delivery group of the Economic Masterplan.

P1.2 Support for individuals with severe, complex or higher level support needs

The Work Programme will be expected to provide support for individuals "facing significant disadvantages" and some of these will have severe, complex and often multiple barriers to employment. It will be crucial for these clients that the Programme will provide sufficiently intensive, flexible, tailored provision to meet their unique needs.

It is understood that such provision can be relatively expensive to provide and concerns have been expressed regarding the future extent of this type of

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support, under a 'payment by results' funding regime. If it is an expensive and lengthy process to support 'hard to help' clients into jobs, but others can be moved into work more quickly and cheaply, then a prime contractor may decide to focus on those who are easier to help, in order to guarantee more output payments. It is understood that DWP are intending to establish a funding system based on 'differential payments' to guard against such a situation occurring, however, this must be closely monitored to ensure all residents continue to have access to suitable support, to meet their specific requirements.

For people with the highest level of physical and/or mental disabilities and those with learning difficulties/disabilities, an alternative mainstream programme is available - Work Choice. This programme supports disabled people who have complex needs, primarily those who are likely to need more intensive specialist support to find employment or retain their position when they have entered work. In Sunderland, this programme is delivered by two providers, Shaw Trust and Remploy and clients are referred to them by Jobcentre Plus Disability Employment Advisers.

Actions

1.2a : establish communication links and monitor performance of mainstream programme providers, to ensure all 'hard-to-help' clients have access to high quality, appropriate employability support.

1.2b : inform and influence delivery methods to be used by Work Programme providers working with clients "facing significant disadvantages", using best practice examples as identified through the Job Linkage review.

1.2c : monitor the number of voluntary referrals to the Work Programme, from clients who are "facing significant disadvantages".

1.2d : co-ordinate activity taking place across all council directorates, particularly Health, Housing and Adult Services, who have a role in supporting residents with physical, mental and/or learning difficulties/disabilities.

1.2e : explore the possibility of commissioning additional employability support activity, through the City's five Area Committees, to target priority 'hard-to-help' client groups who may require more intensive interventions to boost mainstream provision.

1.2f : encourage and support all providers of employability services in Sunderland to give equality of opportunity to all clients, to ensure that no client is disadvantaged because of their race, gender, disability, age, religion or sexuality.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

P1.3 Bridging support during the transition to Work Programme

This is an important short term priority, for the period from 1 April 2011 to the summer of 2011. The Council will strategically manage the transition of Job Linkage from being a Council-funded service, to one which has the potential to be 'mainstreamed' by becoming a sub contractor under the DWP-funded Work Programme.

People who are in receipt of out-of-work benefits and for whom there is an expectation that they should be seeking work, will be required to join the Work Programme to receive employability support from the summer of 2011. However, it is not yet clear how quickly the Work Programme will start and how speedily these referrals will be made by Jobcentre Plus, so every effort will be made to retain a level of the Job Linkage service across the city from 1 April 2011 (when WNS funding ends). This support will be extended to the current Job Linkage clients, as well as any additional 'hard to help' residents who have previously not engaged but require support after 31 March 2011. This service will be provided through the existing Job Linkage delivery team, led by Sunderland North Community Business Centre (SNCBC) and funded through WNF under-spend.

Actions

1.3a : sustain existing Job Linkage service post 31 March 2011 using WNF under-spend, until the Work Programme is operational in Sunderland.

1.3b : ensure a smooth transition for existing Job Linkage clients onto the Work Programme, where appropriate.

1.3c : identify any possible alternative provision for those existing Job Linkage clients who will not be eligible for the Work Programme but who need continuing support.

Responsibility : Aim 4 delivery group of the Economic Masterplan

P1.4 Provision for people who are 'not in receipt of benefits' and so not eligible for DWP-funded mainstream support

'Mainstream' employability support, ie provision which is funded by DWP such as the Work Programme and Work Choice, is only available to people who are in receipt of out-of-work benefits. People who are not eligible for such benefits, or chose not to claim such benefits, are not eligible to receive support from mainstream programmes.

In Sunderland, the Working Neighbourhoods Strategy recognised that such people still valued the support, advice and guidance from employability services and so ensured that this provision was available to this cohort of clients through the Job Linkage service. In the period from 1 April 2009 to (date), approximately 2,000 people who were 'not in receipt of benefits' registered for support to look for work. This cohort is made up of different

groups, including those who are partners of wage-earners, or people who chose not to make a claim for benefits, as well as some who were in low-skilled, low-paid jobs and who wanted to move into a better job.

Whilst helping to move these people into work will not reduce the UK's benefits bill, there is a strong fiscal business case for providing this support. The more people that are economically active in the city, the stronger the city's economy will become. More money will be generated from income tax and there will be more money earned that can be spent in the local economy. Progressing people into higher skilled, higher paid work will also create entry level vacancies for clients moving off benefits into work. In addition, there are other areas of positive impact which are attributed to working, such as those relating to health, crime and community cohesion.

Actions

1.4a : explore opportunities to provide an employability service for people who are not eligible for mainstream provision (for example through the Council's SIB funding and commissioned through the Area Committees).

Responsibility : Aim 4 delivery group of the Economic Masterplan

P1.5 Work Clubs

Work Clubs are one of the series of 'Get Britain Working' measures⁹, which are now being implemented by Jobcentre Plus, to sit alongside the Work Programme.

A Work Club is intended to provide unemployed people with a place to meet and exchange skills, share experiences, find opportunities, make contacts and get support to help them in their return to work. The Clubs are expected to be community-based and run by non-Government bodies (ideally led by Third Sector organisations, to utilise their ability to engage with priority groups), which will offer a friendly, non-threatening environment for clients, however, no funding will be made available to set up and run them.

JCP staff will signpost clients to these services in the early period of their claim for benefits and prior to the time when they becoming eligible to join the Work Programme. It is expected that the client will receive information and advice from the Work Club, which will help them to find a job. This will reduce the numbers who will subsequently have to move onto the Work Programme.

Jobcentre Plus will encourage the holders of two existing contracts (the 'Support Contract' and 'nextstep') to assist community groups to set up Work Clubs in Sunderland¹⁰. This contracted provision may be integrated into the

⁹ Get Britain Working: Conservative proposals to tackle unemployment and welfare reform, October 2009

¹⁰ JCP's 'Support Contract' is delivered in Sunderland by Employability and Skills Group (**esg**) based in Sheffield, who are a leading supplier of Welfare to Work and vocational skills services across the UK).

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Work Club, however this will depend upon the contracted provider and the availability of their own resources to do so.

The menu of provision across Work Clubs will vary, but might include providing clients with an insight into a particular industry/sector, visits to workplaces, or running employment-focused sessions, or workshops on recruitment methods and interview techniques.

All residents of the City will be eligible for support at a Work Club, regardless of their employment status or benefit type.

Actions

1.5a : encourage the setting up of Work Clubs in key areas of deprivation across the City.

1.5b : provide practical advice and guidance to those organisations wanting to establish a Work Club in Sunderland.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

P1.6 Work Together

Volunteering is recognised as a way of developing work skills through 'Work Together', which is one of the 'Get Britain Working' measures.

Volunteering is an important strand of the Big Society agenda, which champions the premise that communities should be more proactive in helping themselves, with policies being developed that will give communities more powers to become more active.

Volunteering has been recognised as a route-way into employment for those who may have more complex needs and therefore be further from the labour market. Volunteering can help an individual move closer to the world of work. It can help them develop valuable work skills whilst they are looking for paid work.

The Work Together initiative will help unemployed people who are interested in volunteering so that they can find suitable opportunities. It will be available to all benefit recipients from the start of their claim. Jobcentre advisers will encourage and signpost clients to sources of information on volunteering, local voluntary organisations, online services and to particular opportunities.

Actions

The 'nextstep' provision is delivered in Sunderland by **CfbT** Education Trust, whose headquarters are in Reading, but who operates across the UK and internationally.

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1.6a : ensure Sunderland-based voluntary organisations are fully informed regarding the Work Together initiative, to maximise the appropriate support available to all clients.

1.6b : raise the profile of volunteering amongst Sunderland employers, to increase the number of volunteering opportunities across the city.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

P1.7 Enterprise Support

Enterprise activity in the form of pre-start up business support will be required to bridge the gap in the period from April 2011, until the Working for Yourself strand of the Work Programme is implemented. It is envisaged that this activity will be delivered through a variation and extension of the current Talent Scouts and Neighbourhood Advisor project, delivered by the Sunderland Enterprise Consortia.

If there is to be economic recovery then there has to be growth in the private sector, however there is unlikely to be sufficient growth within the current private sector to generate the required labour demand to match job losses in the public sector. Therefore more small businesses need to be created and then supported to grow. The 'Work for Yourself' strand of the Work Programme will provide clients who have been unemployed for six months and who are interested in self employment with access to a business mentor who will provide guidance and support as they develop their business ideas and through the early stages of trading.

Once clients can demonstrate that they have a viable business proposition, they will be able to claim financial support, which will consist of a weekly allowance payable at a level broadly equivalent to their JSA payments for 3 months and then at half the rate for a further 3 months. If they need start-up capital they may also be able to access a loan of up to £1,000 to help with their start-up costs. The package of support could be worth up to £2,000 to each unemployed person who wants to start their own business.

The DWP intends to 'trail blaze' the mentoring and loan elements of the Allowance from January 2011 in Merseyside, before rolling out the full offer in areas where the unemployment challenge is the greatest from April 2011. This will also need to be reflected within the Enterprise and Innovation Strategy being developed under Aim 1 of the Economic Masterplan.

Enterprise support also needs to cover those who are in work and wish to move into working for themselves as well as those who not in work.

Actions

1.7a : explore the possibility of commissioning additional enterprise support activity, through the City's five Area Committees, to target priority 'hard-to-

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help' client groups who may require more intensive interventions to boost mainstream provision.

1.7b : develop a Regional Growth Fund proposal for enterprise activity, to both help with the transition of workers from the public to the private sector and also to provide intensive start-up support at a neighbourhood level to strengthen the emerging mainstream offer.

1.7c : identify resources to sustain neighbourhood-level enterprise support from end of March 2011 until the Work for Yourself initiative is operational.

1.7d : ensure this area of activity is reviewed frequently, whilst in its early stages of implementation.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

P1.8 NEET agenda

A further strand under the Government's "Get Britain Working" measures involves "Youth Action for Work". Young people have been badly affected during the recession and for many, despite being job ready and work focussed, it is still very difficult to find suitable employment. The Work Programme will provide support for young people aged 18+, but additional provision is required for people in the 16-18 age range, who are NEET (not in employment, education or training).

The Sunderland Strategy 2008-25 identifies that, while participation in education, training or employment increased from 74% in 2004 to 78.5% in 2007, at 12.3% Sunderland had the highest proportion of 16-18 year olds who are NEET in Tyne and Wear. The more recent worklessness assessment showed a continuing downward trend, reducing to 9.5% in 2009 but this was still greater than the north east rate of 9% and the national rate of 6.4%. Considerable investment was made through the Working Neighbourhoods Strategy, however this area continues to be a key priority for the City.

European funding is currently available and will be awarded to provide specific support for the period 2011 to 2013. This will fund activities that will contribute to a reduction in the number of NEET young people in the City.

Actions

1.8a : monitor the impact of ESF NEET project delivery in Sunderland.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

P1.9 Management Information (MI)

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A key aspect of Sunderland's Working Neighbourhoods Strategy has been the introduction of a single, common MI system, which all service providers use for client tracking, monitoring and recording of performance. The approach was advocated by the REF and its implementation in Sunderland has provided valuable information on the impact of the WNS and allowed for more informed decision-making during the last two years.

In the short term, post March 2011, there a requirement for any 'transition' activities to provide management information for monitoring purposes. However the current funding arrangements for the Hanlon MI system will cease in March 2011 and, despite widespread acknowledgement of its suitability and value, there are a number of uncertainties about its use in the future.

Discussions are being held with Tyne & Wear City Region Employment Consortium, who are looking to provide ongoing funding to pay for site licenses and user licenses for the year 2011-12 for those delivery organisations who wish to continue to use the Hanlon system.

Discussions are also being held between the Tyne & Wear City Region Employment Consortium and all potential prime contractors for the Work Programme, to encourage the primes to adopt the Hanlon system for use within the Work Programme.

If use of the Hanlon system is discontinued, then an alternative system of recording and reporting Management Information will need to be developed and implemented very quickly. Bearing in mind that our role as strategic partners in future will be to influence the mainstream delivery, particularly for the Work Programme, this will only be possible if performance information is made available to evidence what is being achieved.

Actions

1.9a : identify which MI system will be used during the transition period from March 2011 onwards.

1.9b : support City Region colleagues to promote the benefits of using the Hanlon MI system to the Prime Contractors for the Work Programme.

1.9c : agree suitable performance information to be reported and monitored during the period 2011-2014 (to the Aim 4 delivery group?).

19d : gather information on clients' experience of employability services, in order to provide ongoing feedback to providers and continually improve service delivery.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

Priority 2 – Ensuring job progression and mobility (for those in work)

P2.1 In-work support (for those groups with the highest support needs and those entering work after a sustained period out of employment)

An integral feature of the Work Programme is the provision of support to clients once they have moved into employment. It is recognised that clients frequently continue to experience problems in the early months of employment, which often lead to them leaving their job and returning to benefits. The provision of in-work support (sometimes known as post employment support) can help to ensure employment is sustained by giving practical and relevant assistance at critical times. Prime contractors will receive 'in work sustained payments' as part of the payment structure of the Work Programme, as a reward for strong performance in this area.

In-work support is also available across the City Region, funded One North East's Single Programme.¹¹ This provides in depth support and mentoring for people who are in employment, addresses barriers and signposts to other relevant support agencies. The main aim is progression and retention of the client.

Actions

2.1a : monitor the impact of in-work support provision.

2.1b : ensure providers of in-work support raise awareness of current provision to encourage take-up of service.

2.1c : ensure all providers of in-work support align their individual services, to create added value and reduce any potential duplication.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

P2.2 Work-based skills progression – to provide opportunities for career progression which will ensure a supply of jobs at entry level

Two recent publications by the Coalition Government (*Skills for Sustainable Growth: Strategy Document (Skills Strategy)* and *Further Education – New Horizon, Investing in Skills for Sustainable Growth*) describe the Government's plans to reform the further education system and set out the changes that are being brought about in the skills sector. The Skills Funding Agency is the body responsible for providing the mainstream resources to achieve these objectives.

The key messages within these documents highlight the Government's intentions to invest in skills training both for people who are in work and those who are seeking employment. The emphasis is firmly on increasing the number of Apprenticeships for Adults, particularly at level 3 and for young

¹¹ This contract runs until March 2012 and is being delivered in Sunderland by esg.

people. There is also a continuing priority on ensuring the unemployed on 'active benefits' are able to access training in generic employability skills that will help them to enter work and maintaining a focus on the low skilled.

Mainstream resources will be directed towards delivering apprenticeships, with a renewed emphasis on securing nationally an additional 50,000 apprenticeship placements. However, there is a greater requirement for employers to contribute to the cost of the training¹².

The North East has traditional high levels of participation in apprenticeships; however this has been in part attributable to the take-up of 'programme led apprenticeships' as a route to engagement and participation. The recent announcement of the withdrawal of 'programme led apprenticeships' is expected to impact heavily on participation rates. In future, an apprenticeship can only be delivered if the learner has employed status.

The former 'Train to Gain' programme is being replaced by a wider workplace learning offer which will target SMEs¹³ and provide funding to train and progress low skilled staff. For non-apprenticeship training, the Skills Funding Agency will co-fund people undertaking second level 2 qualifications (at 50%) who are employed within an SME. However, co-funding will not be available for second level 2s for people working in larger companies with 250 or more employees. Non-apprenticeship level 3 provision, which is outside current entitlement¹⁴ will no longer be eligible for co-funding in the workplace for employers of any size.

These policy changes mean that in future more responsibility will be placed upon employers, who will have to make a greater financial investment in training their staff than in the past, particularly larger employers and those who do not wish to offer a full apprenticeship route to their staff.

The North East Skills Priorities Statement, 2011-12, recognises the following emerging sectors: industrial biotechnology, plastic electronics, offshore wind and ultra-low carbon vehicles. The fast pace of technological change and the emergence of new sectors will lead to a demand for new skills and, consequently, new courses to meet this demand. Developing such new courses involves a degree of risk, however, catalytic public investment can mitigate the risk and incentivise the development of specialisms in key growth areas, to anticipate and pre-empt demand. A future bid for Regional Growth Fund may be a way to make significant progress in this area.

The Tyne and Wear City Region's Employment and Skills Board has within its Action Plan an objective *"To secure more strategic, agile and demand-led employment and skills systems, better able to anticipate and respond to both current and emerging skills needs"*. Sunderland is represented at Board level

¹² Employers will be required to co-fund 19+ Apprenticeships at 50%.

¹³ Small and Medium Sized Employers with fewer than 250 employees.

¹⁴ Individuals aged 19-24 will be funded to achieve their first Level 3 qualification.

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by both the private sector and public sector, which will ensure that any action at a local level will also be of benefit at a City Region level and vice versa.

Sunderland's Skills Strategy will more fully articulate the actions relating to skills development within the City and the importance of stimulating employer demand for skills, particularly higher level skills. (The proportion of the workforce in the North East qualified to level 2 now exceeds the national average.)

Actions

2.2a : promote Apprenticeships. Use networks to promote the creation and filling of apprenticeships, with a priority focus on new sectors.

2.2b : promote progression to Level 3, particularly in craft, technician and advanced craft skills.

2.2c : continue the focus on employability skills, targeted at geographic areas with high concentrations of long-term unemployment.

2.2d : strengthen employer engagement activities, particularly in the emerging sectors of industrial biotechnology, plastic electronics, offshore wind and ultra-low carbon vehicles.

2.2e : submit a bid for Regional Growth Fund, to invest in the development of specialist skills in emerging growth sectors.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

P2.3 Public to Private Sector Transition - supporting the economic shifts through assistance to enable those being made redundant in the public sector in transition to private sector employment, with a particular focus on the disadvantaged groups disproportionately affected by these cuts

Sunderland City Council has recognised the need to find different ways to manage the economic downturn and stimulate growth in the private sector. In December 2010 it launched an innovative pilot scheme to assist employees who wished to move into either part time or full time self-employment, within a framework which offers professional one to one intensive start up support, providing advice on ideas generation, finance, marketing and paid leave of up to 20 days in which to make their business idea a reality. The model will be tested and evaluated up to the end of March 2011, with potential for the development of a robust model which could be replicated throughout the public sector.

The Government's strategy for skills, "*Skills for sustainable growth*", will expand the apprenticeship programme for adults and support more people to undertake vocational training, particularly with a demand-led approach driven by the private sector. The strategy includes Government-backed loans from

Sunderland Employment Strategy

2013 for learners aged over 24, giving people access to finance to gain new skills.

With a shrinking public sector, workers who find themselves redundant will need to look to the private sector for employment opportunities. There is a concern that the skills set required for the private sector might not match with those gained in the public sector, which will result in a need for re-skilling or replacing outmoded skills. This area needs further research and should be a strong component of Sunderland's emerging Skills Strategy.

The Economic Review and North East Skills Priorities statement both provide an overview of skills and employment issues and opportunities in the North East. They set out priorities for the North East which will inform provision for the academic year 2011-12. It is no surprise that they recognise the skills profile in the North East needs to be raised, both in terms of levels of attainment and in stimulating demand for higher level skills, if the North East is to deliver on increasing levels of economic growth, jobs, opportunities and skills.

2.3a Action : ensure the Sunderland Skills Strategy complements the North East Skills Priorities Statement¹⁵.

2.3b Action : use the findings of the Skills and Employer Demand Survey to inform the direction of public sector staff looking to transfer into the private sector.

2.3c Action : promote Sunderland Council pilot scheme, "Be your own boss", to encourage entrepreneurship in its staff.

Responsibility : Aim 4 delivery group of the Economic Masterplan.

¹⁵ North East Regional Skills Priorities Statement 2011/12, September 2010, Skills North East.

8. Governance, Monitoring and Review

Governance

The Employment Strategy will fall under the remit of the Aim 4 delivery group of the Economic Masterplan,

The Aim 4 delivery group is made up of multi-sectoral partners from within the City who will have a shared responsibility for employability, enterprise and skills within Sunderland. The Aim 4 Delivery group is accountable to the Economic Leadership Board and it will be within its remit to provide regular reports on the progress of the delivery of the Employment Strategy.

Monitoring and review arrangements

The Employment Strategy is being developed during a time of transition and great change to employability support which requires a flexible monitoring and review framework adaptable enough to allow for dynamism and emerging change to be reflected.

The Employment Strategy will be reviewed on a 3 monthly basis by the Aim 4 Delivery Group between April 2011 and March 2012, and reports provided to the Economic Leadership Board, to ensure it reflects the detail of the Work Programme and other emergent central government policy which may impact on it.

From April 2012 to March 2014 the Employment Strategy will be reviewed on an annual basis and reports provided to the Economic Leadership Board.

	Year 1				Year 2	Year 3
	2011-12	2011-12	2011-12	2011-12	2012-13	2013-14
Review due	June 11	Sept 11	Dec 11	March 12	Dec 12	Dec 13

Success in delivering the outcomes will be measured against the performance indicators and targets, as described in chapters 6 and 7 above.

Annex A

Economic Master Plan

Annex B

Worklessness Assessment

Annex C

Job Linkage Review

Annex D

**Enterprise Support Mechanisms
Review**

Annex E

**S4W Performance Indicator Report
(Summary Document)**

Annex F

Related Strategy Areas

The strategy will cover the 3 year period 2011-14 and will support the delivery, at a neighbourhood level, of the Economic Masterplan for Sunderland, which sets the direction for the City's economy for the next 15 years.

PROSPERITY AND ECONOMIC DEVELOPMENT SCRUTINY COMMITTEE

19th January 2011

LOW CARBON PLACE TASK AND FINISH GROUP, WORK PROGRAMME 2010-11

REPORT OF THE CHIEF EXECUTIVE

1. Purpose of the report

- 1.1 The report attaches, for Members' information, the current work programme for the Low Carbon Place task and finish group during the 2010-11 Council year.

2. Background

- 2.1 At the Committees meeting on the 22nd September 2010, it was agreed that a core task and finish group would be established to investigate the Low Carbon Place aspect of the Policy Review.
- 2.2 Councillors Bell, Cuthbert, P Gibson, Mordey, Snowdon and A Wright were nominated to serve on the group. It was agreed that a work programme would be developed and included on the main Committee agenda. All Members of the Committee are able to attend any evidence gathering sessions of interest.

3. Progress update

- 3.1 The next meeting of the task and finish group will take place on the 20th January 2011.
- 3.2 The work programme is included as Appendix A of this report.
- 3.3 This is a flexible document and can be added to or amended throughout the course of the year.

4. Conclusion

- 4.1 The work programme developed from the meeting will form a flexible mechanism for managing the work of the task and finish group 2010-11.

5 Recommendation

- 5.1 That Members note the information contained in the work programme and consider the inclusion of proposals for the Committee into the work programme.

Contact Officer: Claire Harrison, Acting Scrutiny Officer
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LOW CARBON PLACE TASK AND FINISH GROUP COMMITTEE WORK PROGRAMME 2010-11

	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY
Meetings	<p>20th October 2010 3pm-4pm</p> <p>Low Carbon Homes- the Challenges and Opportunities of retrofit- Catherine Pope</p> <p>Future work of Task and Finish Group</p>			<p>Gentoo Energy Manager</p> <p>Council Buildings- Progress and future opportunities (AA)</p> <p>Update on low carbon homes and mapping (CP)</p>	<p>Task and Finish Group with relevant council officers.</p>
Visits		<p>Visit to schools: Portland School Washington School Richard Avenue Primary School</p>		<p>Visit to retrofit scheme in North Tyneside and site in Sunderland.</p> <p>Visit to Evolve</p>	<p>Visit to low carbon business.</p> <p>NAREC- National Renewable Energy Centre</p>
Feedback to main Committee	Update report	Update report	Update report	Update report	Findings of the group.

PROSPERITY AND ECONOMIC DEVELOPMENT SCRUTINY COMMITTEE

FORWARD PLAN – KEY DECISIONS FOR THE PERIOD 1 JANUARY 2011 – 30 APRIL 2011

REPORT OF THE CHIEF EXECUTIVE

19 JANUARY 2011

1. Purpose of the Report

- 1.1 To provide Members with an opportunity to consider those items on the Executive's Forward Plan for the period 1 January 2010 – 30 April 2011.

2. Background

- 2.1 The Council's Forward Plan contains matters which are likely to be the subject of a key decision to be taken by the Executive. The Plan covers a four month period and is prepared and updated on a monthly basis.
- 2.2 Holding the Executive to account is one of the main functions of Scrutiny. One of the ways that this can be achieved is by considering the forthcoming decisions of the Executive (as outlined in the Forward Plan) and deciding whether Scrutiny can add value in advance of a decision being made. This does not negate Non-Executive Members ability to call-in a decision after it has been made.
- 2.3 Members requested that only those items which are under the remit of the Committee be reported to this Committee. The remit of the Committee covers the following themes:-

Inward Investment and Business Support; Regeneration; Improving employability; Encouraging economic prosperity; Boosting the skills and knowledge level of the workforce; City Centre; and Marketing & Tourism.

- 2.4 In the event of Members having any queries that cannot be dealt with directly in the meeting, a response will be sought from the relevant Directorate.

3. Recommendation

- 3.1 It is recommended that the Committee considers the Executive's Forward Plan for the period 1 January 2011 to 30 April 2011.

4. Background Papers

- 4.1 Forward Plan for the period 1 January 2011 – 30 April 2011.

Contact Officer: Jim Diamond, Scrutiny Officer
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**Forward Plan -
Key Decisions for
the period
01/Jan/2011 to
30/Apr/2011**



**E Waugh,
Head of Law and Governance,
Sunderland City Council.**

14 December 2010

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01466	To agree an amended purchase price for the sale of land at Camberwell Way, Doxford Park.	Cabinet	17/Jan/2011	Head of Law and Governance, Director of Financial Resources	Email and report.	To contact officer by 20 December 2010 - Management Scrutiny Committee	Cabinet Report	Nick Wood	5612631
01379	To approve a capital equipment grant to Company B to support economic development and job creation (Part II Item - Exempt Information)	Cabinet	17/Jan/2011	Appropriate Portfolio holder	correspondence	Via the Contact Officer by 20 December 2010 - Prosperity and Economic Development Scrutiny Committee	Cabinet Report	Janet Snaith	5611166
01409	To approve the Employment Strategy.	Cabinet	17/Jan/2011	Stakeholders will include Working Neighbourhoods Board LSP partners, Portfolio Holder and Delivery Partners.	Series of Stakeholders events Council's Consultation Website, Working Neighbourhoods Board.	Via Contact Officer by 20 December 2010 - Prosperity and Economic Development Scrutiny Committee.	Cabinet Report and Employment Strategy	Allison Patterson	5611474

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01475	To agree any key decisions relating to posts graded under spinal column point 42 or equivalent arising from a review of the establishment (Part II exempt information)	Director of Human Resources and Organisational Development	17/Jan/2011	Relevant Portfolio Holders, Executive Management Team and Trade Unions	Reports	Via the contact Officer by 20 December 2010 - Management Scrutiny Committee	Report	Sue Stanhope	5611722
01450	To recommend to Council the level of Council Tax Base to be included in the 2011/2012 Budget	Cabinet	17/Jan/2011	None	N/A	Via the Contact Officer 20 December 2010 - Management Scrutiny Committee	Cabinet Report	Fiona Brown	5611811
01449	To consider any key decisions arising from the Revenue Budget and Trading Services Third Quarterly Review	Cabinet	17/Jan/2011	Directors and third parties affected by the virement proposals	Report will be made available on the Intranet and emailed to Directors	Via the Contact Officer by 20 December - Management Scrutiny Committee	None	Sonia Tognarelli	5611851

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01467	To rescind previous cabinet decision and agree land swap at Newcastle Road, Sunderland to regularise site boundaries and provide uniform development site.	Cabinet	17/Jan/2011	Head of Law and Governance and Director of Financial Resources	Email and report	To contact officer by 20 December - Management scrutiny.	Cabinet report	Nick Wood	5612631
01470	To agree any key decisions relating to posts graded on or above spinal column point 42 or equivalent arising from a review of the establishment (Part II exempt information).	Cabinet	17/Jan/2011	Relevant Portfolio Holders, Executive Management Team and Trade Unions	Reports	Via the Contact Officer by 20 December - Management Scrutiny Committee	Report	Sue Stanhope	5611722
01474	To approve the procurement via a framework for the provision of Independent Foster Care Providers	Cabinet	17/Jan/2011	Corporate Procurement, CS Placement Commissioning Manager	Meetings	To the contact officer by 20 December - Children, Young People and Learning	Children Act 1989, Children and Young Persons Act 2008	Nick Murphy	5663235

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01448	To consider any key decisions arising from the Capital Programme and Treasury Management Third Quarterly Review	Cabinet	17/Jan/2011	Directors and third parties affected by the virement proposals	Report will be made available on the Intranet and emailed to Directors	Via the Contact Officer by 20 December - Management Scrutiny Committee	None	Sonia Tognarelli	5611851
01458	To approve a response to the consultation on the Tyne and Wear Local Transport Plan 2011-2021.	Cabinet	17/Jan/2011	Elected Members; General Public; People who have an interest in Transport	Briefings; E-mails; Web Events	To contact Officer by 20 December - Environment and Attractive City Scrutiny Committee	Report ; Tyne and Wear Local Transport Plan 2011-2012 draft response to consultation	Bob Donaldson	5611517
01471	To consider the results of the Care Quality Commission Ratings.	Cabinet	17/Jan/2011	Cabinet, Service Users and Ward Members, Portfolio Holders	Briefings and /or meetings with interested parties	Via the Contact Officer by 20 December - Health and Wellbeing Scrutiny Committee	Report	Graham King	5661894

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01480	To approve the delivery of the ERDF Low Carbon Energy Demonstration project pending the confirmation of funding.	Cabinet	17/Jan/2011	Deputy Chief Executive, Head of Law and Governance, Director of Financial Resources, Corporate Risk Manager	Circulated by email	Via the Contact Officer by 20 December 2010 - Prosperity and Economic Development Scrutiny Committee	Cabinet Report	James Garland	5611158
01481	To consider budget proposals for the 2011/2012 Revenue Budget for the Council	Cabinet	17/Jan/2011	Directors, Relevant Portfolio holders, EMT, Chamber of Commerce, Trades Unions, Citizens' Panel and Education Stakeholders	Briefings, meetings, presentations	To contact officer by 20 December - Management Scrutiny Committee	Report and supporting papers	Sonia Tognarelli	5611851
01453	To seek approval to adopt the Community Assets Policy for Sunderland City Council	Cabinet	16/Feb/2011	Corporate Capital Strategy Group; Head of Land and Property; Voluntary and Community Sector; Portfolio Holder for Responsive Services & Customer Care; Elected Members	Draft Community Assets Strategy via Consultation Database; e-Newsletters; Report; Focus Groups; Forums; Area Networks	Via the Contact Officer by 21 January - Management Scrutiny Committee	Report and Strategy	Julie Gray	5617574

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01462	To recommend the Capital Programme, Prudential Indicators and Treasury Management and Investment Strategy for 2011/2012 to the Council	Cabinet	16/Feb/2011	Representatives of Business Ratepayers and Unions	At Special Meeting in February	At Special Meeting and otherwise to the Contact Officer 21 January - Management Scrutiny Committee	Cabinet Report	Sonia Tognarelli	5611851
01479	To approve the Appointment of Frank Haslam Milan and Three Rivers Housing Association as development partners to develop a Core & Cluster scheme on Council owned land at Redcar Road, Sunderland	Cabinet	16/Feb/2011	Cabinet, Service Users and Ward Members, Portfolio Holders	Briefings and/ or meetings with interested parties.	Via the contact officer by 21 January - Sustainable Communities Scrutiny Committee	Report	Alan Caddick	5612690
01463	To recommend the level of Council Tax to Council	Cabinet	16/Feb/2011	Representatives of Business Ratepayers and Unions	At Special Meeting in February	At Special Meeting and otherwise to Contact Officer by 21 January - Management Scrutiny Committee	Cabinet Report	Sonia Tognarelli	5611851

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01477	To approve the appointment of contractors to deliver the Marine Walk public realm improvements (Sea Change).	Cabinet	16/Feb/2011	Appropriate Chief Officers	Report	Via the contact office by 21 January - Prosperity and Economic Development Scrutiny Committee	Report	Dan Hattle	5612439
01454	To approve the Sunderland Partnership Volunteering Strategy for Sunderland City Council.	Cabinet	16/Feb/2011	All Heads of Service; Corporate Communities Group; Voluntary & Community Sector; Elected Members; Area Cttees; Scrutiny Cttees; Sunderland Partnership Organisations; Inclusive Communities Thematic Group	Draft Volunteering Strategy and Action Plan including consultation questions circulated via Consultation Database; e-newsletters and distributions lists; reports; Websites; printed copies; face to face contact	Via the Contact Officer by 21 January - Management Scrutiny Committee	Report and Strategy	Julie Gray	5617574
01461	To recommend the Revenue Budget 2011/2012 to Council	Cabinet	16/Feb/2011	Reps. of Business Ratepayers, Unions, Headteachers, Governors, Youth Parliament, Citizens Panel	Presentations, Meetings, Surveys	At meetings arranged and otherwise to Contact Officer by 21 January - Management Scrutiny Committee	Cabinet Report	Sonia Tognarelli	5611851

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01464	To recommend the level of Council Tax Collection Fund 2011/2012 to be taken into account to Council	Cabinet	16/Feb/2011	None	N/A	To the Contact Officer by 21 January - Management Scrutiny Committee	Cabinet Report	Sonia Tognarelli	5611851
01451	To agree the Low Carbon Homes Strategy	Cabinet	16/Feb/2011	Cabinet, Service Users and Ward Members, Portfolio Holders	Briefings and/or meetings with interested parties	Via the contact officer by 21 January - Sustainable Communities Scrutiny Committee	Report	Alan Caddick	5662690
01400	To agree the Access to Housing Project - Allocations Policy	Cabinet	16/Feb/2011	Cabinet, Service Users and Carer Groups, Portfolio Holder, Adult Services Staff and Partners	Briefings and/or meetings with interested parties	Via the Contact Officer by 21 January - Sustainable Communities Scrutiny Committee	Full Report	Alan Caddick	5662690

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01403	To consider the outcome of Public Consultation (March - June 2010) in relation to the Accessible Bus Network Design Project	Cabinet	16/Feb/2011	Portfolio Holder for Attractive and Inclusive City; Nexus; Appropriate Chief Officers	Briefings; Meetings; e-mails	Via the contact officer by 21 January - Environmental and Attractive City Scrutiny Committee	Cabinet Report	Bob Donaldson	5611517
01424	To agree the Review of the Sunderland Private Landlords Self Accreditation Scheme	Cabinet	16/Feb/2011	Housing Portfolio Holder, Ward Members, Residents and Owners of property	Briefings and/ or meetings with interested parties	Via the Contact Officer by 21 January - Sustainable Communities Scrutiny Committee	Report	Alan Caddick	5662690
01428	To consider the Review of Job Linkage, including the options for the ongoing provision of a Council-led Employability Service. To agree the preferred option.	Cabinet	16/Feb/2011	Council officers, LSP partners and relevant stakeholders, delivery providers, service users	Meetings, briefings, emails	Via Contact Officer by 21 January - Prosperity and Economic Development Scrutiny Committee	Cabinet report and Review of Job Linkage	Karen Alexander	5611339

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01412	To approve the procurement of specialist vehicles to be used in the waste and cleaning service.	Cabinet	16/Feb/2011	Procurement; Appropriate Chief Officers; Portfolio holder for Attractive and Inclusive City	Report; Briefings	Via Contact Officer by 21 January - Environment and Attractive City	Report	Les Clark	5614540
01438	To agree the Social Care Contributions Policy for Personalisation	Cabinet	09/Mar/2011	Cabinet, Service Users and Ward Members, Portfolio Holders	Briefings and/or meetings with interested parties	via the Contact Officer by 21 February - Health and Wellbeing Scrutiny Committee	Report	Neil Revely	5661880
01452	To agree the revised Financial Assistance Policy	Cabinet	09/Mar/2011	Cabinet, Service Users and Ward Members, Portfolio Holders	Briefings and/or meetings with interested parties	Via the contact officer by 21 February - Sustainable Communities Scrutiny Committee	Report	Alan Caddick	5662690

Forward Plan: Key Decisions from - 01/Jan/2011 to 30/Apr/2011

No.	Description of Decision	Decision Taker	Anticipated Date of Decision	Principal Consultees	Means of Consultation	When and how to make representations and appropriate Scrutiny Committee	Documents to be considered	Contact Officer	Tel No
01436	To agree for the Council to assist with and facilitate the transfer of NTW's learning disability homes to a Registered Social Landlord.	Cabinet	09/Mar/2011	Cabinet, Service Users and Carer Groups, Portfolio Holder, Adult Services Staff, Health Partners	Briefings and/or meetings with interested parties.	Via the Contact Officer by 21 February - Health and Wellbeing Scrutiny Committee	Report	John Fisher	5661876

WORK PROGRAMME 2010-11

REPORT OF THE CHIEF EXECUTIVE

Strategic Priorities: SP3 – Prosperous City

Corporate Priorities: CIO1: Delivering Customer Focused Services, CIO4: Improving partnership working to deliver ‘One City’.

1. Purpose of the report

- 1.1 The report attaches, for Members’ information, the current work programme for the Committee’s work during the 2010-11 Council year.
- 1.2 The work of the Committee in delivering its work programme will support the Council in achieving its Strategic Priorities of a Prosperous City, support delivery of the related themes of the Local Area Agreement, and, through monitoring the performance of the Council’s services, help the Council achieve its Corporate Improvement Objectives CIO1 (delivering customer focussed services) and CIO4 (improving partnership working to deliver ‘One City’).

2. Background

- 2.1 The work programme is a working document which the Committee can develop throughout the year. The work programme allows Members and officers to maintain an overview of work planned and undertaken during the Council year.

3. Current position

- 3.1 The work programme reflects discussions that have taken place at the 8 June 2010 Scrutiny Committee meeting. The current work programme is attached as an appendix to this report.

4. Conclusion

- 4.1 The work programme developed from the meeting will form a flexible mechanism for managing the work of the Committee in 2010-11.

5 Recommendation

- 5.1 That Members note the information contained in the work programme and consider the inclusion of proposals for the Committee into the work programme.

PROSPERITY AND ECONOMIC DEVELOPMENT SCRUTINY COMMITTEE WORK PROGRAMME 2010-11

Appendix 1

	JUNE	JULY	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL
Cabinet referrals and responses			Progress on Policy Review - Working Neighbourhoods Fund (Cllr Charlton/A Patterson)	Progress on Policy Review – Tourism and Marketing (Jane Hall/Cllr D Wilson)						
Policy Review	Proposals for policy review (Scrutiny Officer)	Scope of review (Scrutiny Officer)	Approach to review (Scrutiny Officer/Janet Snaith) / Low Carbon Place – (Katheryn Warrington)	Progress on Review - Report of Working Group (Scrutiny Officer) Employers Survey (Janet Snaith)	Progress on Review (Scrutiny Officer) – Low Carbon Industry (Software) Update on Task and Finish Group (Claire Harrison)	Progress on Review (Scrutiny Officer) – Low Carbon Industry (Port) Port Offshore Wind (Matthew Hunt Port Director) Update on Task and Finish Group (Claire Harrison)	Progress on Review (Scrutiny Officer) – Low Carbon Industry (Vehicles) North East Chamber of Commerce (Andrew Sugden) Update on Task and Finish Group (Claire Harrison)	Progress on Review – University and Skills (Scrutiny Officer) Employers Survey – Feedback (Janet Snaith) Update on Task and Finish Group (Claire Harrison)	Draft report (Scrutiny Officer)	Final Report
Performance			Performance & VfM Assessment (Gillian Robinson)			Performance Framework Q2 including Progress on policy reviews (Gillian Robinson)				Performance Framework Q3 including progress on policy reviews (Gillian Robinson)
Scrutiny	Work Programme 2010/11 Forward Plan	Economic Masterplan (Vince Taylor) Work Programme 2010/11 Forward Plan Request for Conference (J Diamond) Centre for Public Scrutiny Annual Conference - Feedback	Work Programme 2010/11 Forward Plan	Seaburn Masterplan (Ben Winter) Work Programme 2010/11 Forward Plan Feedback from Conference – (Cllr Mordey)	Regional Update (Vince Taylor) Work Programme 2010/11 Forward Plan	Work Programme 2010/11 Forward Plan	Employment Strategy (Vince Taylor) Work Programme 2010/11 Forward Plan	Council Led Employment Service (Karen Alexander) Local Enterprise Partnership (Vince Taylor) Work Programme 2010/11 Forward Plan	Work Programme 2010/11 Forward Plan	Annual Report Work Programme 2010/11 Forward Plan

CCFA/Members items/Petitions									
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