

DSD and NIHE Regeneration in the Lower Shankill Proposals Regarding Employment, Apprenticeships and Training Opportunities

The Lower Shankill Regeneration Board (LSRB) is a formal coalition of local community groups, churches, businesses, residents, and associated organisations who work together to ensure that regeneration opportunities address the long-standing need and inequality which members of our community have experienced for decades. We are committed to resident participation in decisions affecting their lives, and through this we seek to ensure maximum social and economic outcomes are produced by regeneration activity.

The proposed DSD and NIHE regeneration projects in the Lower Shankill estate have the opportunity to begin addressing some of the multiple inequalities and needs experienced by residents in our community. Following extensive community participation exercises with residents, the Board outlined its detailed views of the pending DSD Regeneration Plan during the consultation period, but have not had the opportunity to respond to the recently NIHE regeneration initiative which deals primarily with the interior of the estate. As such, the following initial proposals should not be considered as agreement with the existing contents of either plan.

Rather, what is clear is that the respective regeneration projects will present opportunities to create sustainable employment opportunities for residents experiencing employment deprivation, particularly the long term unemployed. As a Board, we want to ensure that, in line with legislation, policy and best practice, the procurement processes involved in the forthcoming regeneration projects are utilised to bring about maximum social and economic benefit. This can only happen if the proposals are targeted at those identified as in most need.

Legal and Policy Context

Under Section 75 of the Northern Ireland Act (1998) all public authorities have a legal obligation to promote equality through their functions, including regeneration work:

“1) A public authority shall in carrying out its functions relating to Northern Ireland have due regard to the need to promote equality of opportunity— (a) between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation; (b) between men and women generally; (c) between persons with a disability and persons without; and (d) between persons with dependants and persons without.”

The policy commitment to target areas of greatest objective need has been a long-standing policy commitment from the NI Executive, which was affirmed at the St Andrew’s Agreement and in the 2008-2011 Programme for Government:

*“This is the challenge for all of us today – to develop new and innovative measures that will address existing patterns of socio-economic disadvantage and target resources and efforts towards those in the greatest objective need.” **Building a Better Future, Programme for Government 2008- 2011, Northern Ireland Executive***

These obligations and commitments can be best fulfilled by working in genuine partnership with local communities and affected groups to ensure effective implementation of law and policy.

Previous Best Practice: DFP's Pilot Project on Utilising the Unemployed in Public Sector Procurement (2005) and the West Belfast and Greater Shankill Health Employment Project (APPENDIX)

A number of initiatives have been taken by various public authorities, and in conjunction with trade unions and community groups, to implement these obligations and commitments regarding promoting equality and targeting need.

We have attached a synopsis of two such projects which have not only successfully generated successful sustained employment for the long term unemployed, but have done so in a manner which generates savings to the public purse, and in one of the case studies proved to be more successful and cost less than existing mainstreamed governmental employment and 'back to work' schemes.

LSRB Initial Employment, Apprenticeship and Training Proposals

The Lower Shankill Regeneration Board does not accept the application of a restrictive and rigid formula which dictates how many long-term unemployed will gain employment according to how much public money was spent. This approach has been used to date on the Crumlin Road Gaol regeneration, whose contracts stated that there would be '1 job per £1m spent'. If we are to maximise opportunities, a process must be initiated which has the potential to explore how to extract maximum benefit for those in most need from any forthcoming regeneration work. Innovation and partnership is required, not inflexible ratios.

Some of the steps which need to be taken to bring this process forward include:

- a) commitment from NIHE and DSD to utilise the procurement process to generate meaningful and real employment, apprenticeship and training opportunities for the long-term unemployed
- b) agreement on what form this will take in the contracts – for example the 'ring-fencing' of posts for the long-term unemployed. This will involve, but is not limited to -
 - estimating the skills type and number of jobs which will be created throughout the regeneration projects
 - estimating a timeline for the works
 - determining how to maximise employment opportunities for the long-term unemployed and other identified groups (eg. the long term economically inactive), for example the number of jobs or apprenticeships which can be created over the life of an individual project
 - agreeing the wording of the contract conditions which will be put out to tender
 - community representation on interview panels during the tender selection process
- c) identification of those experiencing employment deprivation and inequality, as these will be the individuals at whom employment proposals are targeted
- d) focus groups with these long-term unemployed individuals to extract information on what training provisions and steps are required to bring about sustainable employment opportunities and remove obstacles to training, apprenticeships and employment
- e) working with an employment, skills, and training agency to develop an initiative which can recruit and develop identified individuals
- f) in line with good practice, the development of targets which will measure the success of the initiative

- g) establishing a monitoring sub-group, with agreed terms of reference, which will oversee the initiative and develop an evaluation methodology
- h) production of a post-project evaluation based on the above agreed methodology

We are fortunate that, in respect of both regeneration projects, no tenders have been advertised to carry out work. This is essential as experience has shown that the effective implementation of such proposals demands the above requirements must be built into the contracts at the beginning of the process.

The Lower Shankill Regeneration Board put these proposals forward to the NIHE and DSD in good faith and look forward to working with statutory and departmental officials to progress this important work. We believe that such an approach has the opportunity to demonstrate how the public sector, in partnership with the community, can bring about employment opportunities and hope for people who need it the most throughout the regeneration projects. This is particularly critical in the current economic climate.

APPENDIX

West Belfast Greater Shankill Health Employment Project (HEP)¹

The West Belfast Greater Shankill Health Employment Project is a 3-way partnership between the trade union UNISON, the Royal Hospital, Mater Hospital and North and West Community Trusts and the community sector primarily through the West Belfast and Greater Shankill Taskforce and Partnership Board structures.

The Project has two specific strands:

- a) Pre-employment – targeted at the unemployed and economically inactive, providing training and job support services to enable them to compete for advertised entry level jobs within Belfast Health and Social Care Trust.
- b) Job progression – targeted at those in entry level jobs within Belfast Health and Social Care Trust, providing training to help them to progress along a career path within the Trust.

A number of co-ordinated initiatives were undertaken as part of the project:

- extensive outreach work by HEP in the communities
- previously the Trusts would have advertised for posts in the traditional way, recruiting those with the relevant skills and qualifications. This job specification requirement was a significant barrier to overcome for those out of work who had not worked in a hospital or similar environment before. The HEP ensured greater co-operation and structural changes. The Trust will now inform the HEP of upcoming recruitment opportunities and the HEP will provide training and support to the unemployed to enable them to upskill and compete effectively for advertised positions
- training opportunities for existing staff to develop skills and enable them to progress within the health sector, the provision of back-fill funding enabling managers to provide staff cover on those training courses, and identification of – and subsequent targeted actions to remove – blockages to job progression within the Trust

The formal evaluation for the Health Employment Project evidenced that not only had it been successful in terms of providing training and employment for those out of work for an extensive period of time, but it also created some degree of job progression, and proved to be more cost effective than existing government programmes:

Table i: Benchmarking HEP Job Conversion

Initiative	Job Conversion Rate
West Belfast & Greater Shankill HEP	47%
New Deal 18 – 24	32% ²
New Deal 25+	20% ³

¹ Extracts taken from the formal Evaluation of the WBGH HEP (May 2010)

² DEL Survey of New Deal leavers May 2008, KPMG – “Figures provided by DEL indicate that a total of 66,072 participants left the New Deal 18-24 programme between April 1998 and June 2007. Of those who left, 32% left with an immediate destination of unsubsidised employment”

³ DEL Survey of New Deal leavers May 2008, KPMG – “Figures provided by DEL indicate that a total of 72,816 participants left the New Deal 25+ programme between April 1998 and June 2007. Of those who left, 20% left with an immediate destination of unsubsidised employment”

Table ii: Project Impact

Impact Indicator	Reported Impact
Personal development	<ul style="list-style-type: none"> • Self confidence • Motivation • Self belief • Self esteem • Self worth • Improved social interaction • Contentment • Sense of stability and security • Increased skills • Increased career aspirations • Interest in personal development through training opportunities
Health Impact	<ul style="list-style-type: none"> • Increased physical activity • Better diet • Enhanced well being • Reduced stress • Improved behaviour in the workplace • Enhanced family life • Better relations in work • Better quality of life
Impact Indicator	Reported Impact
Organisational impact	<ul style="list-style-type: none"> • Better understanding and empathy with long term unemployed • Removal of career blockages • Creation of new posts • Co-ordinated recruitment practice • Enhanced training opportunities • Motivated work force • More qualified workforce
Economic Impact	<ul style="list-style-type: none"> • 47% saving on benefits payment to pre employment participants who have now secured a job. This equates to £384,685 per year • estimated financial benefit of potentially £587,715 to £1,405,246 in wages as a result of the Pre Employment programme • estimated financial benefit of £75,537 in increased salaries being paid to the 36 staff that have progressed into alternative employment within the Trust • increased job search activity with West Belfast JAC experiencing a 64.5% increase in case load numbers and Greater Shankill JAC an 80% increase

Table iii: Cost Per Job Outcomes

Initiative	Cost Per Job
West Belfast & Greater Shankill HEP	£4,606
New Deal 25+	£7,159
LEMIS	£4,731
Working Neighbourhood Pilots in England, Scotland and Wales ⁴	£9,367

Table iv: Attainment of Project Targets

	Target	Projected	Attainment
1	Over 130 people resident in west Belfast and Greater Shankill, who have been workless for an extended period receiving additional personal development, essential skills and vocational training	310	238%
2	130 people resident in west Belfast and Greater Shankill, who have been workless for an extended period, obtaining employment in the health and social services sector	137	105%
3	An equal additional number of staff progressing in their career (130)	36	27.6%
4	634 additional training places being achieved for staff in entry level posts, including personal development and essential skills	316	49.8%

⁴ Evaluation of LEMIS, DEL, 2010

Pilot Project on Public Procurement 2003–05 (Department of Finance and Personnel)⁵

In 2003 the Department of Finance in Northern Ireland commenced a cross-Departmental pilot project on utilising the unemployed in public sector procurement.

Companies bidding for 15 public sector construction and service contracts had to submit employment plans outlining how they intended to utilise the unemployed in work on the contract, as well as any previous experience doing this type of work. Importantly, this project included work carried out by sub-contractors on the contract. The employment plan did not determine whose bid was the preferred option, however if two bids were judged to be equal then whichever had the better employment plan would get the tender.

During a two-year period, 51 people commenced employment on various contracts involved in the pilot project, and as of June 2005, 46 were still in employment. The break down shows that 32 people were employed in the service sector and 19 in the construction sector. The job titles of people employed include a site supervisor, HGV drivers, a head chef and general labour operatives.

The NI Pilot project was compared with three similar UK projects, namely the Fusion 21 Project in Merseyside, the Community Benefits Pathfinder Project in Wales and Community Benefits in Procurement Programme in Scotland. Whilst 34 people had been employed on the Welsh Pathfinder project up to July 2005, 51 from the target group have been employed on the NI Project. The overall cost per job created on the NI Pilot project was one person employed for every £900,000 spend, although this figure could more accurately be calculated at £610,000⁶. This compares very favourably to the much larger Fusion 21 Project in Merseyside (£1.5m spend per person employed).

The evaluation noted positive feedback from contractors:

“At the end of the evaluation period questionnaires were distributed to all the winning contractors and the client contract managers. The return rate of the survey was excellent with 63% of contractor questionnaires returned and an impressive 93% (14 out of 15) client questionnaires returned. Key results from the survey showed that on the contractor side 90% of respondents believed that the Pilot did not lead to an increase in direct costs while on the client side over 64% considered that the Pilot did not result in any significant increase in workload.”

The outcomes that were anticipated from the Pilot included:

- *reduced unemployment and social welfare payments:* while the pool of participants was too small to generate substantial impacts in terms of reduced social welfare payments, the Pilot project demonstrated that with some adjustments, roll-out across the full range of public procurement projects could make a significant impact to reducing unemployment and social welfare payments.

⁵ Below contains extracts from “*Pilot Project on Utilising the Unemployed in Public Contracts: Final Evaluation Report*”, September 2005 (Erridge, Fee and Hennigan, University of Ulster)

⁶ “It should also be pointed out that the 51 people in NI were employed on only 10 of the contracts that started during the evaluation period. Four of the five contracts in which no one from the target group was employed had procedural problems which effectively ruled out the employment of anybody from the target group. The fifth relied mainly on specialist subcontractors. If these contracts were excluded from the assessment the cost per job is reduced to approximately one job per £610,000 spend.”

- *ensuring that the supply market is more responsive to the government's goals:* whilst contractors' responses have been varied, dependent mainly on the nature of the contract, there is evidence from both the interviews and the survey that contractors are supportive of government goals in relation to using public procurement to achieve social goals
- *improving the future career prospects for employees:* all those employed from the target group, including those who have left employment, will have gained confidence and experience as a result of their period of employment. This should therefore enhance their prospects of sustainable employment in the future
- *there have been no EU challenges:* the Pilot project was based upon a cautious interpretation of the public procurement rules then in place, and was designed to ensure minimal risk of challenge by contractors, or intervention by the EU Commission. Having proved that the Pilot Project is compliant with EU rules, and with clients and contractors more experienced in applying the procedures, the Pilot may be extended more widely without risk of challenge, so long as the procedures are applied correctly