

## **BRIEFING NOTE – SEPTEMBER 2020**

### **Redundancy Support and Supporting People Back into Work**

The Covid-19 Pandemic means that unemployment and business failure has risen rapidly across Cornwall and the Isles of Scilly. Few places in the UK has the impact of Covid19 been felt more severely than in Cornwall and the Isles of Scilly. This is due to the importance of the visitor economy and the particular make-up of our business mix which has a higher proportion of small and micro businesses and self-employed. The Council is ensuring that we have the correct strategies and interventions in place to support people back into work, either within our own organisation and group of companies or to support the labour market more widely in Cornwall to do so.

#### **Key Actions and Work to date**

The actions below are not exhaustive but will help to communicate what Cornwall Council is currently doing, to support the economic recovery of Cornwall.

- 1. The Emergency [People Hub](#), with £227,000 investment from Cornwall Council, has been established to provide support to residents across Cornwall, during these uncertain times.** Advisers are on hand to provide free confidential advice and support regarding work, employment, furlough, redundancy and training. Over 300 calls have been received since the Emergency People Hub was launched in April. 55% of all calls to date have been related to COVID and of these calls, 57% were related to finance and 19% to employment. A £5m ESF project supported by Cornwall Council has recently received its funding agreement to provide support to 1600 individuals to 2023.
- 2. The Cornwall Redundancy Support Task Force comprising of key agencies (e.g. CC Economic Growth Service, Cornwall Development Company, DWP, People Hub, Growth Hub and National Careers Service) has been set up to co-ordinate intelligence and support organisations facing large scale redundancy situations.** We will deliver different approaches for different sizes of redundancies and other support providers will be invited to get involved in the support once the need is identified.



In almost all cases, announcements of impending redundancies by any company are triggered by the beginning of a statutory consultation period rather than employees being made redundant. There is no time limit for how long the period of consultation should be, but the minimum is for 20 to 99 redundancies - the consultation must start at least 30 days before any dismissals take effect and with 100 or more redundancies - the consultation must start at least 45 days before any dismissals take effect.

Through other agencies, most notably Jobcentre Plus/DWP, National Careers Service and Cornwall Council, a broad range of redundancy support is available. Included in this provision is the [Growth and Skills Hubs](#) and the recently opened [People Hub](#) service, all operated by CDC. The CDC led support engages directly with employers (and through them employees), based on the principle of aggregating potential opportunities. CDC then works with the company during the consultation period to agree the scale and scope of interventions to present opportunities to those at risk of losing their job. It is important to note that the process of employee engagement, particularly during the consultation period, is led by the company.

### **3. One Stop Shop - Virtual Support for Businesses and Individuals**

We are planning a schedule of virtual events, resources and targeted support to ensure individuals and businesses that have been negatively affected by Covid in some way, are aware of and are linked to the wide range of support that is available to them locally. Cornwall and Isles of Scilly [Growth and Skills Hub](#) supports businesses and the [People Hub](#) provides confidential, locally tailored support for individuals who may find themselves needing help with work, employment or training.

The initial thoughts on the targeted support (through a series of webinars, video clips, fact sheets, 1:1 telephone appointments), are outlined below and will include:-

#### **Business Support ([Growth and Skills Hub](#))**

- Recruitment and Retention
- Skills and Training
- Digital Marketing / Sales
- Productivity / Business Improvement / Business Resilience
- Leadership and Management



- Finance
- HR and Employment Law
- Apprenticeships / Traineeships / KickStart Work Placements
- Health and Safety (Covid) policy and procedures
- Disability Confident and Inclusive recruitment
- Mental Health First Aid

### **Support for Residents ([People Hub](#))**

- Job Search and vacancies
- Help with applying for jobs and updating CV
- Self-employment support
- Retraining and Skills
- Managing your money / Debt Management
- Digital Connectivity
- Access to Work (DWP)
- Youth Support (Apprenticeships, Kick Start, Sector Work Based Academies)
- Housing
- ESF Funded Provision (Employability Skills, Drug and Alcohol Support support to access employment – transport help, childcare)

**4. We are driving strategic leadership of employment, skills and redundancy support through ESF funding Further details can be found [here](#).** The CIOS Region has a £131m programme of support from the European Social Fund to commission and deliver a range of employment, training and support opportunities to individuals and businesses. £94m of the programme has been contracted, £24m is nearing the end of the appraisal process and will be contracted in the next few weeks and we have worked closely with the Managing Authority using our position as an Intermediary Body to ensure a further £12.7m is currently out for tender:

- **Supporting a collaborative Cornwall-wide initiative aimed at supporting 1000 of those most disadvantaged people who face multiple and complex barriers to employment**, such as poverty, exclusion and violence, that prevent them accessing education, training or employment to build trust and confidence, acquire soft and basic skills and/or to enable them to progress into employment or wider employability programmes.



- **Improving the employability of 2000 long-term unemployed or economically inactive people** and providing individuals from groups which face particular labour market disadvantage with additional support so that they can compete effectively in the labour market and reduce the gender pay gap.
- **Targeted support for 1000 young people aged 15 to 24**, particularly the most vulnerable and those at risk of exclusion, progress into the workplace or further education or enter traineeships and apprenticeships, additional work experience and pre-employment training opportunities and helping young lone parents to overcome the barriers they face in participating in the labour market (including childcare).
- **Improving the economy by engaging 200 businesses and 1000 individuals to increase the number of people with business-relevant technical and job specific skills**, particularly at level 3 and above and into higher and advanced level apprenticeship and promote improvements in the labour market relevance of skills provision through active engagement with relevant institutions and employers, particularly SMEs and Micro businesses
- **Providing advice, guidance and support for 900 individuals employed or at risk of redundancy**, to improve progression in or into the labour market for adults through innovative provision of effective independent Information, Advice and Guidance.

## 5. Public Sector Contracts

We want to ensure Public Sector Commitment to ensure employment and skills outcomes are embedded in all of our contracted arrangements. The Public Sector should ensure that all contracts contain outcomes associated with employment and skills, with a plan that sets out:-

- how the organisation will support the local economy through their procurement strategy e.g. buying and commissioning local services and products.
- how the organisation will support the Real Living Wage for all employees.
- how the organisation will support the Careers Hub to provide engagement opportunities within schools and at careers/skills shows.



- how the organisation will provide outreach opportunities to ensure that those furthest from the labour market are offered employment or training opportunities.
- the number of local apprenticeships, traineeships and work placements the organisations will offer

## **6. Establishing Penzance as a Real Living Wage Pilot town.**

Work with local stakeholders to identify towns that may wish to pilot becoming “Real Living Wage” accredited towns, focussing initially on Penzance with whom we have been working for some time to develop this initiative. This pilot project has become more challenging due to the business environment linked to COVID-19 however fair pay remains a key economic driver for levelling up in Cornwall and the Economic Growth service are pursuing this opportunity to encourage more businesses and organisations to become Foundation Living Wage employers. Other towns may also wish to pursue the opportunity for support from CC to become a real living wage town.

## Economic Impact on the Labour Market

Analysis undertaken by the Economic Growth Service would support the conclusion that Cornwall is likely to be one of the areas of the UK that is hardest hit by the COVID-19 outbreak. A summary of key impact measures are outlined below:-

- Initial analysis pointed to a very significant impact on the majority of Cornwall's 23,795 enterprises and 28,045 workplaces. **It remains unclear how many businesses were able to survive the initial lockdown period of 7 weeks.** Many businesses experienced full closure for 12 weeks, this was even longer for hospitality business which remained closed for 14 weeks and five days
- **In the week ending 22 June many towns in Cornwall were still experiencing significant drops in expenditure.** The impact across Cornwall appears to be lasting longer than other areas with many towns climbing the rankings. Most MSOA's in Cornwall had seen a less severe impact on consumer expenditure in June compared to April.
- **The number of people on Universal Credit rose from 24,876 in March to 48,458 in June an increase of 95%.** A large proportion of this increase were claimants in the "searching for work" conditionality and many people claiming benefits for first time.
- The impact has not just been felt in Towns across Cornwall. **Many rural areas which historically have had low levels of Universal Credit claims are seeing large percentage increases.**
- **Levels of government intervention through the Coronavirus Job Retention Scheme in Cornwall and Isles of Scilly are some of the highest in the country.** 35% of eligible jobs have been protected by the scheme at the end of June.
- **As of the 30 June 30,600 people in Cornwall and the Isles of Scilly have applied to the Self-Employment Income Support Scheme.** The take up rate for this grant support stands at 75% of the potentially eligible population.
- The latest ACC figures (May 2020) **shows an increase of 13,209 from 9,541 in March to 22,750 in May, up 138%. By comparison the average increase for England was 108%.**
- Combining the numbers furloughed, receiving Self-employment Income support, receiving Universal Credit and Job Seekers Allowance. **We estimate that around 54% of the economically active 16+ population**



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**have accessed support during the pandemic.** This ranks Cornwall 28/149 local authorities.

We are working hard to make sure that our Employment and Skills Programme can flex, to meet our most pressing needs and aspirations for the future. We are guided by our Local Industrial Strategy to integrate support, particularly building skills and business capacity to achieve sustainable and inclusive growth, as we address the current health and economic emergency; in one of the most affected local economies.

### **Supporting Employment and Inclusion in the Cornwall Recovery Plan**

Given the severity of what is known about the immediate impact of COVID-19 and the forward projections that Oxford Economics (supported by other analysis undertaken by the Bank of England and the Office for Budget Responsibility) it is therefore prudent for Cornwall Council to consider its role in supporting the economy of Cornwall to recover. A recovery plan driven by a set of key principles and a set of immediate actions that will be taken to support the economy of Cornwall and help to lessen the depth of the impact and hasten the economic recovery of Cornwall will be considered by EGD OSC on 13 October 2020.

#### **Key Principles**

The economic recovery of Cornwall is likely to be characterised by four phases – Respond, Reopen, Recover, Renew. These phases will not be distinct and certain services, infrastructure and business sectors will be at different stages at different points.

To guide any work designed to facilitate and accelerate the recovery of the economy of Cornwall, we have agreed a set of key principles that will underpin and inform our approach to recovery. The following ones being relevant to employment and skills:

- That our economic recovery efforts strive to reduce our need to travel by embracing working from home where appropriate and by using local services wherever possible. Comprehensive coverage of fibre to the premises, broadband and/or universal 4G/5G mobile coverage will therefore be required.
- That our towns should be encouraged to become community hubs where more people live, work and shop locally and are places that people want to visit.



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- That our rural communities are supported to thrive through better digital access, innovative hyper-local services and facilities and by improving walking and cycling accessibility to key public transport routes.
- That we identify and prioritise activity that helps those furthest from the labour market to find or return to employment.

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