

Meeting:	Education and Economy Scrutiny Committee
Date:	09 December 2021
Title:	Unemployment levels and support back to employment
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Cabinet Member:	Gareth Thomas Cabinet Member for Economy and Community
Purpose	Report at the request of the Scrutiny Committee outlining the changes in unemployment and the support provided by the Council to the people of Gwynedd.

1. Background

- 1.1. Securing work is beneficial to individuals' wellbeing and has a positive impact on families and the community as a whole.
- 1.2. Historically unemployment rates in Gwynedd have been below the average for Wales. However, there were challenges in terms of; ensuring everyone who could was part of the workforce, the seasonal nature of employment and low wage rates.
- 1.3. The Council was active in responding to these challenges under the auspices of the [Council Plan](#) with the 'More Gwynedd residents playing a full part in the world of work' programme providing support to residents via the [Gwaith Gwynedd](#) team within the Economic Development Service.
- 1.4. As a result of the impact of the coronavirus pandemic and the effects of leaving the European Union, the last eighteen months have been exceptionally tempestuous for the people of Gwynedd in terms of the world of work.
- 1.5. This report outlines the changes and the Council's response along with challenges to come. The report should be considered alongside the [report](#) presented to the Scrutiny Committee on the 21st of October which outlined the needs of businesses and the Council's response.

2. The situation prior to March 2020

- 2.1. As noted above, historically unemployment in Gwynedd has been slightly below the average, broadly following the national trends (see graph 1 in Annex 1).
- 2.2. In March 2020 the proportion of the workforce claiming benefits relating to looking for a job was 2.6% or 1,985 individuals, compared to 3.1% across Wales¹.
- 2.3. However, the level of inactivity (that is individuals of working age not working or seeking work) in Gwynedd was slightly above the UK average² and a particular problem in some communities.
- 2.4. Alongside this, the proportion of the workforce not fulfilling their potential due to part time working was a challenge with 38% of Gwynedd jobs part time in contrast to 32% across Great Britain³.
- 2.5. IN response the Council had established the Gwaith Gwynedd team within the Economic Development Service of the Economy & Community Department securing European and Welsh Government money to help unemployed and, primarily, inactive individuals to gain the necessary skills and seek appropriate jobs.
- 2.6. The Gwaith Gwynedd team were also working with employers in the county to support them to secure suitable workers.
- 2.7. Prior to the pandemic there were eight officers within the Gwaith Gwynedd team.

3. First phase of the coronavirus pandemic (2020/21)

- 3.1. With the advent of the first lockdown in response to COVID-19 the employment landscape in Gwynedd was transformed.
- 3.2. The number of unemployed jumped almost immediately. The number of unemployed grew to almost 8 thousand individuals by September 2020 an increase of 115% on the previous figure⁴ (see graph 2 in Annex 1). The increase in Gwynedd was significantly above the average for Wales.
- 3.3. In parallel, by July 2020 16,700, 36% of all workers in Gwynedd were away from work under the UK Government Coronavirus Job Retention Scheme (furlough)⁵.

¹ Data from Department for Work and Pensions Jobcentre systems from StatsWales website ([link](#))

² Economic inactivity data excluding students by Office of National Statistics from StatsWales website ([link](#))

³ Data by Office of National Statistics from Nomis website ([link](#))

⁴ Data from Department for Work and Pensions Jobcentre systems

⁵ Data from HMRC from gov.uk ([link](#))

- 3.4. The Council responded quickly to the challenge adapting the approach of the Gwaith Gwynedd team to meet the needs of Gwynedd's residents.
- 3.5. An interdepartmental Unemployment Taskforce was established including relevant Cabinet Members and senior officers to lead on understanding and responding to the situation.
- 3.6. The focus of the Gwaith Gwynedd team was transferred to overnight form supporting individuals at the margin of the labour market to providing practical advice and support to those who had just lost their jobs.
- 3.7. There was also a major shift in the method of providing support, switching from a face to face service to remote support:
 - a virtual call-centre was established providing a helpline to Gwynedd residents
 - a marketing campaign to promote the service was undertaken
 - training and support was provided to individuals and groups over the phone, through alternative means such as WhatsApp and MSTeams
 - support was provided to establish a tailored provision for young people in Gwynedd under the UK Government Kickstart scheme
- 3.8. Despite the challenge's the team succeeded in supporting 68 individuals into jobs directly (see graph 4 in Annex 1) and many more indirectly by promoting the opportunities and support provided by Gwaith Gwynedd and others.
- 3.9. On the basis of the success of Gwaith Gwynedd further resources were secured from the Welsh Government during the Autumn of 2020 to increase the number of officers within the team to 15.

4. Second phase of the pandemic and impact of leaving the European Union (2021/22)

- 4.1. With the end of the second lockdown and the completion of the Brexit transition period another significant shift in the Gwynedd labour market has been seen during 2021/22 thus far.
 - 4.2. The situation has now been turned on its head with the main challenge now stemming from an inability by businesses to ensure sufficient / appropriate staff. The reasons for the lack are unclear but are likely to be a combination of factors including:
 - increase in customer numbers
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- the need for more staff to comply with COVID-19 regulations
- increased rates of sickness as a result of coronavirus
- lack of workers from other parts of the EU
- large numbers remaining on furlough
- workers choosing to retire and not return to work as furlough came to an end
- Jobcentres not requiring individuals to seek jobs due to a loosening of requirements in response to COVID-19

4.3. The change can clearly be seen in graph 3 in Annex 1 which shows the number seeking jobs in 2020 and 2021 compared to 2019.

4.4. With the change in need the approach of the Gwaith Gwynedd team was adapted once more to promote job opportunities to the people of Gwynedd and increase the support for individuals on the margins of the labour market gain the skills to return to work. The team's activities to date this year have included:

- arranging virtual job fairs to promote the opportunities in sectors such as hospitality and care
- working closely with priority areas such as care and the track and trace service to prepare individuals specifically for posts and advise on how posts could be adapted to attract the available workers
- establish a noticeboard for jobs in the county on Facebook to promote opportunities and facilitate contact between employers and individuals seeking jobs (approximately 600 posts have been advertised on the noticeboard to date)
- providing and promoting training in areas where the lack of workers is most acute including HGV drivers
- co-ordinating and promoting the support available from the Council and others
- working intensively with individuals excluded from the workforce for reasons such as health, ensuring they are prepared to return to work and that employers adapt their requirements

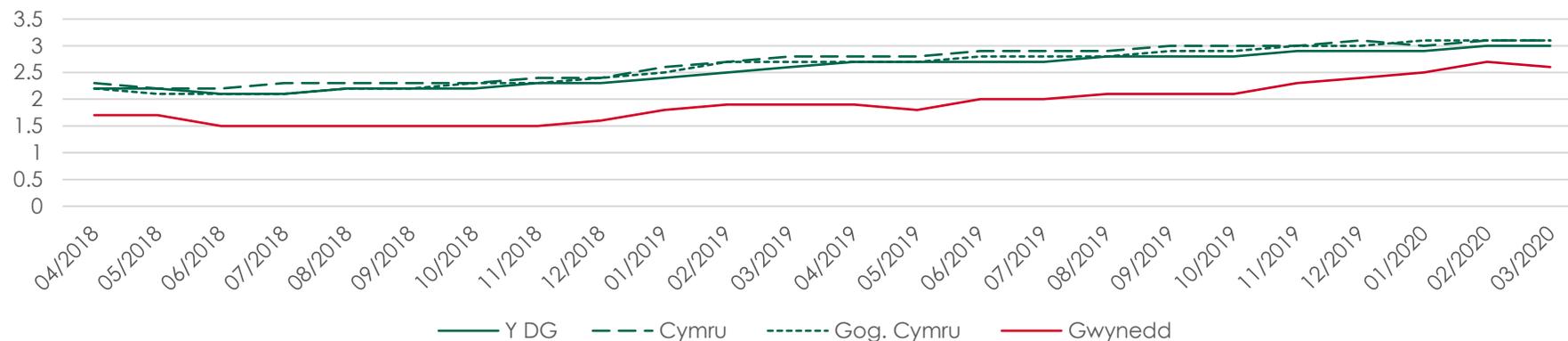
4.5. The fruits of Gwaith Gwynedd's efforts can clearly be seen in their results. Over 150 individuals have secured jobs following support by the team to date this year (see graph 4 in Annex 1)

4.6. In Annex 2, two case studies are presented outlining how individuals have benefited from the support provided by the Council.

5. Looking ahead

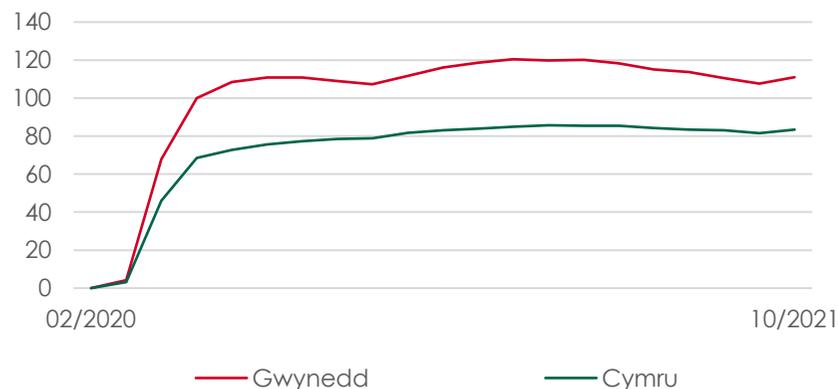
- 5.1. The situation in relation to unemployment and the demand for jobs remains highly uncertain and unexpected changes are to be anticipated.
- 5.2. The lack of data and delays in the publication of statistics make it difficult to respond and detect the early signs of new challenges. The Unemployment Taskforce will continue to monitor the situation and guide the work of the Gwaith Gwynedd team.
- 5.3. The lack of workers is likely to remain an issue and it is anticipated that considerable effort from the Gwaith Gwynedd team will be required to support employers and prepare individuals excluded from work return to the labour market.
- 5.4. Another threat on the horizon is the uncertainty regarding future funding for the field. Gwaith Gwynedd activities are entirely reliant upon European and Welsh Government funds and, at present, activities are programmed to come to an end in summer 2022.

1. Historic unemployment rates (%workforce claiming unemployment related benefits)



Data from Department for Work and Pensions Jobcentre systems from StatsWales website ([link](#))

2. Increase (%) in the number claiming unemployment related benefits



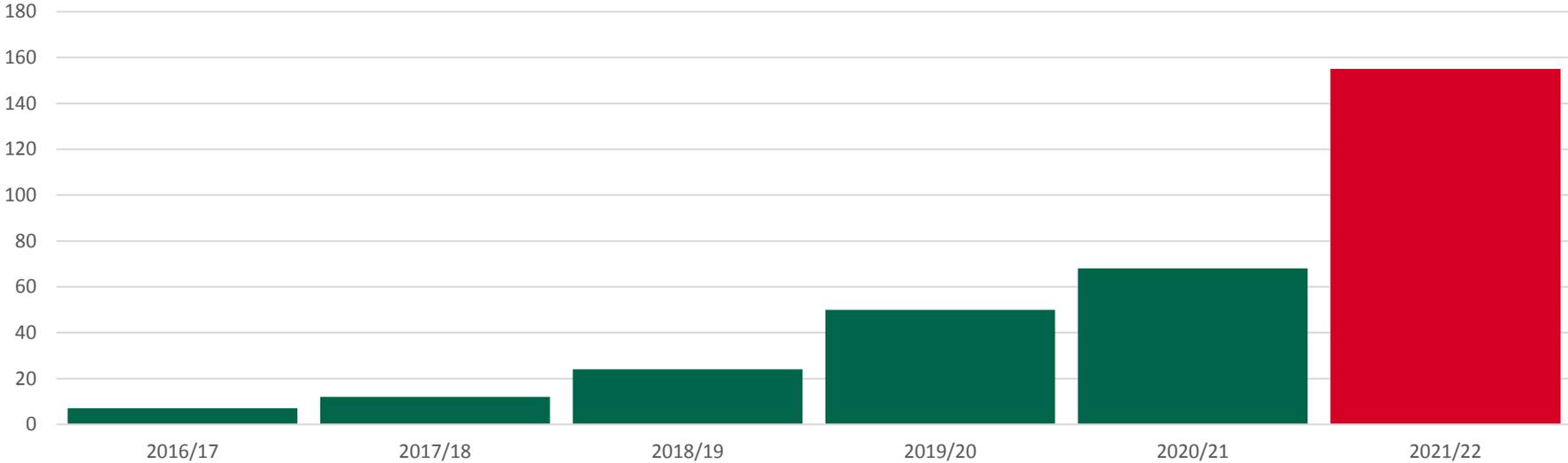
Data from Department for Work and Pensions Jobcentre systems

3. Comparative numbers claiming unemployment related benefits 2019 i 2021



Data by Office of National Statistics form Nomis website ([link](#))

4. Number of individuals supported into work by Gwaith Gwynedd



Gwaith Gwynedd management data –2021/22 data for seven months only

'Rachel's' story

Rachel was referred to Gwaith Gwynedd in July 2020. The referral was received from the Team Around The Family. Rachel wanted urgent support as she had a job interview within a few days and despite applying for numerous vacancies and attending quite a few job interviews Rachel was finding it really hard to secure employment and had lost a lot of confidence.

There were some issues in the family home and Rachel also had health issues as she had suffered a brain injury when she was in her early thirties.

Due to COVID regulations all meetings were conducted over the telephone and also via email and text messages. Support, advice and guidance was given prior to her job interview as well as a formal mock interview and phone call on the morning of her job interview.

Despite all support Rachel was unsuccessful and she again felt this had an impact on her self-confidence and self-esteem. Regular contact via telephone calls, telephone meetings and texts were had between Rachel and her mentor. In November 2020 Rachel identified an opportunity with the local authority. Rachel completed an application form and was invited to attend a job interview. On the day of her interview, Rachel and her mentor had another telephone meeting and despite feeling nervous Rachel felt far more confident now than what she felt before coming on the project.

Rachel was successful following her job interview and started her new role in January 2021.

'John's' story

John, a 50 year old father of two, was referred to Gwaith Gwynedd in 2019. He had recently been made redundant following a 20 year work history with the same employer. John felt that the world of work had dramatically changed since he was last unemployed. John had a varied work history but also had an interest in food and the hospitality industry.

Due to family circumstances John was also homeless and staying with a friend, which was causing John significant stress and was having a negative impact on his health. John was supported during regular face to face meetings at the jobcentre and local library. In November 2019 an opportunity arose for John to attend an information day at a local restaurant during which time he could meet an employer and gain an insight into what an employer was looking for when recruiting. John thoroughly enjoyed the experience.

In January 2020 another opportunity arose for John to attend training sessions with a training provider in a local restaurant. During this time John had an

opportunity to meet others in the same position as well having practical experience of creating and cooking dishes in an industrial kitchen.

At the end of November 2020, John secured a position in a new restaurant opening in Bangor.