

**2024-25**

**with**

**Three-Year Strategic Assessment**

**Derry Strabane Labour Market Partnership**

**Action Plan**

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# **Executive Summary**

**Labour Market Partnerships**

Grant Thornton has supported Derry and Strabane’s Labour Market Partnership (DSLMP) (LMP) to produce a Three-Year Strategic Assessment.

The aim of the LMP is to improve labour market conditions by working through coordinated, collaborative, multi-agency partnerships, achieving regional objectives whilst being flexible to meet the needs presented by localised conditions and helping to connect employers with employees. Importantly, the development of the LMP Plan has involves a broad range of opinions on how to improve employability and labour market performance in the council area.

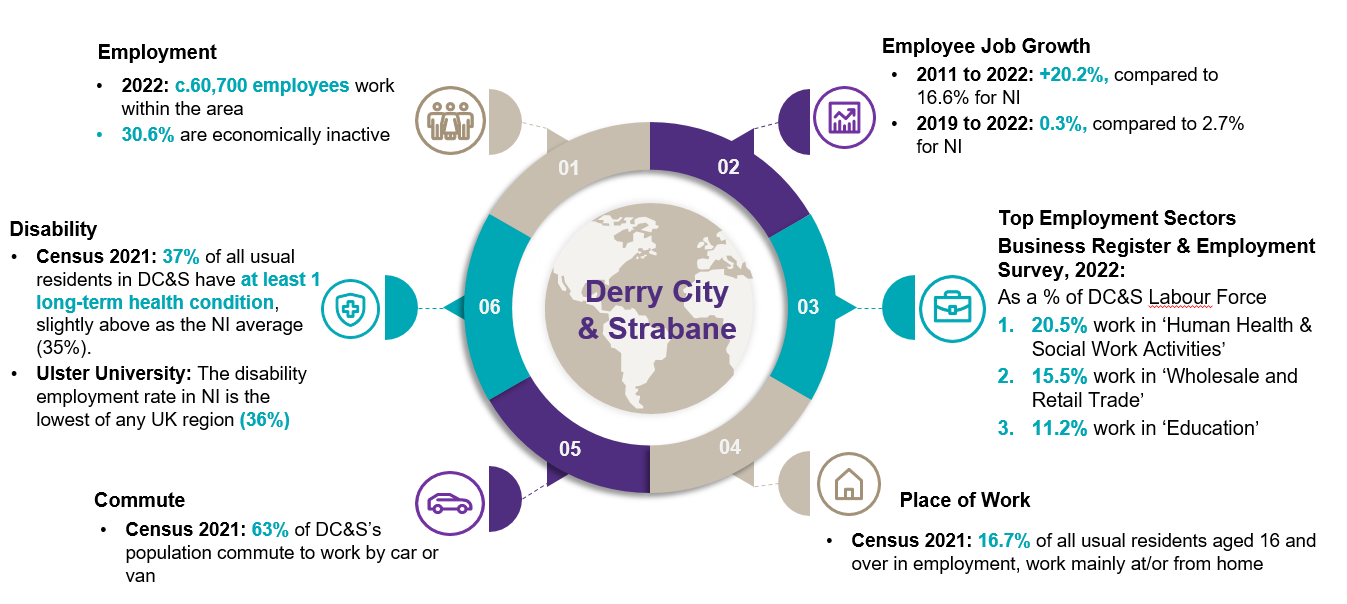
LMPs play a key collaborative and supporting role in ‘Employability NI’, DfC’s approach to supporting those who are unemployed to get back to work. Employability NI is designed to provide a range of interventions that can evolve over time. These interventions will aim to:

* Deliver a reduction in economic inactivity and long-term unemployment;
* Provide increased support for those with physical/mental health conditions and disabilities; and
* Implement an intervention that provides a collaborative nature between Central Government Departments and Local Council area to offer direct and unique interventions.

Despite recovery from the pandemic, historic Labour Market challenges remain and confirm the need for employment support.

The rationale for labour market interventions requires a clear evidence base for the scale of challenges faced.

The infographic below provides a snapshot of Derry City and Strabane District Council’s labour market, using the most up to date data available.



As previously assessed in the 22-23 LMP, the council area’s labour force faces the historic challenge of continuously higher than average economic activity rate. Prior to the pandemic, claimant count figures in Derry City and Strabane were at their lowest in 4 years, however the pandemic escalated the number of claimants, halting this downward trend.

The pandemic, which forced the economy to shut down for periods of time, imposed a significant impact on employment but Furlough schemes shielded large parts of the economy from a much worse outcome.

Following the lifting of pandemic restrictions, the labour market has shown significant resilience. Many indicators are back to pre-pandemic levels and a major labour market downturn was avoided thanks to government schemes, however the historic issues facing the council area still exist.

The area has one of the highest rates of economic inactivity in Northern Ireland, alongside the highest claimant count rate and highest level of youth unemployment. Further, an estimated two thirds of residents with disabilities are economically inactive.

These long-standing issues around unemployment and economic inactivity are facing further challenges around labour and skills shortages. These show few signs of loosening in 2024, and as such presents its own set of challenges with employers citing inadequate supply of labour as a main barrier to growth.

**A partnership approach to identifying labour market issues.**

A crucial element in developing the LMP Action Plan has been consultation with key partners. Issues and topics emerging from the consultations included:

Labour Market Context

**Lack of work ready skills**

**Little incentive to move from benefits**

**Tight labour market – difficult for employers to attract employees**

**Childcare a huge barrier to entering labour market**

Future Learning/ Skills

**Apprenticeship schemes underutilised**

**Lifelong learning and transferable skills key**

**Soft skills or employment work ready skills required**

**Re-skilling**

**and upskilling essential**

**Women returners – childcare barriers**

Cohorts to engage

**Refugees or Migrants**

**Disability Cohort should be addressed alongside existing agencies**

**Youth – importance of engaging early**

**Build relationships between organisations and employers**

Role & ideas for LMP

**Act as a central hub for job programmes and postings**

**Matching skills set to ensure people aren’t underemployed**

**Academies work well but need for aftercare and support for job opportunities.**

**Labour Market Partnership Plan**

The actions proposed in the LMP Plan are consistent with the aims and objectives of the Council’s Corporate Plan 2023/24, Inclusive Strategic Growth Plan and City Deal. These actions reflect the findings from a statistical and consultative process, namely that the labour market has persistent challenges, such as high levels of economic inactivity, high claimant count rates and significant pockets of deprivation.

These labour market challenges constrain faster economic growth, impacting on overall economic development. Reflecting on the analysis, the proposed Action Plan will adhere to DfC LMP’s Strategic Priorities:

* **SP1:** To form and successfully deliver the functions of the local Labour Market Partnership for the area.
* **SP2:** To improve employability outcomes and/or labour market conditions locally.
* **SP3:** To promote and support delivery of existing employability or skills provision available either regionally or locally.

Through the data analysis and consultation phases, which culminated in a turning the curve exercise, the following themes are proposed as local priorities within the Plan.

* **Disability:** People who report a physical or mental health condition(s) or illnesses lasting or expected to last 12 months or more where this reduces their ability to carry out day-to-day activities.
* **Skilled Labour Supply:** DfE’s 2021 Skills Barometer utilises the National Qualification Framework (NQF) Skills Classification. residents of working age population with no qualifications.
* **Economic inactivity:** people not in employment who have not been seeking employment within the last four weeks and/ or are unable to start work in the next two weeks.
* **Unemployment:** people who are without a job, currently available to work, and have been actively looking for work within the previous four weeks

# **Introduction**

Labour Market Partnerships (LMPs) have been established in each NI Council area to help improve employability outcomes and labour market conditions locally by working through coordinated, collaborative, multi-agency partnerships, achieving regional objectives whilst being flexible to meet the needs presented by localised conditions and helping to connect employers with employees.

LMPs play a key collaborative and supporting role in ‘Employability NI’, DfC’s approach to supporting those who are unemployed to get back to work. Employability NI is designed to provide a range of interventions that can evolve over time. These interventions aim to:

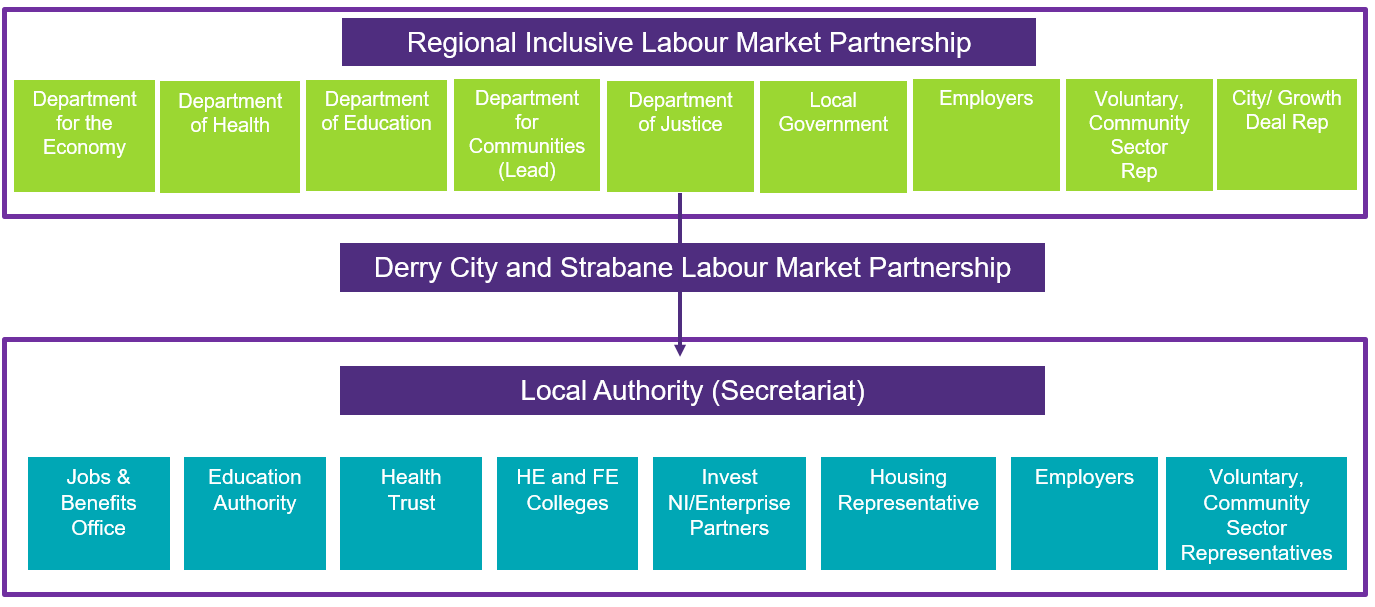
* Deliver a reduction in economic inactivity and long-term unemployment.
* Provide increased support for those with physical/mental health conditions and disabilities.
* Implement interventions that provide a collaborative nature between Central Government and Local Council areas to offer direct and unique interventions.

The Employability NI programme acts as a cross-governmental approach with co-designing and co-commissioning that will provide a sustainable future strategic employment offer which provides a tailored level of support to address need. Within the Employability NI framework, LMPs have been developed to:

* Provide leadership and lead on integrating services.
* Develop local area plans including setting performance targets.
* Manage devolved funding and its delivery through a dynamic purchasing framework.
* Manage arrangements for the evaluation of local interventions.

The innovative LMP approach has been introduced to ensure employability delivery is reflective of local area needs and resident and employer needs in particular. The broad structure and composition of the LMP can be seen in Figure 1.1.1 below.

**Figure 1.1.1: Labour Market Partnership Composition**



Derry City and Strabane’s Labour Market Partnership has pulled together a collaboration of 17 members representing the following 12 organisations:

Derry City and Strabane District Council (DCSDC): 4 designated members

Department for Communities Jobs and Benefits Offices: Foyle, Lisnagelvin, Strabane

Department for Economy Careers Service (DfE)

North West Regional College (NWRC)

Ulster University (UU)

Education Authority (EA)

Invest NI (INI)

Western Health and Social Care Trust (WHSCT)

Local business: Allstate

Chamber of Commerce

Disability Employment Network (DEN)

Local Growth Partnership

# **Methodology**

# **Process for the statistical audit and engagement / consultation.**

The Derry City and Strabane LMP aims to promote inclusiveness while providing a targeted approach to addressing the diverse and unique issues facing the Derry City and Strabane labour market. To inform the overall direction of the Action Plan, a statistical audit and consultation process has been applied to identify trends, issues, and actions.

The statistical audit aids our understanding of the council area’s labour market conditions, and the current employability supports that are in place. Additionally, the statistical audit will help inform an Action Plan which complements, not replicates, current local initiatives.

The statistical audit comprises three parts:

* **Strategic Document Review:** This review includes Central and Local Government documentation including DfE’s Skills for a 10x Economy, DfC’s Building Inclusive Communities Strategy and DCSDC’s Inclusive Growth Strategy and City Deal.
* **Labour Market Economic Profile:** Using data resources provided by, for example, NISRA, NINIS and the ONS a full assessment of the council area’s labour market is presented, including analysis at a sub–Local Government District (LGD) level to understand the challenges and trends that exist throughout the various communities in the Council area.
* **Current Employability Support Review:** A review of current employability support within the Council area facilitates an understanding of existing provision to ensure DSLMP’s Action Plan is complementary and limits duplication.

A further priority when preparing the LMP Action Plan was:

* Carrying out a **Consultation Process** with a broad selection of key informants and stakeholders from across the City and District, including youth and women’s groups, disability groups, local community planning boards and education providers. Consultations were a blend of face-to-face meetings, telephone discussions, workshops and an online survey.

The results from the statistical audit, consultations and survey have driven and evidenced the actions cited in the 2024/25 DSLMP Action Plan and will evidence subsequent action plans within the 2024/25 – 2926/7 period.

# **Statistical Audit: Strategic Context:**

# **Labour Market Profile and Consultations.**

1. 1. Introduction

A comprehensive review of relevant strategic documents has been undertaken at an NI and Council level. The broad objective of these policy documents is to promote and deliver a better economic outcome for NI and its residents.

Figure 3.2.1 below: a full summary can be found in Appendix 2.

* 1. Strategic Context for Northern Ireland and Derry City and Strabane

**Figure 3.2.1: Strategic Context Documents Reviewed for Northern Ireland and Derry City and Strabane**

***Northern Ireland***

**Programme for Government: Draft Outcomes**

This document sets out the potential ambitions for NI’s economy and society. Taking an outcome-based approach it aims to create and develop better jobs, address underachievement and skills shortages; create varied, fulfilling, quality employment; deliver high quality curriculum and careers advice; address education resources pressures.

The current relevant outcomes identified within the Programme for Government are:

***OUTCOME 3 OUTCOME 6 OUTCOME 8***

We care for others and help those in need.

We have more people working in better jobs.

We have a more equal society.

The DfC is the lead department for a number of indicators, through which progress on these outcomes will be measured:

***INDICATOR 17 INDICATOR 19 INDICATOR 32 INDICATOR 33***

% of people working part-time who would like to work more hours

Employment rate of 16-64 year olds by deprivation quintile

% of population living in absolute and relative poverty

Economic inactivity rates excluding students.

It is pertinent to note the intensive research and multiple strategies developed:

Skills for a 10x Economy

Building Inclusive Communities

A 10x Economy

The ambition set out in NI’s economic vision is for a ‘10x Economy’. Northern Ireland’s decade of innovation aims to encourage greater collaboration and innovation to deliver a ten times better economy with benefits for all its people.

In 2020 DfC set out its strategy for the next 5 years to deliver an inclusive community, with this focusing on inclusive growth and wider social development. The main aims include anti-poverty; wellbeing & inclusion; sustainability & inclusive growth; agility and innovation.

The DfE Skills for a 10x economy consultation identifies to deliver a ‘a 10x Economy’ requires skills transformation. It identifies policy and aligns to the principles set out in the economic vision which aims to address skills imbalances, provide opportunities for all and support key strategic clusters.

Pathways to Success (NEET)

Success through Skills – Transforming Futures

OECD Skills Strategy Northern Ireland

OECD reported tailored findings and recommendations on Northern Ireland skills performance to help shape future skills strategies within Northern Ireland.

This document aimed to help re-engage people within the economy, in order to facilitate a dynamic and innovative economy with skills forming a key element.

This overarching aim of the document is to help those aged 16-24 who are considered Not in Employment, Education and Training (NEET) re-engage and improve their overall prospect

***Derry City and Strabane***

**Derry City and Strabane District Council Corporate Plan 2023/24**

**Derry City & Strabane District’s Inclusive Strategic Growth Plan**

This document sets out the vision for Derry City and Strabane District Council area for the period 2017 – 2032 to have “a thriving, prosperous and sustainable City and District with equality of opportunity for all.”

The plan sets out the city and district’s priorities to achieve its mission of delivering “Improved social, economic and environmental outcomes for everyone”.

**Local Growth Partnerships**

**Derry City and Strabane LMP 2022/23l**

**Derry City and Strabane City Deal**

This document sets out the action plan for Derry City and Strabane’s Labour Market Partnership, which aims to help improve employability outcomes and labour market conditions locally by working through coordinated, collaborative, multi-agency partnerships.

Eight Local Growth Partnerships have been established across the eight local District Electoral Areas and Strabane town and aim to deliver on the needs and aspirations for residents and individuals at a local level.

The largest single investment package by Government into the area, the City Deal is designed to create new jobs and employment opportunities and leverage additional investment to accelerate inclusive economic growth through a medium to long term investment.

* 1. Conclusion

The range of national and local strategic documents presented highlight the priority that is placed on developing a skilled labour force and addressing long standing employability challenges.

Understanding the scale of the issue through up-to-date data is essential to drive the actions that will address policy ambitions. The following section therefore presents the findings from the statistical analysis of the District.

# **Key Findings from Strategic** **Audit: Labour Market Profile and Consultation**

1. 1. Introduction

The rationale for labour market interventions will always hinge upon the scale of need as well as the challenges faced within the labour market. To fully understand the level of challenge within the Derry City and Strabane District Council labour market and the subsequent intervention needed, a comprehensive assessment of the NI Labour Market – referenced in Appendix 1 – and Derry City and Strabane District Council Labour Market was necessary.

The 2021 Census states that Derry City and Strabane District Council serves a population of 150,756 covering an area of 1,245 square kilometres. Its population accounts for 7.9% of the population of Northern Ireland.

The area is experiencing a shift in its demographic population, with DCSDC’s Inclusive Strategic Growth Plan noting that “Over the next 20 years the City and District will experience a significant shift in the age profile of the population. By the end of this period, our region is projected to have nearly 4,000 fewer children aged under 16 with an increase in those of retirement age of around 14,000.” By 2041 it is estimated that the working age population of the area will deplete by over 6%.

This further emphasises the need to attract the ‘working age population’ into employment to support this shift in demographics towards an ageing population, which will place further strain on resources.

**Figure 4.1.1: Projected Population Change within Age Bands, 2016 – 2039**

0-15

45-64

25-44

16-24

65+



+66%

-11%

-12%

-11%

-13%

Source: DCSDC’s Inclusive Strategic Growth Plan

A summary of the key findings from the Derry City and Strabane District Council statistical audit are presented below.

**Labour Market Profile**

In 2022, there were 60,688 workplace-based employees (46% male and 54% female) employed within Derry City and Strabane District Council, accounting for 7.6% of all employees in NI. The number of persons employed in the council area has increased 2.2% since 2021, which is above the NI growth rate of 1.8%. This equates to an additional 1,324 jobs in the area. In 2022 workplace-based employees, were 0.3% higher than the pre-pandemic levels observed in 2019 (60,500 employees). Driving this growth was the Professional & Scientific activities sector, which increased 27% between 2021 and 2022, creating over 400 additional jobs in 2022. Other growth sectors include Manufacturing (+8%), Information and Communication (+6.7%), Education (+6.5%) and Real Estate Activities (+6.4%).

The workplace-based employee jobs trend can be seen in Figure 4.1.2 below.

**Figure 4.1.2: Total Employee Jobs, Derry City and Strabane District Council, 2016-2022**

Source: NISRA

When comparing the rate of workplace-based employee growth across all councils in Northern Ireland, Derry City and Strabane District Council ranked fifth, sitting mid-table as seen in Table 4.1.1 below.

**Table 4.1.1: Total Employee Job Growth (%), Northern Ireland Councils, 2021-22**

|  |  |
| --- | --- |
|  | **Employee Jobs Growth (%) 2021 - 2022** |
| Lisburn and Castlereagh | 3.26% |
| Ards and North Down | 2.50% |
| Armagh City, Banbridge and Craigavon | 2.47% |
| Causeway Coast and Glens | 2.26% |
| **Derry City and Strabane** | **2.23%** |
| Antrim and Newtownabbey | 1.85% |
| Belfast | 1.55% |
| Newry, Mourne and Down | 1.35% |
| Fermanagh and Omagh | 1.32% |
| Mid Ulster | 0.72% |
| Mid and East Antrim | -0.20% |
| NI | 1.75% |

NISRA Labour Force Survey 2022.

While workplace-based employees are one measure of employment, it is important to review residential employment, defined as the total number people who are in some sort of employment, with these including residents who both live and work within the council as well as those who have jobs outside the council area.

In 2022 the number of residents in employment was 61,000, having declined 1.6% from 62,000 in 2021. In 2019, pre-pandemic levels recorded 66,000 residents in employment, with 2022 figures highlighting a 7.6% decline.

**Table 4.1.2**: **Total Resident Employment and Employee Job Growth (%), NI Councils, 2021-22**

|  |  |  |
| --- | --- | --- |
|  | **Residents in Employment** | **% Change in resident employment since 2021** |
| Mid and East Antrim | 71,000 | 14.50% |
| Armagh City, Banbridge and Craigavon | 106,000 | 9.30% |
| Antrim and Newtownabbey | 73,000 | 7.40% |
| Ards and North Down | 77,000 | 6.90% |
| Newry, Mourne and Down | 86,000 | 4.90% |
| NI | 879,000 | 3.50% |
| Belfast | 150,000 | 2.00% |
| Fermanagh and Omagh | 53,000 | 0.00% |
| Lisburn and Castlereagh | 76,000 | 0.00% |
| Mid Ulster | 70,000 | 0.00% |
| **Derry City and Strabane** | **61,000** | **-1.60%** |
| Causeway Coast and Glens | 56,000 | -8.20% |

**Source:** NISRA (BRES)

Despite growth in workplace-based employment in the Derry City and Strabane District Council area, the actual number of residents in employment is falling. This indicates that while the number of jobs within the city and district is increasing, resident employment isn’t following suit, and employment growth is being filled with residents from outside the council area. Increasing levels of unemployment highlights that there are challenge facing the area in getting residents into work and the importance of local employers in attracting local employees.

Claimant count, a measure for those in receipt of Job Seekers Allowance (JSA) plus those in receipt of Universal Credit, has been sitting at a rate of 4.7 – 5.1% in 2023 in Derry City and Strabane. Pre-pandemic levels in 2019 were below 5%.

**Figure 4.1.3: Claimant Count Rate (%), Derry City and Strabane District Council, January 2013 - December 2023**

Source: NISRA (Monthly Claimant Count)

Further analysis in Table 4.1.3 below highlights Derry City and Strabane consistently have the highest claimant count annual average, when compared to the other councils in NI.

**Table 4.1.3: Claimant Count Annual Averages (%), NI Councils.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2018** | **2019** | **2020** | **2021** | **2022** |
| **Derry City and Strabane** | **4.7%** | **4.7%** | **6.4%** | **6.2%** | **4.9%** |
| Belfast | 3.1% | 2.9% | 5.6% | 5.6% | 4.1% |
| Causeway Coast and Glens | 2.9% | 3.0% | 4.7% | 4.3% | 3.2% |
| NI | 2.4% | 2.5% | 4.5% | 4.3% | 3.1% |
| Mid and East Antrim | 2.3% | 2.5% | 4.2% | 4.2% | 3.1% |
| Newry, Mourne and Down | 2.1% | 2.2% | 4.6% | 4.2% | 2.9% |
| Ards and North Down | 2.2% | 2.2% | 4.1% | 3.9% | 2.7% |
| Armagh City Banbridge and Craigavon | 1.8% | 2.0% | 3.8% | 3.6% | 2.6% |
| Antrim and Newtownabbey | 1.9% | 2.0% | 3.7% | 3.5% | 2.4% |
| Fermanagh and Omagh | 2.1% | 2.3% | 3.6% | 3.4% | 2.4% |
| Mid Ulster | 1.6% | 1.7% | 3.6% | 3.2% | 2.2% |
| Lisburn and Castlereagh | 1.4% | 1.5% | 3.1% | 2.9% | 2.0% |

Across the Derry City and Strabane District Council area, the employment rate of those aged 16-64 stood at 67.6%, sitting below the NI average of 71.9% but back to pre-pandemic levels of 2019 when the employment rate was 68%. In 2021 the employment rate was 65.4% highlighting improvements in the number of people in the labour market, however the employment rate of the area is one of the lowest in Northern Ireland, with only Belfast recording a lower employment rate in 2022.

**Table 4.1.4: Labour Market Employment Rate 2022, NI Councils, Ages 16-64.**

|  |  |
| --- | --- |
|  | **Employment rate (%)** |
| Mid and East Antrim | 76.9 |
| Armagh City, Banbridge and Craigavon | 75.2 |
| Lisburn and Castlereagh | 75 |
| Newry Mourne and Down | 74.9 |
| Antrim and Newtownabbey | 74.8 |
| Mid Ulster | 73.8 |
| Fermanagh and Omagh | 73.3 |
| Ards and North Down | 72.8 |
| NI | 71.9 |
| Causeway Coast and Glens | 67.6 |
| **Derry City and Strabane** | **67.6** |
| Belfast | 65.5 |

Source: Labour Force Survey 2022

According to 2021 Census, there were 94,657 residents aged 16-14, of which 36.2% were in full time employment. A further 14.9% were in part time employment and 8.4% were self-employed.

**Figure 4.1.4: Employment breakdown of Residents Aged 16-64, 2021.**

Source: Census 2021

The International Labour Organisation (ILO) Unemployment rate for Derry City and Strabane District Council stood at 2.6% in 2020, spiked in 2021 to 3.8% with furlough schemes keeping mass unemployment at bay during the Covid-19 pandemic and returned to 2.6% in 2022. The NI average increased from 3.1% in 2020 to 3.8% in 2021 before falling to 2.4% in 2022.

Derry City and Strabane District has consistently had one of the highest rates of economic inactivity in Northern Ireland, with 30.6% of those aged 16-64 economically inactive. The 2022 rate is however back to pre-pandemic levels but remains above the NI average indicating that despite the job-rich recovery experienced across NI, challenges remain in the Derry and Strabane area in helping those who are inactive into work.

**Table 4.1.5: Economic Inactivity Rate (%), NI Council Areas, Ages 16 – 64, 2018-2022**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Economic Inactivity Rate** | | | | |
| **2018** | **2019** | **2020** | **2021** | **2022** |
| Mid and East Antrim | 25.5% | 23.9% | 26.7% | 25.1% | 22.1% |
| Armagh City, Banbridge and Craigavon | 22.9% | 25.7% | 26.7% | 25.9% | 22.6% |
| Lisburn and Castlereagh | 21.1% | 17.4% | 20.0% | 21.6% | 23.4% |
| Antrim and Newtownabbey | 19.9% | 20.6% | 24.7% | 24.0% | 23.6% |
| Newry Mourne and Down | 31.0% | 24.4% | 23.8% | 29.0% | 24.6% |
| Mid Ulster | 23.5% | 22.4% | 23.8% | 27.3% | 25.1% |
| Ards and North Down | 25.5% | 25.3% | 27.3% | 23.6% | 25.2% |
| Fermanagh and Omagh | 27.0% | 33.1% | 31.4% | 25.1% | 25.2% |
| NI | 27.2% | 26.2% | 28.0% | 27.0% | 26.3% |
| Causeway Coast and Glens | 29.3% | 29.9% | 32.0% | 30.0% | 30.1% |
| **Derry City and Strabane** | **34.1%** | **30.4%** | **37.6%** | **32.0%** | **30.6%** |
| Belfast | 32.7% | 30.5% | 31.3% | 29.7% | 32.1% |

Source: Labour Force Survey 2022

**Figure 4.1.5: Economically Active and Inactive by Sex, Ages 16 – 64, 2022**



In 2022, **64.9%** of the female population aged 16-64 in Derry City and Strabane were economically active compared to **35.1%** who were economically inactive.

In 2022, **74.3%** of the male population aged 16-64 in Derry City and Strabane were economically active compared to **25.7%** who were economically inactive.

Source: Labour Market Survey 2022

The NI average for economically active males aged 16-64 was 77.6% and 22.4% for inactivity. The NI average rate for economically active females aged 16-64 was 69.7% and 30.3% for inactivity, with Derry City and Strabane sitting almost five percentage points below the economically active rate for females and almost five percentage points above the economically inactive rate, highlighting the under representation of females in the labour force.

According to the 2021 Census, of the 31,596 residents aged 16-64 who are economically inactive, over a third (34.7%) are considered long-term sick or disabled. A further 22.5% are looking after the home or family. Together, these cohorts account for 57.2% of the economically inactive residents in the Derry City and Strabane District Council area.

**Figure 4.1.6: Reasons for Economic Inactivity, Aged 16-64, 2021.**

Source: Census 2021

Derry and Strabane’s largest % stock of economically inactive by age group is within the age band 16-24, with this group accounting for 46.1% of the labour force for those aged 16-24. This is however lower than the NI average of 47% and it is considered to some extent as good inactivity with a proportion of this group being in some form of higher / further education.

The proportion of economically inactive in the 25-35 age group is 31.5%, more than double the NI average of 14.7%. Over a third (35.2%) of those aged 50 to 64 are economically inactive, which is relatively in line with the NI average of 33%.

**Figure 4.1.7: Economically Inactive by age, 2022.**

Source: Labour Force Survey 2022

As can be seen in Table 4.1.7 below Derry and Strabane has the lowest resident full time gross annual wage with median earnings of £25,960 in 2022, some £4,258 less than the NI average. Workplace earnings follow a similar trend, with the area also offering the lowest workplace wage (£26,594).

**Table 4.1.6: Resident & Workplace Earning Annual Gross Full-Time, NI Council Areas; 2022.**

|  |  |  |
| --- | --- | --- |
|  | **Gross Annual Wage (£) Full-Time** | |
|  | **Residents** | **Workplace** |
| Lisburn and Castlereagh | £33,265 | £29,165 |
| Northern Ireland | £30,218 | £30,218 |
| Antrim and Newtownabbey | £30,124 | £29,864 |
| Armagh City, Banbridge and Craigavon | £30,031 | £29,352 |
| Belfast | £30,018 | £33,490 |
| Ards and North Down | £29,750 | £27,867 |
| Causeway Coast and Glens | £28,820 | £26,976 |
| Mid Ulster | £28,565 | £28,158 |
| Mid and East Antrim | £28,550 | £26,657 |
| Newry, Mourne and Down | £28,270 | £27,459 |
| Fermanagh and Omagh | £28,078 | £28,186 |
| **Derry City and Strabane** | **£25,960** | **£26,594** |

**Source:** NISRA (ASHE) & Grant Thornton Analysis

NISRA’s Findings from the Family Resources Survey 2021/22[[1]](#footnote-1) report highlighted Derry City & Strabane District and Causeway Coast & Glens had the lowest percentage of income from employment at 62%. Further, the area had the highest percentage of income from state support at 29%.

When comparing the relative employment concentrations in DCSDC and NI, the Derry City and Strabane District Council area has a higher concentration in sectors such as Health, Education, Information and Communication and Real Estate Activities.

**Figure 4.1.8: Relative Employment Concentrations, Derry City and Strabane & Northern Ireland, 2022**

Deprivation/Youth

11,631 (39.87%) of all pupils in Derry City & Strabane are eligible for free school meals. 2021/22 – (NI average 28%)

One in five young people have a mental health need. This equates to 9985 young people in Derry and Strabane

https://eanifunding.org.uk/wp-content/uploads/2022/11/Local-Assessment-of-Need-2023-Derry-and-Strabane.pdf

**Sub-Regional Labour Market Profile**

**Total Employment**: The ward of City Walls accounts for 12.6% (7,619 persons) of total employee levels in 2022. Springtown is the next largest ward accounting for 11% of employees. Of the 40 wards across the Derry City and Strabane District Council area, five account for over half (53.5%) of council employee levels, namely City Walls, Springtown, Kilfennan, Enagh and Northland.At the bottom of the scale, Galliagh accounts for the lowest proportion of employees (0.17%) followed by Shantallow East (0.2%).

**Employment Rates (%):** Based on the 2021 Census.[[2]](#footnote-2), the percentage of residents aged 16-64 that are full time employed ranges from 54.3% in Culmore to 24.9% in Galliagh. Of the 40 wards, only nine have full time employment rates above 50%. The average rate across the Council is 41.8%.

**Economic Inactivity Rate (%):** Based on the 2021 Census economic inactivity rates range from 52.4% (Galliagh) to 26.8% (Culmore). The average rate across the Council is 36.5%. Of the 40 wards in the city and district, 25 have economic inactivity rates of more than a third.

**Claimant Count Rate (%):** In 2023 there is a wide variation in the claimant count rate within the City and District, with rates ranging from lows of 1.7% in Ballynashallog to highs of 11.2% in the Diamond ward. Some 40% of wards in the City and District had claimant count rates of over 5%.

**Deprivation**

The NI Poverty Income Inequality report[[3]](#footnote-3) notes the prevalence[[4]](#footnote-4) of individuals in relative poverty in the Derry City and Strabane area is 20% before housing costs and 22% after housing costs. This compares to the NI average of 17% before housing costs and 18% after housing costs.

Derry City and Strabane boasts varying levels of deprivation based on the Northern Ireland Multiple Deprivation Measure 2017. The index gives an overall rank for all wards across Northern Ireland, where 1 is the most deprived. It also gives a breakdown of the following measures of deprivation:

* Income
* Access to services
* Living Environment
* Crime and Disorder
* Employment
* Health and Disability
* Education, Skills and Training

**Figure 4.1.9: Percentage of wards in Top 100 Most Deprived Areas in Northern Ireland**

Source: NISRA - Northern Ireland Multiple Deprivation Measure 2017

Five of the 40 wards in DCSDC rank within the top 20 most deprived areas in Northern Ireland, namely City Walls, Brandywell, Galliagh, Ballymagroarty and Strabane North. Further, of the 40 wards, over half fall within the top 100 most deprived areas in NI, with only Belfast having more areas of deprivation.

When breaking the data down into individual categories that act as barriers to employment, the following results are found for wards in Derry City and Strabane:

Income: 19 wards (47.5%) fall within the 100 most deprived areas in NI. City Walls is the most deprived by this measure in the area and ranks 4th across NI.

Employment: City Walls ranks as the most deprived area in NI based on employment deprivation, ranking first. Some 24 wards (60%), fall within the 100 most deprived areas in NI.

Health and Disability: 20 wards (50%) fall within the 100 most deprived areas in NI.

Education, Skills, and Training: Creggan South ranks most deprived by this measure of deprivation. A total of 14 wards rank with the top 100 most deprived areas for education, skills and training across NI.

Access to services: Derry City and Strabane’s rural population Glenelly Valley and Glenderg have the highest levels of deprivation for access to services. A further five wards fall into the top 100 across NI.

Living Environment: The Northland ward ranks second across NI for deprivation by living environment. Across the City and District 12 wards fell into the 100 most deprived ranked by living environment.

Crime and Disorder: City Walls is the most deprived area in Northern Ireland for crime and disorder deprivation. In total, 13 wards (33%) fall within the 100 most deprived areas in NI for crime and disorder.

**Skills and Future Demand Need**

To enhance the labour market performance of the Derry City and Strabane District Council area, it is imperative that the workforce has the qualifications and relevant skills in place to satisfy employers and labour market demand.

**Table 4.1.7: Educational Attainment % of Resident Population (16-64), NI Council Areas, 2022**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Qualification Achievements (% of 16-64)** | | |
| **RQF Level 4 and above** | **Achieved below RQF Level 4** | **No Qualifications** |
| Lisburn and Castlereagh | 49.80% | 35.60% | 14.60% |
| Ards and North Down | 41.50% | 49.20% | 9.20% |
| Antrim and Newtownabbey | 40.30% | 47.60% | 12.10% |
| Belfast | 39.30% | 44.90% | 15.80% |
| NI | 38.80% | 47.60% | 13.60% |
| Mid and East Antrim | 38.60% | 53.10% | 8.30% |
| Newry Mourne and Down | 37.90% | 47.70% | 14.30% |
| **Derry City and Strabane** | **37.50%** | **49.80%** | **12.80%** |
| Armagh City, Banbridge and Craigavon | 37.20% | 50.10% | 12.70% |
| Mid Ulster | 35.20% | 48.80% | 16.10% |
| Fermanagh and Omagh | 35.00% | 50.40% | 14.60% |
| Causeway Coast and Glens | 31.40% | 51.30% | 17.30% |

**Source:** NISRA (Labour Force Survey: Local Area Database) & Grant Thornton Analysis

In 2022, 37.5% of the resident population had a qualification of RQF[[5]](#footnote-5) Level 4 and above. A further 49.8% had achieved a qualification below RQF L4 and 12.8% of the population had no qualifications.

Table 4.1.8 highlights the qualifications of school leavers between 2018 – 2022. Over the four school year periods, qualifications peaked in the 2020/21, however this was most likely due to the cancellation of exams and alternative methods to awarding grades following the Covid-19 pandemic and therefore figures are likely to be inflated. The proportion of school leavers with 2+ A-levels has been declining, falling to 55.5% in 2021/22 having reached 60.7% in the previous year and 59.4% in 2019/20.

**Table 4.1.8: Qualifications of school leavers in DCSDC, 2018/19 - 2021/22.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2+ A-levels A\*-E % | 5+ GCSEs A\*-C % | 5+ GCSEs A\*-C incl. GCSE English and maths % | Total Leavers Number |
| 2021/22 | 55.5% | 91.6% | 75.5% | 1919 |
| 2020/21 | 60.7% | 93.0% | 79.9% | 1899 |
| 2019/20 | 59.4% | 92.1% | 75.5% | 1842 |
| 2018/19 | 54.1% | 86.6% | 70.1% | 2055 |

In the DCSDC area the largest portion of school leavers (40.3%) went on to higher education in 2021/22. This however was lower than the NI average of 43.7%. A further 28% went on to further education.

Some 14.4% of school leavers went straight into employment. This is higher than the NI average of 12.9% and highlights the importance of the labour market for school leavers.

A further 3.8% fall into the NEET category (Not in Education, Employment or Training). This cohort falls below the NI average of 4.2%.

**Figure 4.1.10: Destination of School Leavers for the School Year 2021/2022**

Source: Education NI

The level of qualifications varies across the Derry City and Strabane District. According to the 2021 Census, Derry City and Strabane had the highest level of resident population with no qualifications, the rate sitting at 28.4%.

**Figure 4.1.11: Highest Level of Qualification in Derry City and Strabane, 2021, All Residents aged 16+**

Source: Census 2021

Further, when breaking qualification levels down by age brackets in the Derry City and Strabane area, of those residents with no qualifications, 13.1% are aged 16-39, 28.5% are aged 40-64 and 56.4% are aged 65+.

At the other end of the scale, over a third (35.4%) of 16-39 year olds have achieved a level 4 qualification.

**Figure 4.1.12: Highest Level of Qualification in Derry City and Strabane, 2021 by Age.**

Source: Census 2021

Much like the rest of Northern Ireland, Derry City and Strabane District Council area is facing staffing and recruitment issues, with this having been noted in the survey results below.

Given the tight labour market experienced across NI in 2023, it was reported that many businesses faced a recruitment challenge. In the latest NI Chamber of Commerce Quarterly Economic Survey Q4 2023, 85% of manufacturers and 74% of service industries were facing recruitment difficulties. It would be prudent of the LMP to consider actions that will help facilitate and account for the current recruitment challenges facing business by increasing and improving skill levels across the council area.

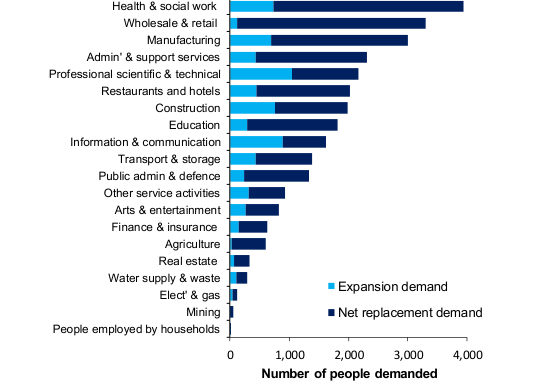
To ensure skills gaps and supply/demand issues are understood and accounted for we will draw through the findings from the most recent Northern Ireland Skills Barometer (2021) published by the Ulster University Economic Policy Centre (UUEPC).

According to the NI Skills Barometer 2021 update, annual average gross demand is expected to be 84.7k (2021 – 2030), with this representing the total expansion across the economy. Around two-thirds will be filled by those within the existing labour market (i.e. job to job moves or the unemployed or economically inactive). The remaining 28.7k (34%) which is ‘unsatisfied’ will need to be filled by either those entering the labour market from education or by migration.

Much of this 28.7k will be made up of replacement demand (21.7k) i.e. the level needed to replace the workers who move into retirement or another job. This means there will be a level of job movement even in the absence of strong employment growth, as people move jobs or retire. This leaves 7k worth of expansion demand i.e. increased job creation from a growing labour market, with this again needing to be satisfied by migrants and those leaving education.

Across most sectors in NI, replacement demand (the demand created from people leaving sectors through career change, retirement etc.) will far exceed the level of expansion demand. However, the report notes that expansion demand will account for over half (55%) of the net requirement for the ICT sector. Similarly, strong growth in the Professional Services sector translates to almost half (48%) of the net requirement accounted for by expansion demand.

**Figure 4.1.13: Annual Average Net Requirement by Sector (Expansion and Replacement Demand), Northern Ireland, 2020-2030**



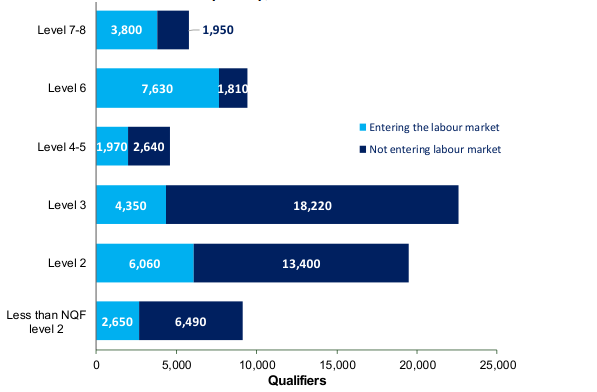
In terms of need, UUEPC expect that over the next 10 years Health & Social Care will have the highest net requirement, driven by net replacement demand.

The State of Workforce 2023 survey[[6]](#footnote-6) commissioned by HATS (Hospitality and Tourism Skills) highlighted that 67% of employers are experiencing challenges in retaining staff, further highlighting the proportion of net replacement demand in the sector. Skills shortages were also cited as a challenge in the sector.

The outlook for qualification needs as noted by UUEPC will reflect sectoral expansion, for example, sectors that generally have a higher concentration of degree level skills will as such demand degree level qualifiers. Based upon this and the sectoral outlook noted above, the UUEPC forecast that 37% of net requirement would be degree level based, while only 8% of net requirement will be for Below NVQ 2 Level qualifications. This increase not only reflects a shift in the sectoral mix but also the influence the pandemic had on needs. For example, the UUEPC note that prior to the pandemic 28% of people in employment in Northern Ireland had an NQF6+ qualification, whereas by mid-2021 this has accelerated to 38%. Reflecting the unequal impact the crisis had on the labour market, with almost all the impact or fall in employment being in predominantly sectors with a lower skills profile. Whilst UUEPC note that this will recover somewhat they note that it probably won’t return to pre-pandemic qualification levels potentially locking some permanently outside the labour market.

This will as a result have long-term impacts on the supply side of labour market. In fact, through the UUEPC supply side modelling they suggest that despite 71k people per annum entering the labour market only 35% of these enter employment whilst the remainder proceed to further study or gain additional qualifications before entering the labour market. The UUEPC forecast that as a result of the pandemic and the shift in qualifications the need to satisfy the demand is almost one tenth lower than 2017 levels. They noted this will lead to long-term recruitment challenges and place undue pressures on sectors, which typically relied on NQF Level 2 qualifications. This is a concerning trend given that we are currently in a similar issue currently, with many hospitality, retail, etc. businesses facing recruitment challenges.

**Figure 4.1.14: Annual Average Labour Market Supply by Qualification Level (NQF), Northern Ireland, 2020-2030**



**Source:** Ulster University Economic Policy Centre (UUEPC) Northern Ireland Skills Barometer (2021)

Skills play a vital role in the economy; however global megatrends are changing the skills needed for success in work and society today. Advancements in technology skills are paramount today with ongoing advancements in digital advanced computing, artificial intelligence and quantum computing reaching new levels of exploratory opportunity. The development of increasingly skilled graduates in these areas will help to promote a fast-paced transition into the era of digitalisation. Critical thinking/problem solving, and innovation go hand in hand as analytical skills, coupled with the ability to approach problems from multiple angles, feeds into the growing demand for individuals who have the ability to think creatively – ultimately connecting disparate ideas to solve complex problems. Emotional intelligence will be another key skill for the future economy. As automation advances, emotional intelligence remains a trait which cannot be replicated by machines. The ability to understand and manage emotions is important for effective collaboration, leadership and building relationships.

Technological innovation is moving quicker than ever across areas including machine learning, artificial intelligence (AI), automation, robotics, blockchain, DNA sequencing, data importance and material science. In addition, manufacturing has been directly impacted and has entered a fast-changing phase of re-development globally. Termed ‘Industry 4.0’, manufacturing processes are embracing new advances in areas such as automation, 3D printing, Big Data and the ‘Internet of Things’ to reshape product design, and production, and to create new business models. Industry 4.0 is making supply chains and production processes more interconnected, efficient, and flexible, allowing mass-customisation and virtual production. Further advances have led to the emergence of ‘Industry 5.0’. This new and emerging phase of industrialisation sees humans working alongside advanced technology and AI-powered robots to enhance workplace processes.

It is important to consider these changes in societal and skills demand when looking to the future.

**Disability Rates**

In addition to recruitment and skills challenges, improving outcomes and access to the labour market for disabled people remains a challenge, despite a concentrated effort to help improve outcomes and access over recent years.

A review of labour market outcomes for people with disabilities in Northern Ireland from Ulster University highlights NI has the lowest disability employment rate and the largest employment gap between disabled and non-disabled persons. In NI, just over one in three disabled people are in employment compared to over half of disabled people in the UK. This cohort has the potential to strengthen NI’s labour force.

Further, in a recent report released by the Department for Communities in 2023, The Disability Within The Northern Ireland Labour Market[[7]](#footnote-7), the following findings were identified:

* The economic inactivity rate for people with disabilities in Northern Ireland is 17.2 percentage points above that of people with disabilities in the UK. The corresponding gap for non-disabled people is 1.9 percentage points.
* The employment rate for people with disabilities (38.1%) is 42.2 percentage points below the rate for non-disabled people (80.3%)

These reports highlight a lag in Northern Ireland in getting people with disabilities into the workforce and therefore a concentrated effort should be made to help engage this cohort.

Census 2021 data provides health status. Table 4.1.12 below shows the percentage of residents with a limiting long-term health problem or disability.

**Table 4.1.9: Percentage of Residents with Health Conditions by Council Area**

|  |  |  |
| --- | --- | --- |
|  | No long-term health condition | Does have a long-term health condition |
| Armagh City, Banbridge and Craigavon | 68.4% | 37.5% |
| **Derry City and Strabane** | **63.4%** | **37.4%** |
| Causeway Coast and Glens | 64.1% | 36.6% |
| Fermanagh and Omagh | 66.2% | 36.1% |
| Mid and East Antrim | 63.9% | 35.9% |
| Ards and North Down | 62.5% | 35.2% |
| Mid Ulster | 70.4% | 34.7% |
| Antrim and Newtownabbey | 64.8% | 33.8% |
| Northern Ireland | 65.3% | 33.2% |
| Newry, Mourne and Down | 67.5% | 32.5% |
| Belfast | 62.6% | 31.6% |
| Lisburn and Castlereagh | 66.8% | 29.6% |

Source: Census 2021

Derry City and Strabane sits second in the table when compared with other councils across NI, with 37.4% of residents having a limiting long term health problem or disability.

**Table 4.1.10: Economically Inactive Estimate of People with Disabilities, 2022**

|  |  |  |
| --- | --- | --- |
|  | Economically Inactive estimate of people with disabilities | Economically inactive rate of people with disabilities (%) |
| Causeway Coast and Glens | 12,000 | 68.3 % |
| Newry Mourne and Down | 14,000 | 66.3% |
| **Derry City and Strabane** | **14,000** | **65.5%** |
| Fermanagh and Omagh | 11,000 | 62.5% |
| Belfast | 36,000 | 61.6% |
| Ards and North Down | 13,000 | 58.0% |
| Mid Ulster | 8,000 | 56.1% |
| Armagh City, Banbridge and Craigavon | 16,000 | 56.0% |
| Mid and East Antrim | 10,000 | 52.1% |
| Antrim and Newtownabbey | 9,000 | 47.5% |
| Lisburn and Castlereagh | 8,000 | 43.1% |
| Total | 152,000 | 58.6% |

Source: Census 2021

Derry City and Strabane has one of the highest rates of economically inactive people with disabilities (65.5% in 2022) highlighting the challenge in improving access to the labour market for people with a disability.

* 1. Strategic Assessment: Current Labour Market Supports

As per the findings for the 2022-23 LMP, Derry City and Strabane is well served by existing Labour Market Supports. These programmes are run by a variety of providers both government and private. The following outlines the various employment supports currently available[[8]](#footnote-8). Currently, access and referrals to these programmes usually occur from the Jobs and Benefits, word of mouth and wider advertising.

* + 1. Careers Service

The Careers Service provides an impartial, all-age careers information, advice, and guidance service throughout Northern Ireland. Professionally qualified careers advisers can help young people and adults make informed choices about their future career paths. Careers advisers can also help parents/guardians with their child's future career plans.

Careers advisers can provide school pupils with information, advice and guidance on:

* choosing subjects for study at school, college, or university.
* current and future job trends and opportunities.
* career planning and career options.
* further and higher education.
* apprenticeships and training.
* entry routes and the skills and qualifications required for particular jobs.

Careers advisers can provide adults with information and advice on:

* current employment trends, future job opportunities and job search techniques.
* further and higher education, training and post graduate opportunities.
* working overseas / gap years.
* vacation / voluntary work.
* career options and career planning.
* learning opportunities.
* transferable skills.
* applying for jobs, CV preparation, interview techniques, completing application forms.

They also offer individually tailored guidance to help you analyse your personal preferences, strengths, skills, abilities, and personality to realise your full potential. The programme is hosted and supported by DfE and delivered by professionally qualified careers advisers based in Career Resource Centres and Job and Benefits Offices across NI.

* + 1. Assured Skills Programme

When a company is interested in creating jobs in Northern Ireland, Assured Skills provides the necessary support to deliver a skilled workforce through pre-employment training programmes. The Assured Skills programme is a short, demand-led, pre-employment training programme, which is fully funded by the Department for the Economy, to upskill individuals and help them compete for guaranteed job vacancies in companies that have current opportunities. There are also examples of companies clustering to provide a greater scale of opportunity in areas of skills shortages.

Assured skills programmes are delivered by the FE/HE sector with three North West academies operating - Technology, Welding and Financial Services.

* + 1. Essential Skills

Support to people aged over 16 with reading, writing, maths or ICT Skills. Department for the Economy Essential Skills courses are delivered by further education colleges[[9]](#footnote-9). All Essential Skills courses are free and can be undertaken in a college, at work or within a community organisation. The classes are small and informal.

* + 1. Traineeships

The Traineeship programme is delivered by the six regional colleges with support for work-based learning being provided by local employers. The Traineeship programme allows participants to achieve a full Level 2 qualification, and will include the following key elements:

* a main knowledge-based qualification in the chosen occupational area.
* vocational skills development.
* transversal and digital skills.
* work placement.
* lead to a Traineeship certificate plus qualifications equivalent to five GCSEs including Maths and English Grades A\* to C.
* additional qualifications deemed necessary for work within a sector for example Health and Safety, CSR, manual handling.
  + 1. Apprenticeships NI

ApprenticeshipNI is a work-based programme designed around the needs of employers. It offers recognised training and qualifications to new and existing employees aged 16 and over, across a wide range of apprenticeships at Level 2 and Level 3. Funding for Apprenticeship training costs are provided by DfE and an incentive payment (£250 to £750 per apprentice) is available for employers whose employees successfully complete the programme at Level 2 and Level 3.

The ApprenticeshipsNI programme aims to:

* provide apprentices with the knowledge, understanding, and competence to work at a high level in their chosen occupation.
* offer quality training to fulfil the requirements of an appropriate apprenticeship framework.
* contribute to raising the skills level of the NI workforce.
* provide opportunities for progression to further and higher education and training.
* support the direct involvement of employers in training key personnel.

ApprenticeshipsNI provides participants with the opportunity to take part in a Level 2/Level 3 Apprenticeship where the apprentice, in paid employment from day one, works towards achieving an industry-approved Level 2/Level 3 Apprenticeship Framework.

* + 1. Skills for Life and Work programme

Skills for Life and Work is a training programme for young people who want to develop their skills and get ready for work. Across the Derry City and Strabane District Council there is a broad range of training providers across a variety of training areas including Administration and Management, Construction, etc.

Skills for Life and Work aims to:

* provide participants with access to regulated qualifications.
* address individual barriers to learning where appropriate and relevant.
* prepare participants for an NI Traineeship, Further Education, ApprenticeshipsNI or other employment.

The key elements of Skills for Life and Work which providers must deliver are:

* individual learning programmes to address barriers to learning and employment – normally Level 1 or Entry Level, but some qualifications can be Level 2.
* a common curriculum of personal and social development, employability, professional and technical skills, and Essential Skills, leading to regulated qualifications.
* a Personal Training Plan (PTP) that is discussed and agreed between each participant and the provider detailing the targeted outcomes, progression routes, and associated milestones.
* world of work activities.
* a non-means-tested weekly Educational Maintenance Allowance (EMA) payable to the participant.

It is also expected that most participants will undertake, when they are ready, a significant work placement (i.e. regular and sustained, with clear learning objectives recorded and systematically monitored).

* + 1. Skill Up Programme

The Skill Up programme has been set up to help supply NI with the required highly skilled professionals needed to drive business forward. The aim is to help those aged 18 and over retrain and reskill to fill skills gaps within the NI Labour Market. The programme is supported and run by DfE with funding being provided by the Northern Ireland Office and Department of Finance (DoF). The programme provided up to 7,000 free course places until the end of June 2022, with more to be provided over the coming years.

Courses will be provided through Ulster / Queen’s / Open University and local Colleges. The

proposed range of courses includes Masters HLA, Postgraduate and Undergraduate short

courses. All these courses will be delivered online and focus on areas where job growth is

expected to be high and strong as well as sectors considered as priority economic sectors

including:

* Digital Skills.
* Green Technologies.
* Healthcare and Life Sciences.
* Advanced Manufacturing.
* Leadership and Management.
  + 1. JobStart

JobStart is a programme run by DfC and provided through local Jobs and Benefits Offices. It aims to help those aged 16-24 years old most at risk of being long-term unemployed engage in the labour market by offering six-month job opportunities across a range of sectors. It is hoped participants will develop employment skills and by the end of the six months’ will be offered a job, have the skills to find another job or progress further into education/training opportunities in addition to developing employment skills, boosting their CV, increasing their confidence, and learning important work skills such as teamwork, problem solving, etc.

* + 1. Condition Management Programme (CMP)

CMP gives advice and support to clients (in work or not in work) who have a health condition which affects their ability to work, return to work or to stay in work. It is a 12 week work focused programme run by a multidisciplinary team of healthcare professionals (Occupational Therapist, Physiotherapist, Mental Health Nurse, Exercise Professional, Social Worker) which helps people manage health conditions that are causing a barrier to work.

* + 1. Access to Work NI

A service for employers who wish to recruit or retain people with disabilities in employment, Access to Work (NI) is available to overcome the practical problems caused by disability. It offers advice and help tailored to suit the needs of an individual in a particular job or getting to and from work. The service is suitable for anyone about to start a new job or who is having difficulties in their existing job.  Access to Work assists:

* people with disabilities in work and experiencing difficulty related to their disability.
* people with a disability who wish to take up employment.
* employers wishing to recruit people with disabilities.
* employers wishing to retain people with disabilities in employment.
  + 1. Workable NI

A service which offers support in the workplace, Workable (NI) helps people with disabilities who have barriers to employment to keep work through a flexible and tailored range of long-term support measures including:

* one to one help from a job coach to help the employee and their colleagues adapt to the needs of the job.
* extra training for the employer.
* disability awareness training for the employer and work colleagues.
  + 1. Adviser Discretionary Fund

# An Adviser Discretion Fund (ADF) is available from local Jobs and Benefits office Work Coaches to clients who are unemployed and facing financial barriers to starting or returning to work or people in employment or self-employment and who also face financial difficulties. It is a non-repayable grant of up to £1500 which is used to buy goods or services to remove a barrier to employment. Examples of help:

* help towards training costs.
* help with the cost of travelling to work or to a job interview.
* help to take up a job offer, including help with the cost of pre-work checks or professional registration fees.
* help to increase hours of employment.
* help to start up in self-employment.
* help with childcare costs (including upfront childcare costs) in certain circumstances.
* help for jobseekers who do not currently have broadband.
  + 1. PEACEPLUS

PEACEPLUS is a cross-border funding programme designed to support peace and prosperity across the region. Managed by the Special EU Programmes Body, it is funded in partnership by the European Union, the Government of GB and NI, the Government of Ireland, and the Northern Ireland administration. In December 2023, the programme announced £38.5m of funding for youth projects in Northern Ireland and the border counties of Ireland. This funding will support capacity building programmes for young people aged 14 to 24 who are disadvantaged, excluded or marginalised, have deep social and emotional needs and are at risk of becoming involved in anti-social behaviour, violence or paramilitary activity.

The recipients of the first round of PEACEPLUS funded projects are:

* Youthscape Plus led by South West College
* Journey led by Springboard Opportunities Limited
* STRIVE led by Include Youth
* E2T led by YMCA Ireland
* HEROES+ led by Mencap
* AMPLIFY led by Youth Action NI
  + 1. Shared Prosperity Fund: Success North West

The UK Shared Prosperity Fund (UKSPF) helps support people into work through tackling economic inactivity directly. Success North West, under Shared Prosperity, offers a diverse range of training across Derry and Strabane covering various sectors including ICT, Health and Safety, Hair and Beauty and Construction to economically inactive residents of the council area.

* 1. Consultation Findings: Findings from engagement / consultation processes.

Focussed consultations took place via one-to-one conversations, telephone conversations and round table discussions. Topics covered included:

* The key/current employment trends within the area and areas of opportunity.
* The key labour market challenges currently and going forward (shifting the curve).
* The current suite of supports available.
* The purpose and activities a LMP could and should undertake.
* Potential opportunities that could be presented from the implementation of the LMP.

**Consultation Results**

A full list of the people and groups consulted can be found in Appendix 3. A consistent set of views emerged in terms of key issues, activities a LMP should undertake based on ‘turning the curve’ of economic inactivity and ensuring an appropriate supply of skills, key sectors, etc. Assessing the themes raised throughout the consultation phase revealed a series of themes, presented below. These themes, in tandem with the socio-economic analysis, drive the development of the priority themes in the LMP Action Plan.

|  |
| --- |
| Labour Market Context |
| * There is little incentive for people to move from benefits to entry level employment or self-employment. * Currently a tight labour market and difficult for employers to attract employees. * Lack of work ready skills is evident – many people have been out of labour market for a long time or have never been in it. * Digital skills and the need for basic and advanced IT skills will drive future employment opportunities and growth. * Childcare is one of the main barriers for women who want to enter the workforce. * Transport issues and accessibility is seen as a barrier, as well as mental health. * Flexible working patterns are required to attract more people. * Lack of understanding of skills needs / shortages – it was suggested regular analysis of the labour market needs to be undertaken with local employers to understand current and future trends. * Cohorts including people with disabilities are being excluded as employers are overwhelmed by legislation. * Refugees are being underemployed by skills level due to lack of qualification recognition. * Consultees claimed they had a very positive experience when working with the LMP. * The promotion and implementation of academies as a way to help alleviate specific skill shortages is supported. Previous academies have proved successful. |

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| Future Learning / Skills |
| * Apprenticeship schemes are regarded as being underutilised/misunderstood among employers but, if better utilised, can act as a key pathway to employment. * Promote life-long learning as key to employee development and place focus on transferable skills. * Consultees noted the importance of training provision for soft skills / employability skills / work ready skills. These skills will make young people more attractive to employers, who can provide training for more specific if transferrable skills are present. * Align future skills needs with current provisions. * Awareness of other career paths outside of traditional routes required. * Promote self-employment as a viable career by providing enhanced supports and encouragement through funding and mentoring programmes. * Reskilling and upskilling required to align with economic demands / keep skills competitive. * Digital / AI / data skills are required to keep pace with advancements in technology. |

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| Cohorts to Engage |
| * Young people in the labour market were particularly impacted by the pandemic and this continues to spill over with many lacking workforce ready skills. * Young people on benefits view it as an income and not a short-term solution. Need to approach youth early to prevent them falling into NEET category; many have already decided to follow a path of unemployment by the time there is any engagement. * Unemployed living in deprived areas could be a focus. Areas of deprivation often assume a legacy of those before them. * Promote an equal opportunities engagement between those with disabilities, youth, etc. and employment opportunities by promoting a synergy between providers and employers accessing a previously ‘untapped’ labour supply. * Women returners to workforce key demographic however childcare is a barrier. * Disability cohort could be addressed alongside existing organisations who are already supporting this group. There seems to be a lack of education and understanding around employment for those with disabilities, with employers overwhelmed by legislation. * Refugees or migrants who are currently not in employment or placed in jobs below their skills level could be targeted. |

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| LMP Role and Suggestions |
| * Role and actions of the LMP should be clearly communicated and easy to understand. * The LMP should continue to be widely publicised. * Transport and accessibility should be considered when setting up academies, especially for those in rural areas or those with a disability. * Childcare is a barrier for women wanting to attend academies, can start and finish times consider childcare responsibilities? * Educational pieces are required to change labour market perception. This could include working with the Career Service to target schools. * The LMP should aim to decrease barriers to employment. * Academies have been well received and have worked well. * Programmes should be attractive for all involved (including employers) to encourage participation. * LMP should address the lack of basic skills, for example, assistance with CV, interview prep, IT skills – with a focus on those who are long-term unemployed or youth groups / early school leavers who are struggling to know how to enter the labour market. * Disability cohort has agencies tackling the employment gap. It could be beneficial for LMP to partner with existing agencies as they have the knowledge and connections with those who are not in the labour force. * Promote alignment with opportunities arising from City Deal * LMP should act as a central hub for job postings, with a ‘pin-board’ being regularly promoted as the central directory for local jobs / opportunities increasing potential alignment of employers and employees and reducing skills / labour gaps. * LMP should focus on building and sustaining relationships between employers / support organisations / potential employees to encourage collaboration and cohesion. * Aftercare / knowledge of options is needed to secure jobs for people after training. * Mentoring should continue for 6 months once someone has achieved a qualification or been placed in employment. * Academies could include classroom assistant programmes, healthcare, tourism, engineering, financial services, agrifood, hair, beauty, IT, bookkeeping, creative industries. * Consideration may be given for learning accommodations in academies, for disability cohorts, groups who need translation or audio interpretation etc. so as not to exclude people from training opportunities. * Matching skills of ethnic minorities / refugees to career and providing support including the promotion of labour supports, for example, translations. * Employers need to be more aware of benefits system and the effect this can have when taking a job. * A phased approached for people wanting to enter the labour market, with support for work patterns and integration into a workplace. * Placements and work trials could reduce the hesitation from employers taking on disability cohorts. * Employers need to be aware of disability legislation and how to implement it to help disabled people integrate into the labour market. * Pathway for more flexible working outcomes that those who are disabled or chronically ill for example working from home, part time hours. |

**Survey Results**

A selection of employers from across the council area were contacted to take part in a survey which sought an understanding of current recruitment/labour challenges. 10 employers accepted the invitation to take part across a range of industries and the results are as follows.

**Labour Support Engagement / Labour Market Challenges**

Asked to identify labour market challenges within the area, recruiters cited barriers including:

* Availability of labour.
* Lack of quality applicants with basic soft skills; written and oral communication skills.
* Retaining young people who will stay local.
* Salary not high enough to incentivise people away from benefits.
* Willingness of people to work.
* Transportation links.

**Recruitment**

When addressing recruitment challenges, less than half (44%) of respondents had engaged in labour market activation programmes. When asked what areas or initiatives the LMP should focus on several ideas were suggested including:

* Skills including basic numeracy, basic digital skills and advanced digital skills.
* Vocational focus.
* Apprenticeship schemes.
* Targeting education for young people, improving awareness of employment opportunities and financial education.
* Trial employment schemes that don’t require qualifications.
* More specific programmes that meet the skills needs of employers and will lead to employment.
* Transportation support with better links to Belfast and Dublin, to increase the geographical flexibility of the labour market.

**LMP Focus**

Respondents were asked to rank seven elements for the LMP Action Plan to focus on. Table 4.3.1 ranks the results:

**Table 4.3.1: Suggested areas of LMP focus.**

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| **Action** | **Rank** |
| Promotion of job and skills development opportunities | 1 |
| Improvement of 'soft skills' among participants | =2 |
| Delivering skills and employability courses for those farthest from Labour Market | =2 |
| Improving Educational Outcomes | =2 |
| Increasing accessibility to the Labour Market i.e. childcare, transport issues, etc. | =2 |
| Return to work programmes for newly unemployment | 6 |
| Providing the forum for employers and educators to collaborate | 7 |

Promotion of job and skills development opportunities as well as improving tailored support to improve skills and remove barriers to the labour market were identified as the most important elements for the LMP Action Plan to focus on.

* 1. Conclusion

The statistical analysis, review of current supports, consultations and survey answers present key findings to be incorporated into the LMP Action Plan. Derry City and Strabane’s labour market has persistent challenges, such as high levels of economic inactivity, high claimant count rates and significant pockets of deprivation.

While there are significant efforts to address challenges across the various employability schemes outlined, there is more to do. Specific barriers to employment include the lack of incentive to move off benefits and a lack of suitable supports including transport options and childcare. Further, there are established and emerging shortages in some occupations, and a general sense of mismatch between the supply and demand for skills. Northern Ireland lags the UK average for disability employment; therefore, this cohort was identified as a key group.

# **Summary of the Key Issues**

* 1. Summary of Key Issues

**Summary of findings from the strategic assessment, including desk-top statistical audit and engagement / consultation.**

Drawing together the Statistical Audit and Consultations, the key issues are summarised as follows to influence the themes in the action plan:

**Labour Market Barriers**

Despite recovery from the Covid-19 pandemic, historic challenges remain barriers to the Derry City and Strabane’s Labour Market. Further, like all council areas across NI, the council area has been impacted by the tight labour market. Job vacancies are outweighing labour supply with businesses citing lack of applicants and lack of skills as barriers to employment.

Consultees and survey findings noted the importance for the *LMP to promote courses / training that support soft / work-ready skills,* with employers noting a lack of these skills when hiring.

*Childcare remains a barrier to employment.* The cost of childcare outweighs the benefits of being part of the labour market for many families and it is often women who stay at home to look after the family. Flexible working is key to engaging this cohort into the labour market.

*A need to educate employees and employers about opportunities that exist* was noted as a role LMP could undertake. Employers, economically inactive, youth, women, disability cohorts and so on are undereducated about the opportunities that exist. Employers are undereducated about employing those who are economically inactive and or disabled. Education is key to ensuring information is available to all.

**Development of priority sectors**

*Growth sectors in the area should be noted by LMP*. The following grew more than 5% 2021 – 2022:

* Professional & Scientific activities sector (+27%).
* Manufacturing (+8%).
* Information and Communication (+6.7%).
* Education (+6.5%).
* Real Estate Activities (+6.4%).

These growth areas could be considered as key areas for development.

When comparing the relative employment concentrations in Derry City and Strabane District Council and Northern Ireland, the Derry City and Strabane District Council area has a higher concentration in sectors such as Health and Social Work, Education, Information and Communication and Real Estate Activities.

*Upskilling to bridge the gap between the skills individuals possess and the skills required by employers* will help future proof the labour market to meet employer demands.

**Concentration on priority groups**

A focus on *youth* engagement and employability support was proposed as this cohort were adversely affected by the pandemic, highlighted by UUEPC reporting Jan 2020 to Jan 2021 youth employment across NI fell by 24 pp.[[10]](#footnote-10) These issues continue to spill over, with youth lacking workforce ready skills according to the consultees who contributed to this study. Further, the DCSDC area has the highest level of youth unemployment in Northern Ireland. In 2022 5.4% of 16-24 year olds were classed as unemployed (NI average 3.1%).

*Women returners* were proposed as a focus area. In DCSDC 35.1% of working age females are economically inactive (NI average 30.3%) compared to 25.7% of working age males. The skills women acquired when previously employed and from being carers / homemakers could be hugely beneficial to employers.

Consultees noted a lack of education around *disability* employment and the need to educate to change perception to reduce the vast disability employment gap.

*Refugees* who are currently not in employment or placed in jobs below their skills level were highlighted as a target group.

**Sub-Regional Labour Market Targeting**

Varying levels of deprivation can be mapped across the Derry City and Strabane District Council area with over half the wards in the council area falling into the top 100 most deprived areas in Northern Ireland. Of the 40 wards in the area, only nine have full time employment rates above 50%, while over half the wards (25) have economic inactivity rates of more than a third. Consultees noted *continued engagement with people in areas of deprivation* was crucial. *Rural areas* were noted for consideration by the LMP.

**A central hub for support and employability services**

The consultations and survey findings noted the need to have a central local hub that maps all the supports available to DCSDC residents and lists live job opportunities. It was noted this could be a consideration for future Action Plans due to the complexity of the ask.

*Building and**sustaining relationships between employers and support organisations is a key element for further success.* It was noted the LMP should work closely with organisations to avoid overlap in existing schemes and target groups and create cohesion. Promotion of job and skill development opportunities and providing the forum for employers and educators to collaborate were prominent findings across the engagement process.

# **Turning the Curve**

* 1. Introduction

Since 2016, the Outcomes-Based Accountability (OBA) Approach has been the basis of a fundamental shift in how organisations across NI planned to deliver improvements in public services. With it, there was a greater focus on outcomes of societal wellbeing, rather than inputs, processes, and outputs of public services, and requires a major cultural shift in our thinking. Effective partnership working across a range of different agencies and professionals will be key to the planning and delivery of improved outcomes.

The Derry City and Strabane Inclusive Strategic Growth Plan and Community Plan 2023-24 presents an overview of the key strategic priorities for the council area. Delivery of these, as well as the LMP Action Plan are dependent on strategic and cross-cutting work, with active involvement from stakeholders in every sector, aimed at tackling the biggest challenges facing society.

According to the OBA process, progress towards outcomes is driven through Delivery Plans which analyse the available evidence about the current position and articulate the actions and interventions that the collective agencies will use to ‘turn the curve’ and achieve long-term change. The impact of actions within Delivery Plans is monitored through performance level Report Cards, which set out how much has been done; how well it has been done; and whether anyone is better off.[[11]](#footnote-11)

A turning the curve exercise was undertaken with the Partnership on 7th February 2024. Members were provided with statistics on the current trend in, for example, unemployment, economic inactivity, education, and disability employment rates. The results reconfirmed the value of the objectives and outcomes set out in the previous LMP Action Plan. The outcomes and corresponding indicators for the LMP Action Plan 2024-27 and Strategic Assessment for 2024/25 to 2026/27 The identified local priorities are detailed below. It is important to note that the LMP Plan will not be solely responsible for the labour market outcomes across Derry City and Strabane – NI wide programmes and initiatives not delivered through the LMP will also play a part.

**Turning the Curve Assessment**

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| **INDICATOR for SP1**  Theme: To form and successfully deliver the functions of the local Labour Market Partnership for the area.  Indicator: % of LMP members who feel that they are contributing to the delivery of the LMP.  (Source: LMP) | | |
| **OUTCOME(S)** | | |
| **Labour Market Partnership**   * Deliver a successfully functioning Local LMP. | **Community Plan**   * We prosper through a strong, sustainable and competitive economy. * We are better skilled and educated. | **Programme for Government**   * We have a more equal society. * We have more people working in better jobs. |
| **POPULATION:** Labour Market Partnership members. | | |
| **WHAT IS THE CURRENT STATE OF PLAY?**  **% of LMP members who feel the Local LMP is making a positive contribution and delivering effectively**  Source: Derry City and Strabane District Council LMP | | |
| **COMMENTS: t**he LMP Partnership provides an opportunity for members to be involved in the development, delivery and monitoring of strategic assessments and action plans for the council area. As a result of this process, and the increased communication and interaction between members, it is estimated that 100% of LMP members will believe the LMP is having a positive impact by 2027. | | |

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| **INDICATOR for SP2** theme: **Disability**  People who report a physical or mental health condition(s) or illnesses lasting or expected to last 12 months or more where this reduces their ability to carry out day-to-day activities.  Indicator: % of people with a disability in employment.  (Source: NISRA Labour Force Survey) | | |
| **OUTCOME(S)** | | |
| **Labour Market Partnership**   * Promote and deliver an LMP that contributes to assisting people with a disability into employment. | **Community Plan**   * We prosper through a strong, sustainable and competitive economy. * We live long, healthy and fulfilling lives. | **Programme for Government**   * We have a more equal society. * We have more people working in better jobs. |
| **POPULATION:** residents of Derry City and Strabane who have a physical or mental health condition(s) or illnesses lasting or expected to last 12 months or more where this reduces their ability to carry out day-to-day activities. | | |
| **WHAT IS THE CURRENT STATE OF PLAY?**  **Employment Rate by Disability Status, ages 16 to 64**  Source: NISRA Labour Force Survey | | |
| **COMMENTS: i**n 2022 Derry City and Strabane had an employment rate of 30.3% for people with disabilities compared to an employment rate of 80.2% for people without disabilities. The work of the Derry City and Strabane LMP should aim to decrease this employment gap for people with disabilities, working towards an employment rate of 35% by 2027. This equates to approximately 1100 people. | | |

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| **INDICATOR for SP2** theme: **Economic Inactivity**  Those not in employment and who have not been seeking work within the last 4 weeks and/or not able to work within the next 2 weeks.  Indicator: % Working Age Economic Inactivity Rate in Derry City and Strabane (Source: NISRA Labour Force Survey Local Area Database).  *The NISRA Labour Force Survey (Local Area Database) data used includes students.* | | |
| **OUTCOME(S)** | | |
| **Labour Market Partnership**   * Reduce Economic Inactivity | **Community Plan**   * We prosper through a strong, sustainable, and competitive economy. * We are better skilled and educated. | **Programme for Government**   * We have a more equal society. * We have more people working in better jobs. |
| **POPULATION:** residents of Derry City and Strabane who are not in employment and who have not been seeking work within the last 4 weeks and/or not able to work within the next 2 weeks. | | |
| **WHAT IS THE CURRENT STATE OF PLAY?**  **% Working Age Economic Inactivity Rate in Derry City and Strabane**  Source: NISRA Labour Force Survey (Local Area Database) | | |
| **COMMENTS:** Derry City and Strabane’s rate of economic inactivity remains above the NI average, a trend witnessed across the whole data series from 2018. In 2022 economic inactivity recovered from the Covid-19 pandemic, reaching a rate of 30.6%, only 0.2% higher than its 2019 rate of 30.4%.  It is intended that the work of the Derry City and Strabane LMP will help the level of economic inactivity to edge closer to Northern Ireland levels and ideally to historic lows of 26.3%. | | |

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| **INDICATOR for SP2** theme: **Unemployment**  People who are without a job, currently available to work, and have been actively looking for work within the previous four weeks.  Indicator: # Claimant Count Annual Averages  (source: NINIS - LGD2014, Ward & SOA) | | |
| **OUTCOME(S)** | | |
| **Labour Market Partnership**   * Reduce the claimant count to below pre-pandemic levels and prevent those on the claimant count becoming long-term unemployed. | **Community Plan**   * We prosper through a strong, sustainable, and competitive economy. * We are better skilled and educated. | **Programme for Government**   * We have more people working in better jobs. |
| **POPULATION:** residents of Derry City and Strabane who are in receipt of an unemployment benefit and searching for work. | | |
| **WHAT IS THE CURRENT STATE OF PLAY?**  **Claimant Count Annual Averages: Derry City and Strabane**  Source: NISRA | | |
| **COMMENTS:** Prior to the pandemic Claimant Count levels had remained relatively stable between 2017 and 2019 however the Covid-19 pandemic created a huge surge in the Claimant Count in 2020 and 2021, before a sharp decrease in 2022, with levels stabilising again in 2023. The Claimant Count however is still slightly above pre-pandemic levels highlighting more is needed to bring these people back to the labour market and prevent them becoming long term unemployed.  It is therefore intended that the work of the Derry City and Strabane LMP will work to reduce claimant count levels to historic lows. | | |

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| **INDICATOR for SP2** theme: **Skilled Labour Supply**  DfE’s 2021 Skills Barometer utilises the National Qualification Framework (NQF) Skills Classification.  Indicator: % Working age: no qualifications  (Source: NISRA Labour Force Survey Local Area Database)  Indicator: # All Persons Median Wage (£)  (Source: NINIS – LGD2014) | | |
| **OUTCOME(S)** | | |
| **Labour Market Partnership**   * Reduce the proportion of the working age population with no qualifications | **Community Plan**   * We prosper through a strong, sustainable and competitive economy. * We are better skilled and educated | **Programme for Government**   * Everyone can reach their potential. * Our children and young people have the best start in life. |
| **POPULATION:** residents of Derry City and Strabane who are aged 16 to 64 years old and have no or low qualifications. | | |
| **WHAT IS THE CURRENT STATE OF PLAY?**  **% of Working Age with No Qualifications in Derry City and Strabane**  Source: NISRA – Labour Force Survey Local Area Database  **# All Persons Workplace Median Wage (£)**  Source: (NINIS – LGD2014) | | |
| **COMMENTS:** Despite the council area having a varied resident skill base, local employers are still facing staffing and recruitment issues. With the shift in skills focus and the move to promote higher skilled jobs, concerns arise that residents without those skills will be ‘locked’ out of the employment market, especially those residents from areas of deprivation.  The council area has a lower-than-average proportion of school leavers who go on to further education and a lower-than-average rate of resident population with RQF of Level 4 and above. It is therefore important that the work of the Derry City and Strabane LMP will help continue the current trend of reducing the level of those without any qualifications and provide avenues for residents to upskill and access the future roles which require higher qualification levels. | | |

# **LMP Action Plan 2024-2025**

* 1. Introduction

The Labour Market Partnership Action Plan for 2024-2025 has been developed to deliver improved employability across the Derry City and Strabane District Council area. The Labour Market Partnership’s role will be to use the resources made available through the Department for Communities and other available resources to improve employability outcomes. The LMP Plan will be underpinned by a true partnership and the principles of professionalism, clarity, courtesy, inclusiveness, transparency, ambition, realism, practicality, adaptability, and accessibility between all members of the LMP which will create the conditions for success. Membership of the plenary LMP will provide focus on ‘key issues’ and set strategic direction. DSLMP provides a mechanism for users of employability and skills programmes to be heard and influence future direction.

* 1. Action Plan

The following actions are proposed over the period 2024-2025 and are consistent with the aims and objectives of the District Council Corporate Plan and Inclusive Strategic Growth Plan. They reflect the findings from the preceding statistical and consultative process.

Through the data analysis and consultation phases which culminated in a turning the curve exercise, the following themes have been deemed local priorities:

**Disability** People who report a physical or mental health condition(s) or illnesses lasting or expected to last 12 months or more where this reduces their ability to carry out day-to-day activities.

**Skilled Labour** **Supply** DfE’s 2021 Skills Barometer utilises the National Qualification Framework (NQF) Skills Classification.

**Economic Inactivity** People not in employment who have not been seeking employment within the last four weeks and / or are unable to start work in the next two weeks.

**Unemployment** People who are without a job, currently available to work, and have been actively looking for work within the previous four weeks.

**Derry & Strabane LMP Action Plan 2024-2025: Baseline Information**

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| **Strategic Priorities** | | **Indicators to Which Local LMP Makes a Contribution (Source)** | **2022/23 Baseline** |
| **Strategic Priority 1:**  To form and successfully deliver the functions of the local Labour Market Partnership for the area. | | **Theme:**  **LMP Delivery and Development**  *Indicator: % LMP members who feel the local LMP is making a positive contribution and delivering effectively.*  *(LMP)* | ***Member Survey***   |  |  | | --- | --- | | Date | % | | 2023/24 | 93.3 | | 2022/23 | 85.2 | | 2021/22 | 0 | |
| **Strategic Priority 2:**  To improve employability outcomes and / or labour market conditions locally. | **Theme:**  **Disability**  *Indicator: % Working-age adults with disabilities in employment.* (NISRA Labour Force Survey) | ***DCSDC Disability Employment Rate***   |  |  | | --- | --- | | Year | % | | 2022 | 30.3% | | 2021 | 34.7% | | 2020 | 32.00% | | 2019 | 33.70% | | 2018 | 29.40% | | 2017 | 30.40% | |
| **Theme:**  **Skilled Labour Supply**  *Indicator: # All Persons Median Wage.*  *(NINIS – LGD2014)*  *Indicator:* % Working age: no qualifications  *(NISRA – Labour Force Survey Local Area Database)* | ***All Persons Gross Median Wage: DCSDC***   |  |  | | --- | --- | | Year | £ | | 2023 | 24709 | | 2022 | 22239 | | 2021 | 21065 | | 2020 | 19617 | | 2019 | 19436 | | 2018 | 19620 |   ***Working age population qualification***   |  |  | | --- | --- | | Year | No Quals | | 2022 | 12.8% | | 2021 | 15.1% | | 2020 | 19.2% | | 2019 | 17.6% | | 2018 | 15.3% |   ***levels DCSDC*** |
| **Theme:**  **Economic Inactivity**  *Indicator: % Working Age Economic Inactivity Rate in Derry City and Strabane*  (NISRA Labour Force Survey Local Area Database). | ***Economic Inactivity DCSDC***   |  |  | | --- | --- | | Date | % | | 2022 | 30.6 | | 2021 | 32.0 | | 2020 | 37.60 | | 2019 | 30.40 | | 2018 | 34.1 | |
| **Theme:**  **Unemployment**  *Indicator: # Claimant Count Annual Averages*  (NINIS - LGD2014, Ward & SOA) | ***Claimant Count DCSDC***   |  |  | | --- | --- | | Date | # | | 2023 | 4625 | | 2022 | 4605 | | 2021 | 5835 | | 2020 | 6100 | | 2019 | 4485 | | 2018 | 4535 | |
| **Strategic Priority 3:**  To promote and support delivery of existing employability or skills provision available either regionally or locally. | **Theme:**  **Increased Awareness**  *Indicator: # LMP referrals to existing regional / local employability / skills provision.*  *(LMP)* | ***Referrals***   |  |  | | --- | --- | | Date | # | | 2023/24 | 32 | | 2022/23 | 23 | | 2021/22 | 0 | | 2020/21 | 0 | |

**Derry City and Strabane Labour Market Partnership Action Plan – Strategic Priority 1**

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| --- | --- | --- | --- |
| **Strategic Priority 1: To form and successfully deliver the functions of the local Labour Market Partnership for the area** | | | |
| *Indicator* | *% LMP members who feel the local LMP is making a positive contribution and delivering effectively (LMP)* | | |
| **Theme** | **Title of Programme / Project**  **Aims & Description** | **Key Activities** | **Performance Measures** |
| LMP Delivery and Development | ***Title: LMP Delivery and Development***  Aim: effective, optimal delivery of the LMP through partnership members, relevant stakeholders, and appropriate structures.  *1.1 LMP Delivery and Development:* bring together local knowledge and expertise to build on existing structures and meet 9 times per year including AGM.  *1.2 Capacity Building:* support members in their roles through guest speakers, information sessions and LMP awareness raising.    *1.3 Action Planning:* provide a multi-agency, integrated approach to addressing labour market challenges and develop the 2025/26 Action Plan. | The Partnership will:  Monitor and review delivery of the 2024/25 Action Plan in line with OBAs.   * Hold Partnership meetings 8 times per year.   Hold an Annual General Meeting once per year.  Review Partnership membership on an ongoing basis.  Deliver 2 capacity building sessions for members.   * Produce the 2025/26 Action Plan in a timely manner utilising the 3-year strategic assessment. | **How much did we do?**  1.1 9 LMP meetings held.  1.2 2 guest speakers / information sessions provided for LMP members.  1.3 1 Action Plan drafted to address identified local needs and approved by Regional LMP.  **How well did we do it?**  1.1 107/153 70% attendance of LMP members at meetings.  Based on membership of 17.  1.2 14/17 82% of LMP members who felt supported by the LMP in their role.  1.3 14/17 82% of LMP members who feel that their views have been taken into account with regard to the Action Plan  **Is anyone better off?**  1.1 14/17 82% of LMP members who feel they are contributing to the delivery of the LMP.  1.1 14/17 82% of LMP members who think that the LMP is making a positive difference.  1.2 14/17 82 % of LMP members reporting increased awareness of local employability and labour market issues.  1.3 14/17 82% of LMP members reporting improved understanding of their roles. |

**Derry City and Strabane Labour Market Partnership Action Plan – Strategic Priority 2**

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| **Strategic Priority 2: To improve employability outcomes and / or labour market conditions locally** | | | |
| *Indicators* | % Working age adults with disabilities in employment *(NISRA Labour Force Survey)*  % Working age: no qualifications *(NISRA Labour Force Survey Local Area Database)*  # All Persons Median Wage *(NINIS LGD2014)*  % Working Age Economic Inactivity Rate in Derry City and Strabane *(NISRA Labour Force Survey Local Area Database)*  # Claimant Count Annual Averages *(NINIS LGD2014, Ward & SOA)* | | |
| **Theme** | **Title of Programme / Project**  **Aims & Description** | **Key Activities** | **Performance Measures** |
| **Disability** | ***Title: 2.1 Inclusive Employment Programme (IEP).***  Aim: help to close the employment gap for people with disabilities by addressing their needs and improving employer awareness across the council area.  Description: this is a targeted, employer-led employability programme which will be designed by industry and disability experts to move 30 people with disabilities closer to or into the labour market. The programme will educate 20 local employers on employing people with a disability.  The procured resource will have responsibility for *enabling people and employers:*  deliver a confidence enhancing work readiness programme to prepare 30 participants with disabilities for the labour market whilst educating 20 local businesses in the ‘how and why’ of employing people with a disability. This will stimulate a positive move towards disability employment and encourage awareness within businesses. Skills and job match activities will move participants towards or into employment, training, or education.  To achieve success, this dual-purpose, all-encompassing, employer-led programme requires the procured resource to:   * directly engage, on an on-going basis, with employers and participants to create positive effective matches of roles to candidates. * provide support to employers and participants through the recruitment process to fill the vacant positions. * provide employers and participants with post-employment support to enhance long term success. | The procured resource will:   * develop, deliver, and manage an employer-led programme to support people with a disability towards and into the labour market. * liaise with local disability groups / networks / other relevant organisations (jobs and benefits, community groups etc.) to recruit participants. * deliver a marketing campaign to recruit eligible individuals seeking progression into employment. * engage with Managers from local companies and enrol 20 employers onto the programme. * educate 20 employers on employing people with a disability including e.g. employment law, reasonable adjustments,   flexible recruitment practices, ringfencing jobs, available support.   * assess and address participant barriers. * mentor participants and support their aspirations. * educate participants on the support available. * deliver a programme of intensive work readiness + employability skills to include World Host + employability qualification/s. * skills and job match participants with prospective employers / job roles. * link with DSLMP’s Flexible Learning Fund for additional training and qualification needs. * prep participants for interview. * engage the assistance of disability support for both employer and employee. * provide 6 months post-employment mentoring. * create participant and employer disability role models across the programme.   (not an exhaustive list) | **How much did we do?**  20 participants enrolled on the programme.  15 employers enrolled on the programme.  **How well did we do it?**  15/20 75% of participants enrolled who completed the programme.  12/15 80% of employers enrolled who completed the programme.  12/15 80% of participants (completers) reported satisfaction with the programme.  10/12 83% of employers (completers) reported satisfaction with the programme.  **Is anyone better off?**  12/15 80% of participants (completers) gained a qualification as a result of participation on the programme.  3/15 20% of participants who undertake further education or training following completion of the project.  7/15 47% of participants (completers) gaining new employment.  5/7 71% of participants still in employment 6 months after finishing participation.  10/12 83% of employers (completers) reported improved knowledge of employing people with disabilities as a result of participation on the programme. |

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| **Theme** | **Title of Programme / Project**  **Aims & Description** | **Key Activities** | **Performance Measures** |
| **Economic Inactivity** | ***Title: 2.3 Succeed in Enterprise.***  Aim: promote the creation of start-ups among those who require additional help focusing on people who are economically inactive including residents with disabilities.  Description: in partnership with DCSDC’s Business Team, who have responsibility for delivering the new ‘Go Succeed’ initiative, the procured resource will build confidence and self-employment skills and an entrepreneurial culture amongst those who are economically inactive to support the creation of new start-ups.  The procured resource will provide participants with group and one to one training, support, mentoring and a financial incentive to cover start-up costs to support their business / social enterprise idea. | The procured resource will:  Target and recruit people who require enhanced levels of support from what mainstream provision can deliver. This includes (not exclusively) people with a disability / economically inactive.  Partner with DCSDC’s Business Team to deliver a professional launch of the programme to fully inform, motivate and recruit potential clients.  Design and deliver an Enterprise Programme (to include sole trader / self-employment / social enterprise) which, over a suggested period of ten weeks, will include:   * Workshops * Masterclasses * Business Planning * Mentoring * Training * Financial incentive | **How much did we do?**  20 participants enrolled on the programme.  **How well did we do it?**  16/20 80% of participants enrolled who completed the programme.  13/16 81% of participants (completers) reported satisfaction with the programme.  14/16 88% of participants (completers) who developed a business plan.  **Is anyone better off?**  10/16 63% of participants (completers) reporting they have commenced self-employment.  8/10 80% of participants still in self-employment 6 months after finishing participation. |

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| **Theme** | **Title of Programme / Project**  **Aims & Description** | **Key Activities** | **Performance Measures** |
| **Skilled Labour Supply** | ***Title: 2.2 Sector Specific Employment Academies.***  Aim: increase numbers into work whilst addressing skills gaps and sector requirements.  Description: Procured resources will engage directly with a range of employers to design an academy which bridges the gap necessary for residents to secure employment in the sector.  They will deliver sector specific employment academies to work ready and work eager participants using direct, specific interventions to skill in areas where demand exceeds supply. | *Childcare Sector.*  Registered childminding academy.  20 participants (alternative funding).  *2 x Classroom Assistants.*  Classroom Assistant L3 academies  Qualifying 15 temporary Classroom Assistants to enable permanent work  Qualifying 15 new to the sector participants to Special Needs level.  *Health Sector.*  Partnership with the WHSCT.  Targeted qualification/ employability academy.  16 participants.  *2 x Advanced Manufacturing and Engineering*  Manufacturing academies  Partnership with GEMX, Derry and Strabane’s AME Collaborative Network.  12 participants.  Partnership with local businesses, LMP and local DfC Adviser Discretionary Fund.  12 participants.  *4 x Sector Reactive.*  Academies designed in response to changing labour market and employer needs.  48 participants. | **How much did we do?**  116 participants enrolled on the programme.  **How well did we do it?**  93/116 80% of participants enrolled who completed the programme.  75/93 81% of participants (completers) reported satisfaction with the programme.  **Is anyone better off?**  75/93 81% of participants (completers) who gained a qualification as a result of participation on the project.  56/93 60% of participants (completers) gaining new employment.  12/93 13% of participants (completers) who moved into higher paid employment.  34/56 61% of participants still in employment 6 months after finishing participation. |

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| **Theme** | **Title of Programme / Project**  **Aims & Description** | **Key Activities** | **Performance Measures** |
| **Unemployment** | ***Title: 2.4 Kickstart Your Skills***  Aim: enhance employability and promote independent job seeking through the delivery of a wraparound service which leads to positive outcomes at interviews.  Description: employers and support services have iterated that employability skills are severely lacking in applicants of all educational ability. General assistance coupled with employability / the job seeking process is lacking across DCSDC. Kickstart Your Skills will be available to:   * individuals   and through tailored programmes for (for example):   * young people, * women, * those aged over 50 etc.   to ensure residents are fully equipped and fully informed to take up employment. | There is a step-by-step process in developing a resident’s employability skills and enhancing their ability to search and apply for jobs successfully. Suitable from entry level to graduate level and above.   * There will be extensive employer engagement throughout the process (including work trials).   Draft illustration of stepped process   * Confidence building. * Team working. * Understanding the language and landscape of job seeking. * Appreciating the benefits of work. * Understanding how work will financially benefit you through a benefit check. * Knowing there is support out there. * Recognising and developing soft skills. * Setting realistic expectations. * Basic IT. * Basic PowerPoint. * CV building. * Profile: how to adapt it. * Writing a cover letter. * Application form completion. * Career planning: do you want a job or a career? * Matching your skills to jobs: do you need training or qualifications? * Interview techniques. * Personal presentation. * Applying your experience to interview questions. * Mock interviews. * Job searching. * Job maintenance. (not exhaustive) * Additional features: * One to one mentoring and support. * Referrals and signposting. * Qualification in employability. * Drop-in interview clinic. * Work shadowing: 2 days per week in different sectors which could lead to a work trial. * Job matching.   Workshops:   * Looking after your mental health. * Money management.   Kickstart Your Skills is available on an individual basis or as part of a small group of, for example:   * Young people 16 to 24. * Women returners. * Those aged over 50. * Migrant community. * Graduates. (not exhaustive)   Groups will cover all / most steps of the process whilst individuals will have a tailored plan which lays out the steps they need to take to be successful. | **How much did we do?**  60 participants enrolled on the programme.  36 individual sessions.  3 group sessions.  **How well did we do it?**  42/60 70% of participants enrolled who completed the programme.  32/42 76% of participants (completers) reported satisfaction with the programme.  2/3 67% of Community Group Leaders who reported satisfaction with the programme.  **Is anyone better off?**  38/42 90% of participants (completers) who reported feeling more confident regarding their employability as a result of participation on the project.  17/42 40% of participants (completers) who gained a qualification as a result of participation on the programme.  8/42 19% of participants who undertake further education or training following completion of the project.  17/42 40% of participants (completers) gaining new employment.  12/17 71% of participants still in employment 6 months after finishing participation. |
| **Theme** | **Title of Programme / Project**  **Aims & Description** | **Key Activities** | **Performance Measures** |
| **Unemployment** | ***Title: 2.5 Kickstart Your Career***  Aim: enhance employability skills and qualification levels within communities and upskill and move residents closer to the labour market / into work. The Employment Support Officer (ESO) will foster excellent partnerships and working relationships with local community groups through the transparent and fair management and distribution of a Kickstart Flexible Learning Fund (KFLF).  Description: *Enabling Communities:* reacting to priority community needs and the immediate demands of the labour market, Kickstart will upskill and / or reskill groups of residents to move participants closer to or into the labour market and encourage a culture of lifelong learning in line with Derry and Strabane’s Learning City status. Community focus shall be on areas of high deprivation as cited by the strategic assessment / NI Multiple Deprivation Measures 2017 and rural areas through DCSDC’s Local Growth Partnerships.  *Enabling Those Not in Work:* the bespoke training needs of unemployed residents will be addressed and supported through the provision of short, accredited training for those who are not immediately ready for work. Supported, managed, and administered by the ESO. | ESO support for communities:   * engage with local communities to ascertain the employability, training, reskilling, upskilling, and qualification needs of their residents. * coordinate and manage the delivery of appropriate training to groups. * monitor results against performance measures. * refer individuals to the KFLF as a pathway to progression.   ESO support for residents:   * engage with individuals requiring tailored upskilling / reskilling to access the labour market. * carry out an individual needs assessment. * provide support and mentoring. * provide careers support for direction. * refer to DfE’s Careers Service for more intensive guidance. * assist with the development of a career pathway. * refer the individual to Kickstart Your Skills if agreed necessary. * verify job offers. * verify a pathway, necessary qualification and / or skill. * develop a case and application to access assistance from the Flexible Learning Fund. * monitor results against performance measures. | **How much did we do?**  55 participants enrolled.  5 group training classes delivered.  3 communities engaged.  **How well did we do it?**  41/55 75% of participants enrolled who completed.  33/41 80% of participants (completers) reported satisfaction with the LMP project.  **Is anyone better off?**  33/41 80% of participants (completers) gained a qualification as a result of participation on the project.  8/41 20% of participants who undertake further education or training following completion of the project.  12/41 29% of participants gaining new employment.  9/12 75% of participants still in employment after 6 months. |

**Derry City and Strabane Labour Market Partnership Action Plan – Strategic Priority 3**

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| **Strategic Priority 3: To promote and support delivery of existing employability or skills provision available either regionally or locally** | | | | |
| Indicators | # LMP referrals to existing regional / local employability / skills provision (LMP) | | | |
| **Theme** | **Title of Programme / Project**  **Aims & Description** | **Key Activities** | **Performance Measures** |
| **Referrals to relevant existing projects / initiatives** | ***Title: Employability Support Awareness Campaign.***  Aim: support those seeking work to move into education, employment, or training through direct engagement with local employers, training providers and support organisations.  Description: DSLMP will deliver and / or support the following events to support the objective of the LMP.  *3.1 Job Fairs:* deliver 2 job fairs locally to support those seeking work to move into education, employment, or training.  *3.2 Apprenticeship Fair:* deliver 1 apprenticeship fair and associated marketing campaign to promote ApprenticeshipNI.  *3.3. Employability and Skills Events:* support 10 employer events which promote employability and skills provision.  *3.4 Hospitality and Tourism Adopt a School Pilot:* enter a collaborative partnership with the HATS (Hospitality and Tourism Skills) network and its industry partners Springboard, NI Hotels Federation & Hospitality Ulster to deploy an ‘Adopt a School’ initiative in a pilot targeting 3 schools and linking with hospitality sector employers in Derry. The pilot aims to make recommendations for wider roll-out. | DSLMP and partners will:  3.1 co-host 2 inter agency Job Fairs with stakeholders in local venues covering Derry and Strabane.  3.2 deliver Apprenticeship Fair and 1marketing campaign in partnership with local training providers and colleges to promote apprenticeships across the Council area.  3.3 liaise with local JBOs and community groups to link in with and support public facing events which promote employability and skills with a focus on improving employability outcomes / labour market conditions.  3.4 engage 3 post-primary schools in the Derry area and deliver a pilot careers initiative in Hospitality and Tourism. Provide a ‘Learning for Life & Work’ model linking sector businesses to students in school year groups 12–14 to address ongoing recruitment challenges and positively change / impact perceptions of the sector to foster a future talent pipeline. | **How much did we do?**  3.1 3.2 3.3   * 900 attendees at events. * 80 employers participating. * 20 support organisations.   3.4   * 2 schools participating in HATS pilot. * 60 students participating in awareness sessions.   **How well did we do it?**  3.1 3.2 3.3   * 144/180 80% of attendees rated the events as helpful for finding work / training opportunities. * 144/180 80% of attendees who completed the survey reporting satisfaction with the event. * 64/80 80% of employers who completed the survey reporting satisfaction with the event. * 56/80 70% of employers who reported the event was a good platform to showcase their sector.   3.4   * 2/2 100% schools reporting satisfaction with the pilot.   **Is anyone better off?**  3.1 3.2 3.3   * 108/180 60% of attendees who completed the survey applied for at least one job as a result of the event. * 90/180 50% of attendees who completed the survey feel more informed of career opportunities. * 48/80 60% of employers participating reported the event would assist in filling vacancies. * 40 referrals to local and regional employability / skills provision.   3.4   * 42/60 70% of attendees who completed the survey feel more informed of career opportunities. |

* 1. LMP Governance

Derry City and Strabane has a limited set of resources from which it must deliver a wide range of high-quality services to all those who live, work, and visit the council area. It has a duty to ensure the allocation and organisation of these resources delivers maximal value back to both the Council and those it serves.

Delivering the Labour Market Partnership is no different; the resources provided to the Labour Market Partnership must be organised and delivered in such a way as to reduce duplication of effort, identify and follow through on value added opportunities, and maximise synergies and the return for its stakeholders.

Given the coordination required to ensure effective delivery of the LMP actions council will support LMP delivery through DfC funded:

LMP Manager

LMP Project Officer

part time Administrator (hours as funding dictates)

It is proposed Council will, at no cost to LMP, provide assistance, where necessary:

Hours from one further Project Officer

Hours from an Administrator.

# Appendix 1: Statistical Analysis

**Data Sources**

To conduct the Statistical Audit and the subsequent Labour Market Profile, Grant Thornton assessed various labour market data sources. Due to size constraints, a fuller statistical assessment is presented in an accompanying spreadsheet which has been provided to the Council under separate cover. The data analysis covers the following areas:

* No. of Employee Jobs by Local Government District.
* No. of Employee Jobs by Industry and Local Government District.
* Labour Market Structure, including:
  + Total resident population (16+) & working age population (16-64) Levels (‘000s).
  + Economically Active (16+) and Economically Inactive (16+) Rates & Levels (‘000s).
  + Total resident employment (16+) Levels & Resident Employment Rate (%).
  + Full and Part Time Employment Levels (‘000s).
  + Educational Attainment - % of population with no qualifications, % of population that achieved qualifications below RFQ Level 4 & % of population with qualifications at RFQ Level 4 and above.
* Claimant Count Levels & Rates by Local Government District.
* Youth Unemployment (16-24) Levels & Rates.
* Long-Term Unemployed (>12 months) Levels & Rates.
* Resident & Workplace Average Earnings by Employment Type and Local Government District.

# Appendix 2: Strategic Context

**Northern Ireland Strategic Context**

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| **Strategy** | **Aim & Objectives** |
| Programme for Government: Draft Outcomes Framework Consultation Document | This document sets out the potential future direction for the next Programme for Government. The new PfG will take an outcomes-based approach, seeking to:   * *Create and develop better jobs, through improved job security, wages, etc.* * *Address underachievement & skills shortages through the alignment of FE & HE colleges to the Labour Market demand/needs.* * *Create varied, fulfilling & quality employment opportunities, supporting skills attraction and retention of workers.* * *Deliver high quality curriculum and enhanced careers advice, improving educational attainment & life chances; and* * *Address educational resource pressures, ensuring access for all & all schools, etc. are ‘fit for purpose’.* |
| A 10x economy: Northern Ireland’s decade of innovation | The ambition set out in NI’s economic vision is for a ‘10x Economy’. Northern Ireland’s decade of innovation will encourage greater collaboration and innovation to deliver a ten times better economy with benefits for all our people. This ambition will be realised by focussing on innovation in areas where we have real strengths and making sure these gains mean something to all businesses, people and places in Northern Ireland.  Five steps to success have been identified to realise the ambition of the 10x economy. These are summarised in the diagram below.  A chart of a company's vision  Description automatically generated with medium confidence |
| Skills for a 10x Economy (consultation) | Delivering ‘a 10x Economy’’ - an economy that is 10x stronger, 10x more prosperous, 10x more resilient - will require transformation in our skills system. That is the opening thought in the Department for the Economy’s Skills for a 10x economy consultation. The draft consultation document identifies three major policy objectives and three underpinning policy enablers. These align to the principles set out in the economic vision; addressing skills imbalances, providing opportunities for all and placing collaboration and co-design at the centre of our strategy, to support key strategic clusters while delivering meaningful change for everyone.  A diagram of skills strategy  Description automatically generated |
| Building Inclusive Communities | In 2020 the Department for Communities set out its strategy for the next 5 years to deliver an inclusive community, with this focusing on inclusive growth and wider social development. The main aims of the strategy include:   * *Anti-Poverty.* * *Wellbeing & Inclusion.* * *Sustainability & Inclusive Growth; and* * *Agility & innovation.* |
| Pathways to Success (NEET) | This document set out the aim of helping those aged 16-24 who are considered Not in Employment, Education and Training (NEET) re-engage and improve their overall prospects:   * *Raise standards and improving outcomes in literacy and numeracy.* * *Overcome barriers to learning; and* * *Tackle barriers associated with health and social well-being.* |
| Success through Skills – Transforming Futures | This document aimed to help re-engage people within the economy, in order to facilitate a dynamic and innovative economy, with skills forming a key element:   * *Raising the skills level of the whole workforce.* * *Raising productivity; and increasing level of social inclusion by enhancing employability of those currently excluded from the labour market.* |
| Organisation for Economic Co-operation and Development (OECD) Skills Strategy Northern Ireland | This document provided tailored findings and recommendations on Northern Ireland skills performance. This process will help shape future skills strategies within Northern Ireland, with recommendations including:   * *Reducing Skills imbalances.* * *Creating a culture of lifelong learning.* * *Transforming workplaces to make better use of skills; and* * *Strengthening the governance of skills policies.* |

**Derry City and Strabane Strategic Context**

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| **Strategy** | **Aim & Objectives** |
| Derry City & Strabane District’s Inclusive Strategic Growth Plan – Our Community Plan 2017-2032 | Updated in 2022, this document sets out the vision for Derry City and Strabane District Council area for the period 2017 – 2032 to have “a thriving, prosperous and sustainable City and District with equality of opportunity for all.”  It aims to achieve the following outcomes:   * We live in the cultural destination of choice. * We connect people and opportunities through our infrastructure. * We live sustainably – protecting and enhancing the environment. * We live long, healthy, fulfilling lives. * We live in a shared, equal and safe community. * Our children and young people have the best start in life. * We prosper through a strong, sustainable and competitive economy. * We are better skilled and educated. |
| Derry City and Strabane District Council Corporate Plan 2023/24 | The Derry City and Strabane District Council Corporate Plan 2023/24 sets out the City and District’d priorities to achieve its mission of delivering “Improved social, economic and environmental outcomes for everyone”.  Its corporate objectives are to:   * Grow our business and facilitate cultural development. * Protect our environment and deliver physical regeneration. * Promote healthy communities. * Provide effective and facilitative cross-functional support services.   The plan identified priorities for the year and budget spending, as well as improvement objectives. It works to support the objectives of the Derry City & Strabane District’s Inclusive Strategic Growth Plan, which are aligned to the pillars of social, economic, and environmental wellbeing. |
| Derry City and Strabane City Deal | The City Deal and Inclusive Future Fund is the largest ever single investment package by Government into the Derry City and Strabane District Council area. With a total investment of around £250m, the City Deal is designed to create new jobs and employment opportunities and leverage additional investment to accelerate inclusive economic growth through a medium to long term investment.  The deal has identified the following investment priorities and projects:   * Innovation, digital and health. * Regeneration, Tourism and Renewal. * Walled City Tourism/ Economic Led Regeneration. * Strabane Town Centre Regeneration. * Job Creation, Skills and Employability. * Sustainability and Inclusivity.   The investment through the City Deal and Inclusive Future Fund is forecast to lead to a tripling of the expected rate of employment growth, with an additional 7,000 jobs created by 2032. |
| Derry and Strabane Labour Market Partnership 2021-23 | This document sets out the action plan for Derry and Strabane’s Labour Market Partnership, which aims to help improve employability outcomes and labour market conditions locally by working through coordinated, collaborative, multi-agency partnerships, achieving regional objectives whilst being flexible to meet the needs presented by localised conditions and helping to connect employers with employees.  The LMP plays a key collaborative and supporting role in ‘Employability NI’, DfC’s approach to supporting those who are unemployed to get back to work. Employability NI is designed to provide a range of interventions that can evolve over time.  These interventions will aim to:   * Deliver a reduction in economic inactivity and long-term unemployment. * Provide increased support for those with physical/mental health conditions and disabilities. * Implement an intervention that provides a collaborative nature between Central Government Departments and Local Council area to offer direct and unique interventions. |
| Local Growth Partnerships | Eight Local Growth Partnerships have been established across the eight District Electoral Areas (DEAs) and Strabane town. The Partnership includes representation from the community and statutory agencies and play a key role in shaping public service delivery in each area. The Local Growth Plans are reflective of the needs and aspirations for residents and individuals at a local level. |

**OECD Skills Strategy**

As a recent comprehensive update to the skills and employability policy discourse, it is particularly pertinent to highlight the OECD Skills Strategy for Northern Ireland and the relevant issues for LMPs that the strategy raises.

Launched in October 2020, a key facet of the OECD’s work centred around how Skills imbalances can negatively affect economic growth through their consequences on increased labour costs; lower labour productivity growth; and slower adoption of new technologies. Additionally, OECD notes that skills mismatches can increase unemployment and reduce a government’s tax revenues. Businesses that suffer from longer-term skills shortages may be constrained in their productivity, innovation, competitiveness, and growth, and may also result in increased hiring costs and higher staff turnover. At the individual level, skills mismatches can cause people to experience higher risk of unemployment relative to well-matched workers, lower wages, lower levels of job satisfaction and the attrition of their skills over time. Reducing skills imbalances could, therefore, help Northern Ireland to enjoy significant economic and social benefits. Within this context, the OECD identify the reduction of economic inactivity as a key opportunity to minimise skills shortages. In light of Northern Ireland’s comparatively high levels of economic inactivity, consideration will need to be given to the most effective means of (re)activating those who are inactive in the labour market, as well as preventing them from becoming inactive in the first place.

The OECD report confirms that the “economically inactive” are a heterogeneous group with a range of differing barriers to skills activation and employment, which require separate consideration. This recognition of different barriers and complex needs should be a key feature in LMP’s thinking. The OECD Skills Strategy proposes opportunities for Northern Ireland across a range of areas. These are noted below, with those opportunities which OECD identified as being an area for Local Council involvement highlighted in bold.

* **Reducing skills imbalances in Northern Ireland**
  + **Opportunity 1:** Improving individual career choice through the provision of enhanced career guidance.
  + **Opportunity 2:** Strengthening the responsiveness and flexibility of the tertiary education and vocational education and training systems.
  + **Opportunity 3:** Reducing economic inactivity to minimise skills shortages.
  + **Opportunity 4:** Improving labour mobility to meet skills demand.
* **Creating a culture of lifelong learning in Northern Ireland**
  + **Opportunity 1**: Starting the development of a culture of lifelong learning early in life.
  + **Opportunity 2:** Increasing adults’ motivation to learn.
  + **Opportunity 3:** Removing barriers for individuals and employers to adult learning opportunities.
* **Transforming workplaces to make better use of skills in Northern Ireland**
  + **Opportunity 1:** Strengthening management and leadership capabilities.
  + **Opportunity 2:** Developing engaging and empowering workplaces.
  + **Opportunity 3:** Strengthening support structures for businesses.
* **Strengthening the governance of skills policies in Northern Ireland**
  + **Opportunity 1:** Making sustainable funding arrangements and committing to an overarching strategy for Northern Ireland’s skills system.
  + **Opportunity 2:** Increasing co-ordination and information distribution across the whole of government.
  + **Opportunity 3:** Improving employer engagement in the governance of skills policies.

Evidently, there is a broad selection of areas where Councils are recommended to be involved. A key point from the OECD Skills Strategy is partnership working. Hence, a LMP can serve as an important vehicle in driving the employability and skills agenda.

# Appendix 3: Consultee List

**Background**

Consultations and engagement with key stakeholders were a key component in the development of the LMP Action Plan. The consultations were used to capture key insights and expert opinions regarding the Derry City and Strabane District Council labour market. Overall, the consultations helped develop the actions underpinning the LMP by identifying areas of need, opportunity, or risk:

* The key current employment trends within the area and areas of opportunity.
* The key labour market challenges currently and going forward.
* The current suite of supports available.
* The purpose and activities a LMP could/should undertake.

**Who We Met**

Grant Thornton engaged with key personnel from the following organisations as part of the consultation process:

* Disability Employment Network
* Foyle Women’s Information Network
* Women’s Centre Derry
* Waterside Women’s Centre
* Success North West
* NI Tourism Alliance
* Enterprise NI
* Manufacturing NI
* Include Youth
* Allstate
* Local Growth Partnerships
* Local Community Planning Boards

1. https://www.communities-ni.gov.uk/system/files/publications/communities/frs-202122.pdf [↑](#footnote-ref-1)
2. The 2021 Census has a different breakdown of data for age brackets to the 2011 Census and as a result the data cannot be compared at present. [↑](#footnote-ref-2)
3. https://www.communities-ni.gov.uk/publications/northern-ireland-poverty-and-income-inequality-report-2021-22 [↑](#footnote-ref-3)
4. Prevalence measures the proportion of people in each group who are in poverty [↑](#footnote-ref-4)
5. In 2022 the education section of the Labour Force Survey/Annual Population Survey was updated to reflect the current regulated qualifications framework (RQF) for England and Northern Ireland and new types of qualifications that were not previously captured. Data therefore is only available for 2022 and cannot be compared to previous years. [↑](#footnote-ref-5)
6. https://www.hatsnetwork.co.uk/state-of-the-workforce-2023 [↑](#footnote-ref-6)
7. https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-disability-within-northern-ireland-labour-market-2022.pdf [↑](#footnote-ref-7)
8. While this section endeavours to be a comprehensive overview of the main elements of support available (based on desk research and consultations), it does not claim to be a directory or audit of every programme available. [↑](#footnote-ref-8)
9. The current colleges that deliver Essential Skills are; Belfast Metropolitan College (MET), Northern Regional College (NRC), North West Regional College (NWRC), South Eastern Regional College (SERC), Southern Regional College (SRC) and South West College [↑](#footnote-ref-9)
10. Labour Market Statistics: UUEPC Briefing Paper 23rd March 2021, UUEPC (2021); <https://www.ulster.ac.uk/__data/assets/pdf_file/0008/830969/NI-Labour-Market-Briefing_FINAL.pdf> [↑](#footnote-ref-10)
11. NI Audit Office (2018), ‘Performance management for outcomes – A good practice guide for public bodies’, <https://www.niauditoffice.gov.uk/sites/niao/files/media-files/NIAO_performance%20management%20for%20outcomes.pdf> [↑](#footnote-ref-11)