

Name of meeting: Economy and Neighbourhoods Scrutiny Panel

Date: 10 October 2018

Title of report: Kirklees Employment and Skills Plan

Purpose of report To consider progress and further development of the Kirklees Employment and Skills Plan

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	As above
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	Karl Battersby
Is it also signed off by the Acting Service Director for Finance IT and Transactional Services?	n/a
Is it also signed off by the Service Director for Legal Governance and Commissioning Support?	n/a
Cabinet member portfolio	Cllr Peter McBride

Electoral wards affected: All

Ward councillors consulted: At this stage none

Public or private: Public

1. Background and Context

The Leeds City Region (LCR) Employment and Skills Plan

- 1.1 The LCR Employment and Skills Plan sets out how the LEP and partners will work together to contribute to the vision of the LCR Strategic Economic Plan. The plan, see appendix 1, aims to address skills gaps and shortages that are a barrier to growth in order to create more skilled people and better jobs. It plans to do this in by creating great education connected to businesses, increasing employability, building workforce skills, creating more and better apprenticeships and raising the bar on higher level skills and focusses on three priority sectors; Infrastructure, Digital and Engineering and Manufacturing.
- 1.2 The Plan was launched in 2016 and was produced with input providers across the spectrum of HE, FE, private and VCS, employers and employer rep's and LAs. Discussion took place at LEP Boards and Panels, via written responses and in a series of thematic round table/workshop sessions. My assessment is that the input from employers, particularly Kirklees employers, was minimal.

The Kirklees Employment and Skills Plan

1.3 The Kirklees Employment and Skills Plan was prepared to support delivery of needs identified in our Post 16 Strategic Needs assessment <file:///C:/Users/SueWeston/Downloads/Kirklees%20District%20Strategic%20Needs%20Assessment%202018.pdf> and priority 3 of the Kirklees Economic Strategy which is currently undergoing refresh.

1.4 Delivery of the employment and skills plan contributes to the Council's shared outcomes specifically, **Sustainable Economy, Aspire and Achieve** and **Best Start**

The impact of our and our partners work will be measured through the corporate performance monitoring system. The specific population indicators relating to our work and outcomes will be;

- Adults qualified to Level 4 or above (i.e. equivalent to BTEC)
- Disposable income per household (£)
- Productivity per head (£) – Gross Value Added

1.5 Headline data from the post 16 strategic needs assessment includes, but is not limited to;

- Approximately 25% of our residents having no or low skills.
- Approximately 30% having higher level skills
- Median weekly wages remain below regional and national averages
- GVA per hour worked being amongst the lowest in the City and wider region
- On average, 39% of employers not training their staff
- On average, 74% of employers not providing work experience
- Shortages in STEM technicians in Yorkshire and Humber being around twice the average. As Kirklees has double the concentration of manufacturing jobs and a higher than regional average for construction we are particularly susceptible to these shortages.
- The number of starts in higher and degree level apprenticeships being low.

This headline data translates into the following high level needs which require maximising both regional and local interventions;

- Close the productivity gap
 - Stimulate employer investment in skills and employment
 - Create productive employees
- Increase higher level skills
 - Build on our institutional strengths
 - Focus on our key and priority sectors, which includes health and social care and, in terms of some of our spatial activity, may require the need to revisit our approach to retail and hospitality
 - Create clear technical and professional routes which
 - Increase demand for apprenticeships from adults / employees.
 - Widen participation from underrepresented groups
- Deliver economically relevant information, advice and guidance
- Deliver inclusive growth by ensuring the benefits of local and regional investment opportunities reaches those residents who need it most
 - Strengthen use of planning and procurement
 - Understand supply chain opportunities and spend in our key businesses and anchor institutions in order to influence local spend.

In terms of what best looks like we are working with our corporate be looking to

1.6 Work on co-producing the Kirklees Employment and Skills Plan commenced with a Skills Summit held on the 6th February 2018. At this summit a number of presentations relating to the Industrial Strategy, regional priorities, local labour market

context and Kirklees' identified strategic needs (as detailed in paragraph 1.4) along with two workshops relating to Kirklees' key and priority sector needs (Infrastructure, Manufacturing and Engineering, Creative and Digital and Health and Social Care) and thematic discussions were held.

1.7 The results of these workshops were collated and used to inform future governance arrangements and the production of a plan on a page, see appendix 2.

1.8 Our priorities are as follows;

Leadership & collaboration

Employment and skills benefit from strong leadership, co-ordination, challenge and support which translates into an improved offer for both business and individuals.

Workforce Demand

Work with our key and priority sectors (Manufacturing and Engineering, Creative and Digital, Infrastructure and Health and social Care) to encourage investment, job creation and development of a coherent, quality and accessible offer.

Skills Supply

Deliver a skills offer which is integrated and inclusive, enabling individuals to access and achieve in work and further learning.

Reach and support

Ensure arrangements are in place to address gaps in employment and skills performance.

1.8 Each of the priorities has an associated ambition and list of headline actions and we use this to inform our work with internal and external partners. We are currently working with our partners to understand how they are contributing to the plan and identify practical activities which provide traction for achieving our overall goals. This will be drawn together into a more comprehensive delivery plan which we are planning to have in place by the end of November.

1.9 In line with discussions at the Summit, we are reviewing our economic partnership and accountability mechanisms and reviewing the establishment of existing internal arrangements.

The Kirklees Learning Strategy

1.10 The need for a learning strategy was identified by Executive Team following a review of Council policies and strategies in February 2018. A draft strategy was discussed with School leaders and partners at: the Learning workshop event held on 7th June 2018; at the Education and Learning Partnership Board (ELPB) on 13th June and 4th July; and in further detail at the Education Improvement Committee (EIC) on 18th July.

1.11 There are clear linkages in the Learning strategy to our work in the Post 16 Employment and Skills Plan and further work is required to align resources and leadership to meet the objectives in both strategies. It is acknowledged that the two strategies cannot be viewed exclusively. Commitment is needed to an integrated approach to learning and skills which takes a whole life approach.

1.12 Further conversations are required and planned to develop policy and operational coherence.

2. Does Kirklees need a local employment and skills plan?

2.1 Kirklees maximises use of the core LCR employment and skills offer to deliver or local ambitions. Working with our partners, we tap into the following key activities to maximise local take-up;

- Workforce Development: Kirklees businesses are signposted to the LEP Skills Service which supports SMEs to upskill staff.
- Apprenticeships: Kirklees businesses are signposted to the regional apprenticeship grant. We await a decision on the Routeways Employment Hub which should provide apprenticeship brokerage for businesses and individuals.
- Delivery Agreements: The Strategic Lead for Business and Skills attends a joint meeting with the LEP and Kirklees college to ensure the College' Adult Education Budget is delivering against local and regional economic priorities
- Talent Pipeline: We promote the regional careers campaigns for example #techgoals
- Careers Hub and Enterprise Advisers: We are one of 20 national Careers Hubs and work closely with our nominated Enterprise Adviser who works with schools to deliver Gatsby benchmarks and improve outcomes for young people.
- In-work Progression: We are maximising use of the Career Learning Pilot funding to provide much needed resource which aims to raise aspiration and motivation of adults.
- Labour Market Information (LMI): The LCR shares LMI with approximately 600 training providers to direct provision

2.2 However, the production of a local Employment and Skills plan enables us to;

- Strengthen local buy-in and commitment to delivering specific activity which meets Kirklees' needs particularly private sector business buy-in who, due to their size find it difficult to engage locally and regionally.
- Understand our strengths and gaps and be able to be clearer on what this means in terms of delivering key messages, influencing provision and informing funding bids and growth cases.
- Ensure we are clear on our needs and not chasing money
- Focus on Kirklees' key and priority sectors e.g. health and social care, textiles and furnishing focus of manufacturing as well as advanced manufacturing

2.3 Appendix 3 provides our most recent update on employment and skills activity for your information but I provide a short overview of examples of activity being undertaken against our headline actions.

- Engaging with Thinking Places to consider a sustainable model for engaging with business on economic matters with interim thematic discussions taking place to ensure the voice of the private sector and our strategic partners is heard e.g. Skills Summit, Kirklees Economic Strategy refresh workshops.
- Strategic partner buy-in to co-produce and deliver partner led leadership e.g. Kirklees College desire to lead next Skills Summit, C&K Careers leading newly established Employment and Skills Partnership
- Rail and Road Network led by Network Rail West Leeds Alliance and supported by Cllrs Mcbride, Walker and our employment and skills partners
- Preparation of a Comms Plan which sets out and 'asks' of business
- Emerging commission to analyse influencable spend of our 55 businesses who employ 250+
- Strengthening of planning policy and prototyping a brokerage "service" for maximising employment and skills opportunities from developments of greater than 3500 sq m
- Commissioning of our third sector providers to deliver Community Learning Works and building their capacity to bid for and successfully win a greater number of direct skills and employment contracts

- Integration of the business and skills team and establishment of the Strategic Leaders of Business and Skills Support to build relationships and maximise cross referrals and collaboration.
- Successfully winning the Jobcentre Plus Flexible Support Fund to address gaps in our employment offer

How will we know we have succeeded, what does good look like?

- 2.4 As detailed in 1.4, delivery of the employment and skills plan contributes to the Council's shared outcomes specifically, **Sustainable Economy** and **Aspire and Achieve** and **Best Start**.

The impact of our and our partners work will be measured through the corporate performance monitoring system. The specific population indicators relating to our work and outcomes will be;

- Adults qualified to Level 4 or above (i.e. equivalent to BTEC)
- Disposable income per household (£)
- Productivity per head (£) – Gross Value Added

- 2.5 As mentioned previously, paragraph 1.8, we have created a set of ambitions which align to each priority. These are as follows;

Leadership & collaboration

Our arrangements will deliver an employment and skills system which is accessible, responsible and integrated for individuals, employer and partners.

Workforce Demand

Our businesses will have access to an appropriately skilled, motivated and productive workforce to drive growth and employment.

Skills Supply

Our employment and skills system will provide sufficient quality places and routes which will help to ensure the best outcomes for residents and businesses.

Reach and support

It will be easier for our key and priority sectors and residents who are in most need to be able to achieve their growth potential.

Achievement of these ambitions will also be captured via the corporate performance population indicators.

- 2.6 More specifically, we will measure achievement of our headline actions using the delivery plan which contains action and timeframes. We are currently working with partners to specify how they can contribute to the headline actions and will create a measurable deliver plan to monitor our ongoing activity.

- 2.7 Specific Council activity which supports delivery of the plan is already monitored through our team performance indicators. These are, as follows;

- Number of residents (post 16 / adults) supported through Employment and Skills provision managed by ER
- Number of people moving into work and apprenticeships as a result of Council Employment and Skills provision
- Number of businesses assisted by SME Growth Managers
- Number of anticipated jobs created from SME GM referrals to regional, national and European business support products

3. Information required to take a decision

N/A.

3. Implications for the Council

There are no specific implications arising from this report however it is worth noting that the impact of successful delivery of the local employment and skills plan enhances our residents and our businesses productivity and ability to do more for themselves which has a positive impact on the following thematic areas of work.

4.1 Early Intervention and Prevention (EIP)

4.2 Economic Resilience (ER)

4.3 Improving Outcomes for Children

4.4 Reducing demand of services

4.5 Other (e.g. Legal/Financial or Human Resources)

5. Consultees and their opinions

Not applicable.

6. Next steps

The Overview and Scrutiny Panel for Economy and Neighbourhoods takes account of the information presented and considers the next steps it wishes to take.

7. Officer recommendations and reasons

7.1 The Economy and Neighbourhood Scrutiny Panel endorse the need for a local Employment and Skills Plan and understand the importance of this plan as a tool for galvanising delivery which meets the specific needs of our residents and employers and how it strengthens our ability to influence local partners, private sector business, regional and national delivery.

7.2 The Economy and Neighbourhood Scrutiny Panel acknowledge the progress made to date and how this demonstrates the benefits of creating a local plan and the reason to continue with this approach.

7.3 The Economy and Neighbourhood Scrutiny Panel acknowledge the ambition to further strengthen co-production and buy-in by partners, including private sector business as this will enable the value of local investment, wealth building and growth to reach those who need it most. This includes the production of a more detailed delivery plan which is planned for completion by December and will contain specific measurable actions and timescales.

7.4 The Economy and Neighbourhood Scrutiny Panel acknowledge that further work is planned to take place to integrate the Learning Strategy with the Post 16 Employment and Skills Plan and that officers and partners understand the strategies cannot be viewed exclusively.

8. **Cabinet portfolio holder's recommendations**

The portfolio holder, Councillor Peter McBride agrees with the approach outlined above in the officer recommendations.

9. **Contact officer**

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10. **Background Papers and History of Decisions**

The executive overview of the Leeds City Region Employment and skills Plan, the Local Employment and Skills Paper and the Employment and Skills Update.

11. **Service Director responsible**

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