

**Report to the City of Nottingham
and Nottinghamshire Economic
Prosperity Committee**

24th February 2017

Agenda Item: 4

REPORT OF THE CHIEF EXECUTIVE, RUSHCLIFFE BOROUGH COUNCIL

SKILLS AND EMPLOYABILITY STRATEGY 2017-2020 – DRAFT & FEEDBACK

Purpose of the Report

1. The purpose of this report is threefold, namely:
 - a. To outline the background behind the review of the strategy (previously discussed at the June and September 2016 Committees meetings), the major themes covered by the new strategy and a summary of the responses provided by N2 District Local Authorities to the draft.
 - b. To receive endorsement of the Skills and Employability Strategy 2017 - 2020 and agreement to work through the D2N2 LEP governance to ensure all Authorities are engaged in the action plans to deliver the outcomes of the strategy.
 - c. To agree the next steps and actions for skills and employability:
 - i. Explore the opportunity to work across the public sector to maximise the return from the introduction of the apprenticeship levy.
 - ii. Carry out a countywide review of the existing projects and programmes which aim to improve employability skills.
 - iii. Identify a district level skills champion to support the work and ensure the governance arrangements are inclusive (this is an outstanding action).
 - iv. Longer term - receive a report on the outcomes of the Area Based Review which should help to define the current and future provider landscape.

Background

2. The D2N2 Skills and Employability Strategy (Annex A) sets out a comprehensive 3 year plan for the joined up delivery of social inclusion, employment and skills programmes. This will work alongside other D2N2 strategies to deliver the vision of creating 55,000 new jobs by 2023 and to drive up economic prosperity.

3. Over the last few months D2N2 has consulted with key stakeholders in Derby, Derbyshire, Nottingham and Nottinghamshire on initial findings of research and analysis which were then used to inform the refresh of the D2N2 Skills and Employability Strategy.
4. The overarching priority is for the D2N2 LEP and stakeholders to lobby central government for national changes and more local control over how skills delivery should be tailored for local need. The Strategy will be used to evidence to central government that stakeholders locally are willing and able to work collaboratively to meet the needs of individuals, business and the economy.

Strategy Overview

5. The D2N2 Skills and Employability Strategy identifies five key priorities:
 - Preventing education organisations from operating like market oriented organisations i.e. from focusing on the protection of funding rather than concentrating on high quality outcomes for students.
 - Ensuring coherent and targeted Information and Guidance (IAG), careers insight and specialist careers support for young people and adults to raise aspiration, participation, employability and retention.
 - Meeting the needs of local employers – supporting them to fill vacancies and getting people work ready.
 - Developing coherent pathways linking schools to further education (FE) and FE to higher education (HE).
 - Developing coherent pathways from engagement in the community to skills provision to improve employability.
6. If successful the strategy will:
 - Engage 3,600 employees and 1,500 small and medium-sized enterprises (SME) through sector growth, create 300 SME placements and 500 higher apprenticeship roles, create 1000 new apprenticeships and support 800 small and medium-sized enterprises to create apprenticeship positions.
 - Support 11,000 unemployed people across D2N2, in addition 5,500 young people not in education, employment or training, while providing 3,700 sustainable jobs for the unemployed.
 - Provide business to business skills support to enable business growth for up to 500 SMEs and engage with 600 employees.
 - Develop a higher skills programme including the development and delivery of technical programmes to support our growth sectors and employment sectors.
 - Implement the D2N2 Employability Framework and extend the Enterprise Adviser Network to provide joined up mechanisms for business to work with schools and colleges, to raise the image of key priority sectors and foster entrepreneurial behaviour.
7. The strategy provides a comprehensive evidence base which clearly demonstrates the need for a focus on skills and employability. An executive summary (included in appendices) has been prepared which summarises the key points from the data analysis.

Feedback Overview

8. Responses to the draft were received from all of the N2 Local Authorities, with the majority of replies being broadly positive, with an agreement that the overarching principles of the strategy are correct.
9. A number of key or common points came out from the responses, of which a summary is set out in the table below. Copies of the full responses received are available to view upon request.

Issue	Comment
Length and layout	<ul style="list-style-type: none"> Some concerns of too much detail, which may overwhelm the core principles of the subject matter. The action plan needs more detail to enable it to be effectively monitored e.g. completion dates, responsible officer etc. The executive summary should make reference to the key priorities and the action plan.
Localisation	<ul style="list-style-type: none"> The strategy does not focus enough on more localised issues. It has been suggested that an appendix identifying particular challenges and needs for intervention would be beneficial. It has been suggested that a table format to capture the skills gaps and shortages would be more useful by sector vacancies; skills shortage vacancies and skills shortages by occupation. These could then be used to identify particular hotspots for engagement.
Transport	<ul style="list-style-type: none"> It does not cover the issues of rural transport problems, with some rural areas now having no public service access to other areas of employment. Additionally transport is a key requirement for many as higher level qualifications are generally in areas with strong education provision (e.g. cities with universities), forcing travel to these areas.
Development	<ul style="list-style-type: none"> The strategy could make more of the current and proposed high level of physical growth through both D2N2 projects and housing growth, leading to potential opportunities to contribute to the skills agenda.
Youth Engagement	<ul style="list-style-type: none"> Consideration should be given to developing means of engaging the interest of young people in the world of work through non-traditional means, such as games, music, apps etc. Currently it is a little too 'top-down' and does not propose anything particularly different than what has been done before.
Enterprise/employability skills	<ul style="list-style-type: none"> Enterprise skills and employability skills are very different but this is not reflected in the strategy as they are included together There is too much emphasis on qualifications rather than qualities such as attitude, willingness to learn etc.

Apprenticeship levy	<ul style="list-style-type: none"> • The introduction of this will lead to changes in how we seek to increase skills levels in all businesses and suggest the creation of a Regional Sector Skills Levy Group to maximise return from levy contributions.
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Proposed next steps

10. Four proposed next steps have been identified to ensure we retain the focus on this important agenda (see Annex B: Actions Table):

- a. Explore the opportunity to work across the public sector to maximise the return from the introduction of the apprenticeship levy.**
 - The formation of a regional Public Sector Skills Levy Working Group to consider options and opportunities arising from the introduction of the levy e.g. joint standards, communication and procurement.
 - To begin work as soon as possible with a view to using year one of the levy as a learning curve whilst formalising a future implementation strategy to fulfill the demand in key public sector services with delivery of the relevant options from year 2 onwards.
- b. Carry out a countywide review of the existing projects and programmes which aim to improve employability skills.**
 - Employability skills is consistently identified as an issue and various initiatives have been tried to deal with this. One of the more recent of these is the Enterprise Advisor Network; it is identified in the strategy that this should be extended, whilst promoting the best practice across the City and County.
 - First however we need to better understand what each Authority is delivering across the county and what this is achieving locally and how this can be expanded or integrated to achieve a consistent approach.
 - This will lead to more joined up and coordinated delivery of this work to ensure that we are meeting the needs of our young people and our businesses in a comprehensive and coherent way.
- c. Identify a district level member to be the skills champion to support the skills work and attend relevant meetings to ensure political and Economic Prosperity Committee representation within the existing and future governance arrangements.**
 - This is an outstanding action from previous EPC meetings.
 - For effective delivery of skills and employability we need to ensure that the correct governance arrangements are in place.
- d. Longer term - receive a report on the outcomes of the Area Based Review which should help to define the current and future provider landscape.**

Other options considered

11. The options available are set out in the preceding paragraphs.

Reason for recommendations

12. To provide clarity on what the Economic Prosperity Committee can do to support the City and County area wider aims for improving skills and employability and the contribution that can be made towards achieving positive outcomes for local people and businesses.

Statutory and Policy Implications

13. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

14. There are no financial implications arising as a consequence of this report.

RECOMMENDATIONS

15. It is recommended that members of the Economic Prosperity Committee:
- a. Endorse the Skills and Employability Strategy 2017 – 2020
 - b. Support the formation of a Regional Public Sector Skills Levy Working Group to explore opportunities for joint working and maximising the returns from the introduction of the apprenticeship levy
 - c. Agree for the Chief Executive of Rushcliffe Borough Council to lead on a County and City review of existing programmes that are designed to improve employability skills
 - d. Identify a district level member to be a skills champion
 - e. Include the outcome of the Area Based Review on the future work programme

Allen Graham
Chief Executive, Rushcliffe Borough Council

For any enquiries about this report please contact: Catherine Evans, Economic Growth Manager, Rushcliffe Borough Council, 0115 914 8552

Background papers

None

Electoral Division (s) and member(s) Affected

All