



6th January 2015

Agenda Item: 5

REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY

N2 SKILLS AND EMPLOYMENT BOARD

Purpose of the Report

1. To introduce Committee to the work of the Nottingham and Nottinghamshire (N2) Skills and Employment Board.

Background

2. Members will recall that the N2 Skills and Employment Board was established in Spring 2014 with strategic responsibility for making sure the skills and employment support landscape across N2 best supports business growth and job creation. This work supports the D2N2 target to create 55,000 private sector jobs by 2023.
3. The N2 Skills and Employment Board reports to the N2 Economic Prosperity Committee and also to the D2N2 Local Enterprise Partnership. The Chair of the N2 Skills and Employment Board, Martin Rigley, sits on the D2N2 Skills Commission. The membership of the Board (Annex 1) includes employers in key priority sectors for Nottingham and Nottinghamshire.
4. The N2 Skills and Employment Board is supported by a Skills and Employment Partnership Manager. This role is for a fixed two year period and is funded by the County Council, City Council and D2N2 with each organisation contributing £25,000 in total. The post holder is employed by the City Council but jointly managed by the County Council.

Priorities for Employment and Skills

5. The N2 Skills and Employment Board has identified four priorities where developments are needed to drive growth and job creation:
 - a. Making the skills and employment support landscape simpler and more accessible for employers and individuals.
 - b. Developing an 'early years to employment' approach which ensures that young people in Nottingham and Nottinghamshire are prepared for the world of work and the future needs of our economy.
 - c. Re-engaging unemployed and disengaged people through pathways that prepare and reintroduce them to the labour market.

- d. Ensuring the local workforce develops the higher level skills needed to increase business productivity and competitiveness whilst enabling individuals to fulfil their potential.
6. As set out in the Nottingham and Nottinghamshire Growth Plans and the D2N2 Strategic Economic Plan, actions are needed to support jobs growth in the priority sectors and to enhance competitiveness. By focusing resources we can stimulate jobs growth and harness the potential of businesses in Nottingham and Nottinghamshire.
7. A number of sectors have been selected by the N2 SEB, these include the high value D2N2 'areas of economic focus' and sectors which are projected to grow significantly in employee numbers, for the County these are social care and health.
8. The local economy continues to re-balance and demonstrate growth in the private sector. Occupations and skills needs are changing, there are four occupational groups which are expected to add net new jobs, these are Professional; Caring, Leisure and Other Services; Managers, Directors and Senior Officials; Associate Professional and Technical.
9. This highlights a rise in jobs requiring intermediate to high level qualifications, including degree level qualifications. In contrast, the demand for people with low or no qualifications will continue to decline. There have been significant improvements in the levels of qualifications attained and productivity of employees in Nottingham and Nottinghamshire in recent years, but the pace of change has not been sufficient to close the gap with regional or national rates.
10. Employers are experiencing skills shortages arising from new technologies. Around half of Nottingham and Nottinghamshire employers with skills gaps identified the development of new products and services and the introduction of new technologies as contributory factors in giving rise to skills gaps. The breadth of skill sets required is widening as employers report IT and digital technology know-how, alongside customer service skills becoming relevant to a much wider range of occupations and job roles.
11. In Nottinghamshire as in other parts of the country, it has been identified that progression into today's labour market is becoming increasingly difficult for young people. CBI surveys report that around half of employers believe that young people are insufficiently equipped with the skills they need on job entry. The N2 Skills and Employment Board is looking to build upon examples of good practice that help to bridge the gap between school and the world of work, such as the employability model developed and delivered by the Mansfield Learning Partnership.
12. If we are going to meet the future skills needs of our economy we need to ensure that everyone within the labour market is able to play an active role. Within Nottingham and Nottinghamshire there are disadvantaged groups and it is vital that programmes are effective in supporting these groups to participate in the labour market.

13. There are also geographical locations or 'hot spots' within Nottingham and Nottinghamshire experiencing high numbers of people on out of work benefits and subsequently disadvantage. In order to ensure best value for public investment in employment and skills, provision must be targeted at these groups and the geographic areas in most need.

Resources and Outputs

14. The resources to deliver activities will come from a number of sources including the European Structural Investment Funds. Around £46m of European Social Fund (ESF) and matched funding has been allocated to programmes related to employment, skills and enterprise across the D2N2 area until 2020. The detail of these allocations is set out in the Local Implementation Plan (LIP) currently being developed by the D2N2 LEP and partners.

15. The N2 Skills and Employment Board support the D2N2 target to create 55,000 private sector jobs by 2023. To ensure progress against this target, the Board will agree a set of performance metrics. These are currently being agreed and baselines set but are likely to include:

- a. Every young person across N2 has the opportunity and support to engage in productive training, education or a job
- b. Year on year improvement in employment rates across N2
- c. N2 workforce productivity improves year on year to become higher than the national average by 2020

Recent activity and next steps

16. The N2 Skills and Employment Board are reviewing actions that need to be taken by partners across Nottingham and Nottinghamshire to achieve change. This includes what business can do to drive change forward – working with schools to give children a view of the world of work, ensuring colleges and training providers have the information they need to help students progress into real and exciting job opportunities and creating jobs that all residents can access.

17. The Board is also reviewing actions that all partners could and should do to support the implementation of this agenda. The N2 SEB will hold all partners to account to ensure that the best value is secured for public and private investment.

18. The next steps for the N2 Skills and Employment Board are to:

- a. Publish the N2 Skills and Employment Board Strategy for 2015 – 2020 setting out the evidence and recommendations for actions under the four priorities.
- b. Develop and publish sector profiles, including labour market information and future skills needs for Nottingham and Nottinghamshire priority sectors. The profiles can be used by schools, colleges, independent training providers, careers advice and guidance professionals and

- students to inform pathways through education that link to real job opportunities.
- c. Work closely with the D2N2 LEP to establish an action plan to implement an 'employability model' and then embed this work.

Reason(s) for Recommendations

19. The work of N2 Skills and Employment Board can inform the approach of the Economic Development Committee when considering policy to support employment and skills. Keeping Committee members updated on the emerging priorities of the N2 Skills and Employment Board is therefore considered appropriate.

Statutory and Policy Implications

20. 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 only), the public sector equality duty, safeguarding of children and vulnerable adults, 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.

RECOMMENDATIONS

21. It is recommended that Economic Development Committee note the work and the priorities for the N2 Skills and Employment Board.

Report of the Group Manager, Corporate Strategy, Celia Morris

For any enquiries about this report please contact:
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Constitutional Comments

This report is for noting only.

Financial Comments [SEM 19/12/2014]

There are no specific financial implications arising directly from this report.

Background Papers

NA

Electoral Division(s) and Member(s) Affected

All.

N2 Skills and Employment Board

Martin Rigley

Chair
Managing Director
Lindhurst Engineering
Sector: Low Carbon Economy

Nigel Hooson

Group Training Manager
Hardstaffs
Sector: Logistics

Gill Heppell

Managing Director
Percurra
Sector: Health and Social Care

John Mattinson

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Boots
Sector: Life Sciences and Retail

Adam Swash

Head of Strategy and Research
Experian
Sector: Professional services

Zoe Gallagher

ZG Associates
Sector: Construction

Jackie Brocklehurst

Head of Health Education East Midlands
National Health Service
Sector: Health and Social Care

Mo Kelly

Managing Director
Sasie
Sector: Low Carbon Economy

Councillor Diana Meale

Chairman, Economic Development Committee
Nottinghamshire County Council

Councillor Nick McDonald

Portfolio Holder for Jobs and Growth
Nottingham City Council

Councillor Kate Allsop

Representative for District Councils
Portfolio Holder for Economic Regeneration
Mansfield District Council

Natalie Gasson

Federation of Small Business

George Cowcher

East Midlands Chamber of Commerce

Vacancy

Sector: Creative Industries

Vacancy

Sector: Visitor Economy

Vacancy

Sector: Food and drink manufacturing

Vacancy

Voluntary and Community sector

Observer status

Celia Morris

Group Manager
Corporate Strategy
Nottinghamshire County Council

Nicki Jenkins

Head of Employment and Skills
Nottingham City Council

Jean Sharpe

District Operational Leader
DWP

Michael Nichol

Skills Funding Agency