Southend-on-Sea Borough Council

Report of the Deputy Chief Executive

(Place)

То

Cabinet

On

19th September

Report prepared by: Chris Burr, Economic Growth Group Manager

Towards a Skills and Labour Market Strategy for Southend-on-Sea - Consultation Paper

Executive Councillor: Councillor Ann Holland Part 1 (Public Agenda Item)

1. Purpose of Report

- 1.1 To update Cabinet on the development of a Skills and Labour Market Strategy for Southend-on-Sea 2018-22.
- 1.2 To seek Cabinet's endorsement of the draft 'Towards a Skills and Labour Market Strategy for Southend-on-Sea Consultation Paper – October 2017' to be considered at September Cabinet for approval, ready for a wider consultation process.

2. Recommendation:

That the draft '*Towards a Skills and Labour Market Strategy for Southend-on-Sea Consultation Paper – October 2017*', is endorsed to be considered at Cabinet on 19th September 2017.

3. Background

- 3.1 In November 2013, Cabinet agreed the 'The Need for a Southend Skills Strategy' report [Item 437]. This identified the absence of a shared skills strategy which unites all stakeholders in a joint vision and understanding of the current position, future opportunities and how those might be maximised for the benefit of the individual, the business, and the town; and the resulting need for a Southend Skills Strategy to co-ordinate an approach to tackling these significant issues.
- 3.2 Officers from the Economic Growth Group and Learning Directorate have been working together to develop a framework for a Skills and Labour Market Strategy for the borough. The proposed strategy will aim to develop a cohesive and borough-wide approach to skills development.
- 3.3 An initial scoping paper went to pre-Cabinet Scrutiny in October 2016 and the discussion and feedback used to inform this next stage of work.

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- 3.4 The strategy will be produced as part of a refreshed approach to shape the development of Southend as a place. The new documents, which together contribute to this approach, include:
 - Southend-on-Sea Borough Council Digital Strategy 2017-20
 - Southend-on-Sea Borough Council Economic Growth Strategy 2017-22
 - Southend-on-Sea Borough Council Tourism Strategy and Destination Plan 2017-27

Each of these strategies addresses a specific theme, critical to the effective development of the borough during the next ten years. The strategies are designed to be specific and separate but strongly interlinked so as to ensure that the delivery of individual projects can constitute more than the sum of its parts and maximise contribution to the creation of a better Southend.

3.5 It is timely for the Council to now produce a skills strategy that builds upon existing evidence and clearly articulates Southend's interests in its wider economic context. The South East Local Enterprise Partnership (SELEP) has recently commenced work on a new skills strategy for the LEP area as well as a new Strategic Economic Plan. The Growth Strategy adopted by Opportunity South Essex in 2016 also identifies skills as one of its priority areas.

4. Method

- 4.1 An evidence base covering a wide range of relevant data sources and metrics has been compiled and summarised in order to inform the strategy (background paper).
- 4.2 A two-stage consultation process has been implemented to maximise collective buyin from stakeholders; intended to result in a 'borough-wide skills strategy'.
 - Stage one of the process has already taken place via the range of workshops and interviews. This has included officers from all Council departments, Councillors, school representatives and a range of businesses. The feedback received through this consultation, in addition to that arising from pre-Cabinet scrutiny, has been considered in the development of the Consultation Paper.
 - Stage two of the process will see the circulation of a Consultation Paper (attached at Appendix 1) to the wide range of stakeholders identified within the skills stakeholder mapping exercise. Consultees will be asked to answer eleven key questions. Consultation responses will enable us to further distil the current work into a single, succinct skills strategy that is supported by stakeholders from across the borough.
- 4.3 The final strategy will detail a range of objectives, with priorities, rationale, and delivery ideas. These will be designed to assist in closing skills gaps, addressing issues, improving the skills system and maximising benefit to borough residents.

5. Consultation Paper Overview – Key Features

5.1 The Consultation Paper has been written as a document for discussion – not a final strategy. It provides a summary of the evidence base, discussion of key issues and suggests some priorities to steer future activities. These sections are designed to show the relevant socio-economic context and the key factors relating to the demand and supply of labour and skills in Southend.

The Consultation Paper then goes on to set out five key 'Ambitions' with relevant objectives, rationale, and delivery ideas.

- 5.2 The key 'ambitions' identified in the document are:
- 5.2.1 **Leadership** This ambition sets out the need for strong collective leadership within the skills provision sector. It also highlights the role that the Council can play in influencing and enabling a progressive labour market. This includes influencing, delivery, enabling and advocacy roles that could be performed by the Council and other relevant stakeholders.
- 5.2.2 Life Transitions This ambition focuses on key resident life transition points. These transition points are important junctures in an individual's life that warrant additional skills support. They include: early years (0-4), transition to high school and subject choice, transition from school to work, university to work, becoming a parent, redundancy/career change and up-skilling of existing employees. The Consultation Paper proposes that using these points, and a focus on the most deprived neighbourhoods and families, to inform a delivery framework will maximise positive impact for residents and the local labour market.
- 5.2.3 Agility in provision This ambition focusses on the future skills needs of our businesses and residents. The Consultation Paper suggests strengthening the provision of 'millennial' skills, including communications, technical, digital literacy and entrepreneurial skills to maximise the mobility of labour (and subsequent resilience of the local economy) and prepare for the future, unrealised skills needs of employers.
- 5.2.4 Skills Charter and Virtual Academy for Skills and Employment (VASE) This ambition focuses on: (a) encouraging a commitment from all stakeholders via a 'skills charter'; and, (b) further developing the VASE project. The skills charter will set a clear range of principles that stakeholders (council/businesses/educators/learners) will agree to adhere to. From this, gaps within the skills system can be clearly identified and addressed. The VASE project will seek to utilise and capitalise upon major regeneration projects to ensure skills benefits and employment opportunities are maximised for local residents.
- 5.2.5 Utilising Assets and Networks This ambition focuses on making the most of existing 'hard assets' (schools, colleges, digital infrastructure) and 'soft assets' (people, sectoral specialisms, cultural heritage, industry links, networks) in order to catalyse further improvement in the skills system. Opportunities around digital technologies are particularly highlighted here.
- 5.3 Recognising the unprecedented nature of changes that have occurred in the global economy during the last 10 years and that this change brings both opportunities and challenges, the strategy will seek to create a system with the requisite agility and resilience to maximise benefit for residents over the long-term. The final strategy will also set out a decision making framework that can be utilised to inform decision making when external changes necessitate deviation from the strategy.

6. Next Steps

- 6.1 The consultation is proposed to commence at the start of October following this Cabinet cycle, and consultees will be asked to provide comment by the end of December.
- 6.2 A concise strategy document will be produced detailing the evidence, ambitions and actions relevant to the stakeholders with the drafting of the final strategy taking place in January 2018. This will be brought back to Cabinet in March 2018 for consideration prior to adoption.

7. Other options

- 7.1 Option 1 Do nothing. Decide not to pursue the development of a Skills and Labour Market Strategy and allow the market to continue as it is. The result of this would be an absence of community leadership on the subject and a lack of response to the issues identified in the first stage consultation and assessment.
- 7.2 Option 2 Seek further development or changes to the Consultation Paper prior to agreement and circulation. This is possible but would have an impact on timescales for delivery of the strategy and resulting implementation.
- 7.3 Option 3 Move straight to development of the strategy document without further consultation. As skills and labour market development cannot be addressed solely by the Council but is, instead, a cross-cutting issue the creation of a final strategy that fosters buy-in from a wide range of stakeholders is integral. Not doing so would risk disengagement from partners and carry risks in regards to consultation best practise. Therefore wider consultation to capture the breadth of issues to be addressed and support to do so is the recommended approach.

8. Reasons for Recommendation

8.1 The strategy aims to improve the Southend skills support landscape, raise ambition and skills levels, increase employment opportunities in local jobs and enable economic growth through equipping residents with the skills needed by business. A clear strategy for the Council and its stakeholders will play an integral role in maximising the benefit realised by local residents facilitating economic growth.

9. Corporate Implications

9.1 Contribution to Council's Vision and Corporate Priorities

Ensuring that residents are inspired and able to access training and education so as to secure meaningful and satisfying employment with the opportunity to progress, whilst also ensuring that the skills and training provision meets the needs of local businesses so as to appropriately equip the workforce, assists all objectives to lead towards a Safe, Clean, Healthy and Prosperous and Excellent Southend. In particular, the strategy will contribute to the aim of creating a "Prosperous" Southend.

9.2 Financial Implications

There are no immediate financial implications associated with circulating the Consultation Paper and progressing a skills strategy for the Borough. Enacting and implementing the strategy may have some budgetary impacts for a number of teams and budgets across the Council. Any costs will need to be approached on a case-by-case basis, in accordance with existing Council budgetary and expenditure protocols.

9.3 Legal Implications

We have taken advice on from the Communications Team to ensure that the Consultation Paper is based on good practice and does not conflict with Cabinet Office Principles or the 'duty to consult'.

9.4 People Implications

Officers from the Economic Growth Group and Learning Directorate will be responsible for undertaking and managing the consultation process. This will not require any additional resource.

9.5 Property Implications

There are no property implications associated with the Consultation Paper or process.

9.6 Consultation

A range of stakeholders, as set out in paragraph 4.2, have been consulted as part of the first stage. Through the second stage of consultation a wider base of stakeholders can be engaged to inform the strategy development and secure support for it.

9.7 Equalities and Diversity Implications

An Equalities Impact Assessment will be undertaken prior to the consideration of a full Skills Strategy by Cabinet in March 2018.

9.8 Risk Assessment

The principal risks associated with the Consultation Paper are reputational damage and policy conflict with external organisations. In order to mitigate this risk, the consultation process has been designed to take account of wider stakeholder views and include stakeholder feedback within the published Consultation Paper.

9.9 Value for Money

The consultation process for the Skills Strategy will be undertaken at minimal cost, utilising electronic means wherever possible. The activity will be covered within the existing budget of the Economic Growth Group.

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There are no Community Safety implications associated with the consultation and production of a Skills Strategy for the borough.

9.11 Environmental Impact

There are no Environmental Impact implications associated with the production of a Skills Strategy for the borough.

10. Appendices

10.1 Draft Paper – "Ambition Southend: Towards a Skills and Labour Market Strategy for Southend-on-Sea, Consultation Paper October 2017"

11. Background Papers

11.1 Skills and Labour Market Review for Southend-on-Sea, April 2017