

Southend-on-Sea Borough Council

Agenda
Item No.

Report of the Deputy Chief Executive
(Place)

To
Cabinet

On
19th June 2018

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Manager

Ambition Southend: Skills and Labour Market Strategy

Cabinet Member: Cllr James Courtenay
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 '*Ambition Southend: Skills and Labour Market Strategy for Southend-on-Sea – June 2018*' for adoption.

2. Recommendation:

- 2.1 **That the draft strategy is adopted by the Council.**

3. Background

- 3.1 In November 2013, Cabinet agreed the 'The Need for a Southend Skills Strategy' report [Item 437]. This identified the lack 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/co-ordinated approach to tackling the significant issues.
- 3.2 Officers from the Economic Growth Group and Learning Directorate have been working together to develop a draft Skills and Labour Market Strategy for the borough. The proposed strategy will provide a framework for a cohesive and borough-wide approach to skills and labour market development.
- 3.3 An initial scoping paper went to pre-Cabinet Scrutiny in October 2016, with a following report on the strategy consultation approach being considered by Place Scrutiny Committee in July 2017 [Item 355] before being considered by Cabinet in September 2017 [Item 317].

- 3.4 The Skills Strategy has been developed alongside the Economic Growth, Digital and Tourism strategies which were adopted by the Council June 2017. The relationships with these strategies, in reinforcing a whole-place approach, are made through the five ambitions set out in the strategy – such as recognising the role of skills provision for cultural and creative industries which is a growth sector for the borough and which are vital if the opportunities, presented by the investment in digital infrastructure, are to be maximised.
- 3.5 Southend 2050 and South Essex 2050 also provide important context for the strategy, setting out Southend’s aspirations for skills and learning at all ages and setting a direction of travel which will be shaped by the 2050 vision established and delivered through the implementation plan.

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). Data sources used to inform the strategy have included the Office for National Statistics, the Department for Education and the UK Commission for Employment and Skills.
- 4.2 Recognising that the skills landscape is complex with a variety of stakeholders who play vital, but different roles at different stages, significant amounts of consultation and engagement have been undertaken by the Economic Growth and Education teams with their key stakeholders. This work has been undertaken jointly, reinforcing the cross-cutting nature of skills in the borough, and has varied from school Head teachers to business leaders to internal stakeholders.
- 4.3 A two-stage consultation process has been undertaken to ensure stronger collective buy-in from stakeholders, intended to result in a skills strategy that is owned by the whole borough.
- Stage one of the process took place via a range of workshops and interviews designed to inform the strategy. This has included officers from all Council departments, Councillors, Southend Youth Council, Southend Business Partnership and a panel of education sector representatives (including local schools and colleges). The feedback received through this consultation, in addition to that arising from pre-Cabinet scrutiny, CMT and Cabinet has been considered in the development of the draft strategy.
 - Stage two of the process featured the public circulation of a consultation paper to the wide range of stakeholders identified within the skills stakeholder mapping exercise. Consultees were asked to answer eleven key questions. The question responses were used to further refine and distil the work into a single, succinct skills strategy that is supported by stakeholders from across the borough.

4.4 The feedback from the consultation has been analysed by the teams and by an independent analyst and addressed in the evidence base and/or the strategy where appropriate. Some of the main findings are reflected in section 5.

5. **Headline Findings**

5.1 Some key findings from the research include:

- There are multiple skills challenges and opportunities facing the borough.
- Southend-on-Sea has an open and growing labour market with low average productivity, attainment disparity and pockets of deprivation.
- Meeting future skills challenges will require agile skills provision that can quickly adapt to meet the needs of industry.
- Our residents will need better 'millennial' and enterprise skills to secure a productive life-long career.
- Despite some good practice, careers support is patchy and there is insufficient communication around vocational career pathways.
- Work experience has the capacity to reduce disengagement and better equip our residents for the labour market.
- There will be a significant number of opportunities stemming from the Borough's major regeneration projects in the future.

5.2 The consultation feedback included:

- The role and importance of experience of the workplace for those in education and seeking employment. There is an increasing requirement for young people to experience work placements, particularly with the introduction of T-levels, as well as the recognition that as people transition between careers or life changes work experience helps inform decisions, develops contacts and provides valuable experience. As a result of the strength of feedback about this it has been reflected as one of the strategy's ambitions. This is proposed to replace the Virtual Academy for Skills and Employment (VASE) as an ambition with VASE to be considered as a delivery mechanism within the implementation plan.
- The role of the voluntary sector has also highlighted as a key facet of skills development with a two-fold role. The first being the opportunity that volunteering provides to develop skills in a wide range of areas. The second being the use of volunteers as mentors and similar roles in supporting people at different stages of skills development and employment.
- The skills landscape and qualification system is still difficult for employers, parents, students to navigate to understand options available to them and the best way to achieve the outcome they are seeking. There is an identified need for better communication to overcome this which could be an objective of the proposed skills leadership group.
- Councillor feedback during the Scrutiny and consultation processes particularly related to data. There was a focus on monitoring metrics and data which are proposed for inclusion in the implementation plan. This included the recognition that some of the Council's economic growth activity is outside the borough boundary (Airport Business Park Southend) but needs to be captured in monitoring the impact of the strategy and its wider activity.

Some of the data suggested for inclusion is not available from national sources, working age is still defined as 16-64 for example so the increase in pensionable age isn't yet captured accordingly, but alternative sources or proxies will be sought where practicable.

6. Strategy overview – Key Features

6.1 The strategy paper provides: details of the existing support landscape, a summary of key findings from the evidence base and consultation process, discussion of key issues, a set of agreed outcomes and a range of five, key areas of focus to guide delivery in the future.

6.2 The strategic outcomes identified in the strategy are:

- Raised productivity
- Strong jobs growth
- Meeting the future workforce needs of local industry
- Increasing attainment and wages of the lowest earners
- Creating an inclusive workforce

6.3 The key ambitions for delivery in the document are:

6.3.1 **Leadership and communication** - This ambition defines the need to convene a leadership group amongst local key skills stakeholders. It also describes the need to facilitate better internal communication, lobbying, advocacy and promotion of skills activities and initiatives across the borough.

6.3.2 **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), primary school years, transition to high school and subject choice, transition from school to work, work experience and voluntary practice, university to work, becoming a parent, transition to and from caring, returning to work, overcoming adversity, redundancy/career change, pre-retirement and up-skilling of existing employees. The strategy 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.

6.3.3 **Agility in provision** - This ambition focusses on the future skills needs of our businesses and residents. The strategy proposes to focus resources on: a) building capacity for industry-led provision, through pursuing external funding and investment opportunities, and b) encouraging the development of "industry-transferable millennial and enterprise skills" amongst residents, in order to enable residents to make a lifelong contribution to the labour market.

6.3.4 **Experience of the workplace** - This ambition focuses on improving the quality and quantity of work experience placements available to residents, in order to maximise residents work readiness, help residents gain additional skills and maximise benefit for employers.

6.3.5 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.

6.4 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 includes a decision making framework that can be utilised to inform decision making when external circumstances necessitate deviation from the strategy. The framework proposes that in this instance decisions are made on their ability to contribute to: local job creation, meeting the requirements of local industry and contributing to workforce diversity.

7. Next Steps

7.1 Once formally adopted, stakeholders identified within the strategy will be engaged to convene a skills and labour market leadership group for the borough. This group will take responsibility for agreeing a collective vision, implementing the strategy and monitoring activity and accomplishments.

7.2 The leadership group will be supported to develop a Skills Strategy Implementation Plan which will detail the key activities to be undertaken, resources available and key metrics for measuring success. The implementation plan will feature activities undertaken by the council alongside activities and projects undertaken by other key stakeholders.

8. Other options

8.1 Do nothing. The Council could 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 leadership on the subject and a lack of co-ordinated response to the issues identified in the first stage consultation and assessment.

8.2 The Council rejects the existing strategy in order to develop an alternative strategy for developing the local labour market. This strategy has been developed upon a basis of extensive consultation and the most relevant and up-to-date evidence available. Therefore, it is believed to represent the most appropriate way forward at this time. Accordingly, it is not recommended that the Council rejects this strategy.

9. Reasons for Recommendation

9.1 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.

10. Corporate Implications

10.1 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.

10.2 Financial Implications

There are no immediate financial implications associated with approving 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. Further work will need to be undertaken on the costs involved in taking forward a Skills Strategy, which could be either Capital or Revenue expenditure and how these can be funded either internally or externally. Any costs associated for the Council will need to be addressed through the relevant year's budget setting.

10.3 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'.

10.4 People Implications

Officers from the Economic Growth Group and Learning Directorate will be responsible for overseeing the implementation of the strategy.

10.5 Property Implications

There are no property implications associated with the strategy.

10.6 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 have had the opportunity to respond and been engaged to inform the strategy development and secure support for it.

10.7 Equalities and Diversity Implications

An Equalities Analysis for the Skills Strategy was undertaken in May 2018 alongside development of the draft strategy. The status and implementation of recommendations included in this report will be monitored by the skills leadership group proposed within the strategy.

10.8 Risk Assessment

The principal risks associated with the strategy 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.

10.9 Value for Money

Development of the strategy has been undertaken on a minimal cost basis to date. Delivery of actions implementing the strategy by the Council will be subject to normal procurement assessment including value for money in relation to the outcomes to be achieved.

10.10 Community Safety Implications

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

10.11 Environmental Impact

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

11. Appendices

- 11.1 Draft Paper – “Ambition Southend: Skills and Labour Market Strategy for Southend-on-Sea, May 2018”

12. Background Papers

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