

For publication

Skills Action Plan (EG0000)

Meeting:	Cabinet
Date:	26 June 2018
Cabinet portfolio:	Cabinet Member for Economic Growth
Report by:	Senior Economic Development Officer

For publication

1.0 Purpose of report

- 1.1 To provide an annual update to members on the progress of the Skills Action Plan.

2.0 Recommendations

- 2.1 For Cabinet to note progress made in the delivery of the Skills Action Plan since its approval on 27th June 2017.

3.0 Report details

- 3.1 The Skills Action Plan (2017 – 2020) for Chesterfield was approved by Cabinet on 27th June 2017. The plan was developed in response to significant levels of investment in Chesterfield and to ensure that the benefits of new investment are maximised across the Borough to enable local

businesses and residents to access the job opportunities created and progress within their current job roles.

3.2 Deliverable between 2017 and 2020, the aim of the Skills Action Plan is to provide a platform from which to deliver activity to improve the skills profile of Chesterfield and to maximise the impact of skills related programmes for the benefit of Chesterfield residents and businesses to enhance the local economy. Activity is being delivered through the following key objectives :

1. Working with partners to ensure that local people and businesses have the right skills to access current and future employment opportunities
2. Working with our Local Enterprise Partnerships (LEPs) and Education Partners to ensure that skills provision is aligned to future jobs growth and economic opportunities from emerging sectors.
3. Maximising the number of training, employment and supply chain opportunities for local people arising from new development and secured through Local Labour Agreements.
4. Providing clear advice & support to local people and businesses about the range of skills programmes available.

4.0 Benefits

4.1 Activity to deliver the Skills Action Plan is bringing a number of benefits to Chesterfield including:

- It is ensuring that Chesterfield's response to the skills agenda is aligned with regional and national skills policy.

- It is ensuring that Chesterfield continues to perform well in attracting funding from LEP funded programmes.
- It is ensuring that local people will benefit from investment within the borough
- It is providing a framework from which to work with partners to align skills provision with future employment demand.
- It is enabling activity that ensures that local people and businesses receive clear advice and support about the range of skills programmes available.
- It is facilitating enhanced partnership working.

4.2 In order to understand the benefits of activity delivered to date through the Skills Action Plan the progress against each of the 4 objectives is detailed in the tables below:

Objective 1: Working with partners to ensure that local people and businesses have the right skills to access current and future employment opportunities	
Activity	Achieved to date
Continued delivery of the Apprentice Town Initiative	<ul style="list-style-type: none"> • Apprentice Town web resource to provide a single impartial point of information for businesses and residents www.chesterfield.co.uk/apprenticeships • Development of Chesterfield Apprentice Ambassador Network, currently supported by 10 employer organisations with plans to link with the National Apprentice Ambassador Network through the Regional AAN network. • Apprentice Town has enabled real life enrichment and work experience. For example the Apprentice Town

	<p>logo design competition, social media activity and Apprentice Round Table event in February 2018.</p> <ul style="list-style-type: none"> • A suite of marketing and social media materials developed to include web content and videos.
<p>Delivery of Employability and Skills Conference October 2017</p>	<ul style="list-style-type: none"> • Delivered the Employability and Skills conference in October 2017 by working in partnership with the Careers Enterprise Company and Destination Chesterfield to highlight local and regional growth priorities and develop links between schools and the business community. • Attend by over 90 delegates with 89% rating the event as good or excellent and 9 businesses offering support to schools (e.g. work experience, enterprise adviser etc.) • HS2 Employment and Skills Strategy Manager secured as key note speaker. • Other speakers included The Careers Enterprise Company, Derbyshire Education Business Partnership, William Davis Ltd and the Apprentice Town Ambassador Network. • 2018 conference scheduled for 10th October 2018.
<p>Maximise investment from LEP Skills partners to ensure that businesses can access funding to upskill their staff and unemployed residents can access support to provide them with the skills to access</p>	<ul style="list-style-type: none"> • 40 businesses have secured SCR Skills Bank funding to upskill 498 individuals to a value of £356,743. • D2N2 Skills Programmes, including Employ Local and Skills Local have supported a further 64 businesses and 266 individuals to the value of £191,000

<p>current and future opportunities.</p>	<ul style="list-style-type: none"> • 19 employers in Chesterfield have benefited from a share of £84,000 in wage subsidies via the Talent Match Programme • 344 18-24 years olds have been engaged via Talent Match and Ambition Programmes with 114 of those engaged securing employment.
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Objective 2: Working with our Local Enterprise Partnerships (LEPs) and Education Partners to ensure that skills provision is aligned to future jobs growth and economic opportunities from emerging sectors.

Activity	Achieved to date
<p>Develop links with National College of High Speed Rail (NCHSR) to address specific skills gaps required to meet employment demand resulting from HS2</p>	<ul style="list-style-type: none"> • Established relationships with NCHSR which have been critical in developing rail related investment bids • Currently exploring options with DCC and Learn by Design (contracted to deliver School Engagement on behalf of NCHSR) to deliver a schools engagement programme in Chesterfield to include workshops for 9 secondary schools and 9 primary schools, an iRail event and a Big Bang Festival.
<p>Regular attendance at LEP Skills, Education and Apprenticeship working groups</p>	<ul style="list-style-type: none"> • Maximised funding from LEP Skills Programmes. For example, Skills local, funded via D2N2 has engaged 24 businesses and provided learning opportunities for 135 employees worth £97,947 • Participation in the development of

	<p>funding specifications including Skills Bank 2, Business and industry and Career Hubs.</p> <ul style="list-style-type: none"> • Active in the development of employment and Employability initiatives including Sheffield City Region Jobs Board and the Digital Advantage Programme.
<p>Development of a performance dashboard to monitor the progress of skills and employment schemes to ensure we are maximising funding opportunities for local people & businesses</p>	<ul style="list-style-type: none"> • A dashboard has been developed to show the performance of skills and employment schemes and also wider economic development markers such as numbers of businesses in the borough.
<p>Regular review meetings with our education partners which focus on key local and regional economic priorities to inform curriculum planning and provide a basis from which training provision supports future job growth.</p>	<ul style="list-style-type: none"> • Chesterfield College have secured £230k in Skills Capital funding to develop the IT and Digital Industries provision. • Enhanced relationships have been developed with LEP and education partners to enable a more aligned response to skills development in the town and in responding to inward investment enquiries.

Objective 3: Maximising the number of training, employment and supply chain opportunities for local people arising from new development and secured through Local Labour Agreements

Activity	Achieved to date
<p>Agree local labour clauses on 100% of all Major planning applications</p>	<ul style="list-style-type: none"> • Employment & skills plans developed for: <ul style="list-style-type: none"> ○ William Davis ○ Huber ○ Jomast ○ Gleeson Homes

	<ul style="list-style-type: none"> ○ Avant Homes <p>Delivered to date:</p> <ul style="list-style-type: none"> • 3 meet the buyer events • Approximately £3m of contracts awarded to local the local supply chain • At least 51 local jobs • School engagement <ul style="list-style-type: none"> ○ Careers talks ○ Enterprise adviser ○ Commitment to at least 6 week work experience ○ 4 apprenticeships
Strengthening the process of implementation and monitoring of local labour conditions.	<ul style="list-style-type: none"> • The outputs outline above have been achieved by working with developers from pre-application stage to support the development of employment and skills plans and facilitate introductions with local skills, education and training partners in order to implement the plans.
Connecting developers with schools and education providers to raise awareness of their industry and the opportunities arising from their investment.	<ul style="list-style-type: none"> • William Davis Ltd has signed up as an enterprise adviser to Outwood Academy in Newbold as well as supporting a number of careers activities at the school.

Objective 4: Providing clear advice & support to local people and businesses about the range of skills programmes available.

Activity	Achieved to date
Supported JCP to deliver Christmas jobs fair in September 2017	<ul style="list-style-type: none"> • Over 200 people attended the JCP Christmas Jobs Fair at the Town Hall in September.

	<ul style="list-style-type: none"> • Employers included, Marks and Spencer, Toys R Us and Ferdinand Bilstein
Delivery of employability and skills conference in October 2017	<ul style="list-style-type: none"> • Worked in partnership with the Careers Enterprise Company and Destination Chesterfield to highlight local and regional growth priorities and develop links between schools and the business community. • Attend by over 90 delegates with 89% rating the event as good or excellent and 9 businesses offering support to schools (e.g. wok experience, enterprise adviser etc.) • HS2 Employment and Skills Strategy Manager secured as key note speaker. • Other speakers included The Careers Enterprise Company, Derbyshire Education Business Partnership, William Davis Ltd and the Apprentice Town Ambassador Network. • 2018 conference scheduled for 10th October 2018.
Refreshed and updated the jobs, training and skills section of Chesterfield Borough Council website.	<p>https://www.chesterfield.gov.uk/job-skills-training-and-apprenticeships.aspx</p> <p>This has been achieved and is regularly reviewed</p>
Developed Apprentice Town Web resource	<ul style="list-style-type: none"> • 4471 page views and 2919 unique page views since the web page was launched in September • Providing a central point of

	information about apprenticeships for businesses and residents.
Refreshed the Skills Fact Card	This has been achieved and is detailed in Appendix A
Increased Key Account Management Activity to support employers with skills development	<p>Key account management delivered to businesses including:</p> <ul style="list-style-type: none"> • Ferdinand Bilstein • GMHUK • Crafty Dog • Heathcotes Group <p>This activity has resulted in businesses being supported by JCP with recruitment campaigns, businesses using sector based work academies and apprenticeships as part of their recruitment processes and engagement with programmes such as Ambition and Talent Match, benefitting from ages subsidies.</p>

5.0 Measuring Success

5.1 Deliverable between 2017 and 2020, this is the first annual progress report to Cabinet. By 2020, the following indicators will demonstrate that the Skills Action Plan has been successful in delivering its objectives.

- We will see an increase in jobs growth with more businesses taking on Apprentices
- We will see an increase in Apprenticeship participation.
- More businesses will access funding to help them upskill their workforce
- We will see an improvement in Chesterfield's Skills Profile with fewer people holding no qualifications and more

individuals holding higher and degree level qualifications (L4+)

- There will be a reduction in the number of 18-24 years olds seeking work.
- There will be a reduction in the number of people claiming out of work benefits.

5.2 For this first annual progress review, an update has been provided below against each of the success indicators. When measuring success, it is important to understand that some data releases are often lagged and in some cases updates are released annually or less often. For example, in the case of qualifications profiles, the data used in the last report was census data which is only carried out every 10 years. The ONS (Office of National Statistics) releases qualification data annually; however, the samples are often small and therefore are generally not as reliable as other releases.

Jobs Growth

5.3 Approximately 50,000 people work in the borough, with high levels of employment in the public sector (35%), retail & wholesale (22%), and above average levels of employment in manufacturing (10%).

5.4 In 2016 there were 3,275 businesses based in Chesterfield. Over the five year period (2011-16), the stock of businesses increased by 18% (or 495 businesses)

5.5 The number of new start businesses has increased significantly over the last five years, from 275 a year in 2011 to 450 in 2016

Apprenticeship Participation

5.6 There were 1460 apprenticeship starts in Chesterfield in 2016/17, representing a 0.7% increase compared to 2015/16.

This compares to a decrease between 2015/16 and 2016/17 for Derbyshire and England of -1.1% and -2.9%, respectively.

- 5.7 Provisional data reported to quarter 1 of 2017/18 is indicating a significant downturn in apprenticeship starts compared to the previous years. Apprenticeship starts for England have fallen by 26.5% compared to the same period in 2016/17. For the quarter of the academic year for 2017/18, Chesterfield has seen a decrease of 34% compared to the same period in 2016/17.
- 5.8 National apprenticeship reforms introduced in April 2017 which included the apprenticeship levy for employers with a wage bill of over £3m are thought to have impacted upon apprenticeship take up. Confusion over new funding rules for all employers, together with levy paying employers having up to 24 months to spend their levy are being cited as key reasons for the decline in apprenticeship starts.
- 5.9 Difficulties in the supply of quality apprenticeship candidates are also considered to be negatively impacting apprenticeship take up. In Chesterfield, vacancy levels remain high with 170 vacancies being reported across North Derbyshire for w/c 11th June 2018; however feedback from employers and providers is suggesting a lack of quality candidates coming forward for the vacancies available.
- 5.10 Chesterfield has also seen 2 apprenticeship training providers go out of business in the last 18 months which is thought to have impacted upon the number of apprenticeship starts in the borough.
- 5.11 The difficulties being experienced in apprenticeship take up are a national issue and not unique to Chesterfield, the continued delivery of the Apprentice Town Initiative with partners will be crucial in addressing the issues around apprenticeship take up locally.

Businesses accessing funding

- 5.12 104 businesses in Chesterfield have benefitted from a share of £547,743 to support the upskilling of over 760 individuals. This funding has been accessed via D2N2 Skills Local, D2N2 Employ Local and SCR Skills Bank. These are new programmes. Previous upskilling provision was accessed via the Skills Made Easy programme which operated from 2013 to June 2016. More businesses engaged with the Skills Made Easy programme (186) but over a longer period of time and the value was less at £496k. More than twice the amount of individuals has been upskilled under recent provision compared to the Skills Made Easy programme, where 362 benefited from funding.

An improved Skills Profile in Chesterfield

- 5.13 Chesterfield performs strongly when looking at GCSE attainment. In 2015/16, 66.1% of pupils in Chesterfield achieved 5 or more GCSEs grade A* - C including English and Maths compared to 62.4% in Derbyshire and 59.3% nationally. This is an increase from 53.7% in 2014/15.
- 5.14 The skills profile data used in the last report to show the percentage of residents holding NVQ level qualifications was sourced from census data (2011). The Office of National Statistics (ONS) release qualification profile data on an annual basis but the sample sizes are small and this data is generally viewed as less reliable. For the period between January 2017 and December 2017 ONS data showed 26.1% of people in Chesterfield are qualified at NVQ level 4 or above compared to 32.1% regionally and 38.6% nationally. For the same period it showed that at 7.0%, fewer people in Chesterfield had no qualifications that the regional and national averages at 8.2% and 7.7% nationally suggesting a significant improvement since the census results in 2011.

A reduction in the number of 18-24 years olds seeking work

- 5.15 Despite the success of the Talent Match and Ambition Programmes in Chesterfield which have supported over 33% of participants to secure work, the number of 18-24 year olds seeking work has increased in the last year, rising from 4.2% in June 2017 to 4.9% in May 2018.
- 5.16 Feedback from DWP, employment programme partners and education providers is suggesting that this could be as a result on increasing levels of mental ill health amongst young people. Talent Match partners are also reporting a reluctance of young people to move into work off benefits following the introduction of Universal Credit in November 2017, where any change in circumstance can result in up to 6 weeks without payment.
- 5.17 In response to the recent spike in the number of young 18-24 year olds seeking work, Job Centre Plus are offering intensive support to customers in this group through regular 'iCan events' as well as ensuring those young people who are presenting with mental ill health are supported by a disability employment adviser.
- 5.18 Chesterfield Borough Council is working with partners to provide sector specific pre-employment support to young people. In July 2018, Chesterfield Borough Council, in partnerships with Arvato and Derbyshire County Council will deliver the Digital Advantage Programme; a sector specific pre-employment programme for 16-24 year olds looking to progress in the creative digital sector.

A reduction in the number of people claiming out of work benefits

- 5.19 The number of people claiming out of work benefits is 11.2% (7360). Although this remains about the regional and national

averages of 8.0% and 8.2%, respectively, it is following a downward trend, falling from 11.8% (7700) shown in the previous year.

- 5.20 We are continuing to work with partners, including Job Centre Plus, Local Enterprise Partnerships and skills providers to support harder to reach groups towards work. Examples of programmes where support is being provided include D2N2 Building Better Opportunities and DWP Better Working Futures Programme which are designed to support individuals with disabilities and complex health needs.

6.0 Key Issues for Consideration

- 6.1 The activity outlined in the delivery plan will continue to be delivered with particular focus on increasing apprenticeship participation in response to the national decline in apprenticeship starts since the apprenticeship reforms in April 2017.
- 6.2 A communications plan is being developed to demonstrate positive impact and highlight how local businesses and residents have benefitted from activity set out in the Skills Action Plan.
- 6.3 There have been no direct human resource issues to consider during the delivery of the Skills Action Plan, however, delivery has benefited from greater cross departmental working. For example, it has been possible to share positive stories via the website, Your Chesterfield and social media. In addition we have been able to highlight apprenticeship success via Apprentice Town social media and through events such as the Derbyshire Times Round Table.
- 6.4 A small budget of £10,000 per annum has been approved for the years until 2019/20 to support the delivery of activity outlined in the Skills Action Plan. For the year 2017/18 this has

included the delivery of annual Skills and Employability conference, the design and production of Apprentice Town marketing and social media materials and sponsorship of local apprenticeship awards.

- 6.5 In producing the Skills Action Plan key stakeholders were consulted, including Chesterfield College, The University of Derby, Apprentice Town Group members, our own Human Resources Planning Departments, the Head of Employment and Skills at Derbyshire County Council, key members of the Health and Wellbeing Board and the Scrutiny Committee for Enterprise and Wellbeing. We have continued to work with many of these partners to deliver the activity set out in the Skills Action Plan and have provided a progress update to the Scrutiny Committee for Enterprise and Wellbeing on 22nd February 2018 and Destination Chesterfield Board on 15th May 2018.
- 6.6 A preliminary EIA was submitted with the Skills Action Plan in June 2017. (Attached at **Appendix B**). Whilst the Skills Action Plan could potentially impact all groups listed, the impact is positive. The Skill Action Plan seeks to ensure that all individuals and businesses in Chesterfield have the right skills to access current and future growth and employment opportunities. The plan seeks to give local people and businesses clear advice and support about the range of programmes available. The plan will help maximise the number of training employment and supply chain opportunities for local people arising from new development and secured through local labour agreements.

7.0 Risk Management

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Without a Skills Action Plan there is likely to be a fragmented response locally to regional and	M	H	CBC will continue to be an active member of LEP Skills working groups and	L	L

<p>Without the Skills Action Plan CBC risk performing less well in attracting skills funding at LEP level.</p>	<p>H</p>	<p>M</p>	<p>Continue to implement the Skills Action Plan to ensure mechanisms for monitoring skills programmes performance in Chesterfield are established.</p>	<p>M</p>	<p>L</p>
<p>Without a Skills Action Plan individuals will not easily be able to access the range of skills programmes available which could impact upon their skills and ability to access job opportunities arising from growth.</p>	<p>H</p>	<p>H</p>	<p>Continue to implement activity outlined within the Skills Action Plan to use the skills fact card and to work with skills providers to ensure provision is targeted at those who most need it.</p>	<p>M</p>	<p>M</p>

Without a Skills Action Plan businesses will not easily be able to access / navigate the range of skills programmes available to help upskill their work which could impact upon their ability to grow.	H	M	Continue to implement activity within the Skills Action Plan to create a skills fact card and provide focused skills support through existing key account management (KAM) activity	M	L
The Skills Action Plan helps education & skills partners to align provision to local need and future jobs growth. Without a skills action plan there is a risk of widening skills gaps.	H	H	Continue to implement the Skills Action Plan to align activity between CBC and education providers, allowing for key economic priorities to be shared, inform future curriculum planning for provision that supports future growth	M	M
Negative publicity /reputational damage should CBC fail to implement the plan and act as exemplar in	H	M	Continue to deliver and implement the Skills Action Plan and deliver activity that ensures local	L	L

response to some national policy drivers (i.e. Apprenticeship Levy)			people have access to opportunities arising from CBC's Apprenticeship Levy commitments.		
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8.0 Alternative options and reasons for rejection

8.1 This report is to note progress of the Skills Action Plan which is deliverable between 2017 and 2020. The actions set out in the Skills Action Plan are still relevant and being delivered and options to revise the plan are not appropriate at this stage.

9.0 Recommendations

9.1 For Cabinet to note progress made in the delivery of the Skills Action Plan since its approval on 27th June 2017.

Glossary of Terms	
LEP	Local Enterprise Partnership
SCR	Sheffield City Region
D2N2	D2N2 Local Enterprise Partnership
AAN	Apprentice Ambassador Network
NCHSR	National College of High Speed Rail
CEC	Careers Enterprise Company

Decision information

Key decision number	Non-Key 76
Wards affected	All
Links to Council Plan priorities	To make Chesterfield a thriving borough and provide improve the quality of life for local people.

Document information

Report author	Contact number/email
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Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>Skills Action Plan</i>	
Appendices to the report	
Appendix A	Skills Fact Card
Appendix B	Preliminary EIA (2017)