

TITLE OF REPORT:	Review to Address Skills Shortages & Increase Employment Opportunities – Second Evidence Gathering Session
REPORT OF:	Paul Dowling, Strategic Director, Communities & Environment Caroline O'Neill, Strategic Director, Care, Wellbeing & Learning

SUMMARY

This report gives detail of the second evidence gathering session that will take place on the 29th October 2018. The views of the Committee are being sought on the evidence presented.

Background

1. Communities and Place Overview and Scrutiny Committee agreed that the focus of its review in 2018/19 will be working to address skills shortages and increase employment opportunities.
2. The review will help the Committee to have a truly holistic view of the current skills and employment position and the challenges we face both now and, in the future, as well as looking at best practice in other areas which could be developed in Gateshead.
3. The Committee will also consider how we or our partners currently work; highlight gaps in provision and identify more effective partnership working opportunities for the benefit of our residents and their ability to access employment opportunities, with a view to agreeing a set of recommendations.

Purpose of this session

4. The scoping report, agreed by OSC on the 18th June 2018, laid out the position in Gateshead in terms of skills and employment. Broadly, these are:
 - Whilst skills levels are improving, Gateshead continues to have a higher than average number of residents with no/low-level skills and a lower than average number with high-level skills.
 - Levels of benefit dependency and health-related issues remain significantly higher than national comparisons.

- A mismatch of skills, both nationally and locally exists, with research¹ showing large mismatches between skills young people are developing and the jobs available.
 - Challenges exist between learner supply and employer demand when trying to address the wider skills needs of the economy.
 - National research shows 1 in 5 workers in elementary type roles are classed as underemployed and 13% of part-time workers are people who could not find a full-time job. This is particularly concerning given the nature of Gateshead's employment base, with just under 40% of employees in entry level jobs² and just over 25% of the working age population working part-time.
5. This is the second in a series of evidence gathering sessions being undertaken for this review, the first of which looked at early years, preparedness for school and the importance of parental employment as well as careers and work inspiration for young people pre-16. The purpose of this session is to look at two key areas of development; extra-curricular activity at school and post-16 learning.
 6. This session will hear three presentations of ten minutes from:
 - Matthew Waterfield, Principal, Emmanuel College
 - Kevin Marston, Assistant Principal, Gateshead College
 - Kevin Pearson, Principal LearningSkills Manager, Gateshead Council
 7. Matthew will provide an overview of the vocational and co-curricular options on offer to students at Emmanuel College, including the importance of that offer being well supported by a wide range of local businesses. He will also talk about how the school works closely with their Business Ambassador to support their work towards achieving the Gatsby benchmarks in Careers Education.
 8. Kevin Marston will provide an overview of the Government's/Department for Education's drive to reform Technical Education by the introduction of Tech or T Levels, as well as discussing the need to deliver parity in relation to vocational training verses more academic routes such as A Levels. This work comes in response to employers reporting that learners are not displaying the core behaviours and skills they require for their business needs from the current vocational models. Kevin will discuss what Gateshead College, as an Outstanding Provider, is doing to support these reforms in our region and the timelines for implementation.
 9. Kevin Pearson will provide an overview on the changes in post-16 funding both nationally and locally. He will also look at the benefits of learning and how this supports the Council's Thrive agenda as well as learningSkills' delivery of provision to disadvantaged groups and its ability to reach deprived communities.

Issues to Consider

10. When considering the evidence outlined above, the Committee may wish to consider the following:

¹ Research by the Centre for Economic and Social Inclusion on the behalf the LGA

² SOC 2010 Major Group 6-9, Nomis 2018

- Based on current population, the 16-18 cohort will increase from just over 1,800 in 2016 to approximately 2,268 in 2022
- Participation in Apprenticeships is significantly higher than the national average, however, lower levels of uptake of advanced and higher Apprenticeships
- Disproportionately low numbers of BAME and LDD Apprenticeship participation
- Slightly higher than average percentage of young people in Gateshead are in vocational provision
- 88% of young people in Gateshead, one of the highest in the region, go on to further education at Key Stage 4 – in 2013, 46% stayed on at school, 34% went on to FE colleges and 8% took up an Apprenticeship.
- Recommendations of an independent panel on technical education, chaired by Lord Sainsbury include students having the choice of either an academic or technical pathway. Under the latter, they can opt for either a two-year, college-based programme (including compulsory work experience), or an employment-based programme – most likely an apprenticeship. After this, they can progress to higher technical education, a degree apprenticeship or a higher apprenticeship.
- How this will impact on providers who currently deliver post – 16 technical education and training including schools with 6th form provision.
- Impact on the local economy and employers (SMEs and micro businesses), considering other recent reforms such as Apprenticeship Levy.
- Sectors where there is most need, such as Digital, but where there is difficulty in engagement in T Levels due to concerns over capacity, size of organisation and areas around intellectual property.
- The role of all in ensuring that all young learners are given the right advice and guidance and are signposted to the right pathway, in particular pre-16 schools and 6th forms.
- Lord Baker's response to schools highlighting the need to be more open and honest including IAG that may result in learners not going to 6th forms and on to Tech programmes of study instead.

Future evidence gathering sessions

11. As agreed in the scope, future evidence gathering sessions will cover the following:

December

- Post-18 HE
- In-work progression/career development

January

- Skills for the unemployed

March

- Increasing employment opportunities for local people

Recommendation

12. It is recommended that the Committee:

- Gives its views on the evidence presented
- Notes the proposals outlined at point 11 of the report, as the focus for future evidence gathering sessions.

Contact: Sarah Douglas

Ext: 2030
