

<b>TITLE OF REPORT:</b>	<b>Review to Address Skills Shortages &amp; Increase Employment Opportunities – Third Evidence Gathering Session</b>
<b>REPORT OF:</b>	<b>Tony Alder, Acting Strategic Director, Communities &amp; Environment</b>  <b>Caroline O’Neill, Strategic Director, Care, Wellbeing &amp; Learning</b>

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## **SUMMARY**

This report gives detail of the third evidence gathering session that will take place on the 10<sup>th</sup> December 2018. The views of the Committee are being sought on the evidence presented.

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## **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 18<sup>th</sup> 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 research<sup>1</sup> 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 jobs<sup>2</sup> and just over 25% of the working age population working part-time.
5. This is the third in a series of evidence gathering sessions being undertaken for this review. The first two sessions have looked at early years and preparedness for school, careers and work inspiration, extra-curricular activity at school and post-16 learning. This session will look at post-18 learning and higher education, as well as in-work progression and career development from the perspective of the social care sector.
6. This session will hear two presentations of fifteen minutes from:
- Dr Emma Barron, Business Development Manager, Northumbria University
  - Peter Northrop, Locality Manager NE, Skills for Care
7. Northumbria is a research-rich, business-focused, professional university with a global reputation for academic excellence. Northumbria is top ten in the UK for the number of graduates entering professional employment and nine out of ten of graduates are working or studying six months after graduation. Dr Emma Barron is the Business Development Manager and will talk about routes into higher education and progression into employment.
8. Skills for Care are an independent charity helping to create a well-led, skilled and valued adult social care workforce. They work as a delivery partner for the Department of Health and Social Care and work closely with related services such as health and housing. They provide practical support to help leaders and managers recruit, develop and lead their staff, retaining them from entry level right through to senior leadership and management roles. Peter is the Locality Manager for Yorkshire and Humber/NE and will talk about the issues within the social care sector, specifically around career-progression and perceived career opportunities within the sector.

## Issues to Consider

9. When considering the evidence outlined above, the Committee may wish to consider the following:
- Latest data confirms the north east region has the highest proportion of university entrants from low participation neighbourhoods with a percentage of 23.4% compared to a national average of 11.4%<sup>3</sup>.

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<sup>1</sup> Research by the Centre for Economic and Social Inclusion on the behalf the LGA

<sup>2</sup> SOC 2010 Major Group 6-9, Nomis 2018

<sup>3</sup> Higher Education Statistics Agency (HESA) February 2018

- In 2015/16, 94.7% of our graduates were in employment or further study within 6 months of graduation.
- Degree Apprenticeship offer commenced 2017/18. Recruitment has been 224 for this academic year.
- There are clear signs of a shortage in many occupations, notably in nursing, engineering, construction, teaching, IT and parts of the business services industry.
- 72.5% of graduates in graduate level jobs for 2015/16 leavers - ambition to increase this to 82%.
- For Gateshead residents to remain independent and living at home they require a vibrant, diverse, skilled and professional adult social care workforce.
- Adult Social Care contributed £1.7 to £2 billion to the North East economy in 2017/18. Almost half of this was in wages<sup>4</sup>.
- The adult social care workforce in the North East has grown by 9% since 2012. If it is to meet predicted demand it needs to increase by another 33% by 2035.
- In Gateshead there are currently 6,100 jobs in adult social care split between local authorities (13%), independent sector providers (79%) and jobs for direct payment recipients (9%).
- Adult Social Care staff turnover in Gateshead was 21.5% in 2017/18. However, 80% of recruits came from within the sector.
- Gateshead has an experienced core of workers with an average of 8.9 years of experience in the sector and 71% have worked in the sector for at least three years.
- 26% (1600 people) of the workforce are 55 years of age or over and may retire in the next 10 years. Whilst only 10% (610) are under 24 years of age.

### **Future evidence gathering sessions**

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

#### **January**

- Retraining – people at risk of unemployment through job loss and automation
- Skills for the unemployed

#### **March**

- Increasing employment opportunities for local people

### **Recommendation**

11. It is recommended that the Committee:

- Gives its views on the evidence presented
- Notes the proposals outlined at point 10 of the report, as the focus for future evidence gathering sessions.

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<sup>4</sup> The Economic Value of the Adult Social Care Sector – England, June 2018 <https://skillsforcare.org.uk/economicvalueengland>