

TITLE OF REPORT:	Review to Address Skills Shortages & Increase Employment Opportunities – Six Month Update
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SUMMARY

This report sets out progress made against recommendations presented to Cabinet by Communities and Place Overview and Scrutiny Committee following a review of work to address skills shortages and increase employment opportunities.

Background

1. In 2018/19 Communities and Place Overview and Scrutiny Committee (OSC) reviewed work undertaken by the Council and its partners to address skills shortages and increase employment opportunities.
2. The scope of the review was to examine the existing approach to tackling skills shortages and maximising the take-up of local employment opportunities by appropriately skilled individuals from the resident workforce.
3. The review was carried out over an eleven-month period and considered evidence provided by officers, partners and service users about the current work; gaps in provision and opportunities to improve services and partnership working for the benefit of our residents and their ability to access employment opportunities. This included examining the provision and attainment of young people in compulsory and post-16 education through to the support and lifelong learning provided to those over 50 in the workforce.

Economic Context

4. National funding and policy changes have and continue to see a step-change in education and training delivery across the country. This in turn, has an impact on Gateshead learners and the strategic direction of providers and institutions.
5. The North East's Strategic Economic Plan (SEP) is a comprehensive document detailing how the North East economy can grow in the coming years and how the region will create more and better jobs for the North East Local Enterprise Partnership (NELEP) area.
6. Gateshead Council's strategic plan, Making Gateshead a Place Where Everyone Thrives, requires a focus on tackling inequality, particularly in addressing inability to

work because of long term illness, benefit dependency, low level wages, and the attainment gap between disadvantaged young people and their more advantaged peers.

7. One of the pledges is to invest in our economy to provide sustainable opportunities for employment, innovation and growth across the borough.
8. Business and employer investments create valuable employment and training opportunities. However, those opportunities do not automatically help to tackle unemployment. Intervention is needed to ensure the local workforce have the skills and support they need to access these opportunities and employers are required or encouraged to recruit locally.
9. Inward investment and indigenous business growth is expected to create significant numbers of new jobs in the borough over the next 5 years. To ensure we maximise those opportunities for residents, as well as delivering the skilled workforce to meet the needs of business, we must look at the challenges we face both in terms of labour supply and demand.

Review Findings

10. Taking into account the evidence brought forward through the review, OSC set out the priorities and future focus of the Council's approach to ensuring that activities which address skills shortages and increase employment opportunities are maximised for the benefit of local people through 24 recommendations (see appendix 1) proposed to Cabinet, set out below in three broad categories; 'ensuring the career choices of young people match industry need', 'improving access to work and in work progression' and 'removing barriers and moving people closer to work'.

Progress Update

Ensuring the career choices of young people match industry need

11. In June the Council launched Work Inspiration Gateshead, a new programme aimed at inspiring young people to broaden their horizons and be ambitious. In partnership with Gateshead College and the North East Business and Innovation Centre, the 18-month initiative will deliver a series of sector insight and inspiration events that ensure young people have meaningful engagement with employers and insights into industry which will inspire them to make the right transition to further training, education or work.
12. Involving local businesses in the programme will give 11-16-year olds an insight into industries and careers they may not have thought existed here in the North East as well as a clear understanding of all the options and routeways which will enable them to succeed.
13. To date four events have taken place involving:
 - Students from four secondary schools participated in activities at Komatsu UK, Birtley, that coincided with a visit from HRH The Duke of York;

- 140 students from Kingsmeadow and a further 240 students from Emmanuel College participated in Digital Project Days, hosted at PROTO, that specifically focused on career opportunities in tech, games and digital industries;
- Students from Emmanuel College were also supported to develop an app for use within the healthcare sector.

14. Further Sector insight events are being planned for Autumn 2019.

15. Through an approach to secure social value arising from Council investment, Wates, the Council's appointed contractor for Clasper Village and Gibside School developments, has committed to working with two Gateshead schools on a Sustainable School Project.

16. Providing young people with an understanding of what employers look for, inspiring and helping prepare them to be more work ready upon leaving education, helps to reduce the number that would otherwise end up not in education, employment or training (NEET). With increased exposure to career opportunities available and by focusing on priority areas, it is hoped greater gender balance can be achieved across all professions and increase equality of opportunity for all young people, including for Looked After Children and children from workless and disadvantaged households, helping to prevent multi-generational worklessness.

17. Future activities will include training young volunteers to be Work Inspiration Champions. Young people can relate to those of a similar age to themselves and we have some fantastic examples of successful young people in our alumni and businesses to draw upon.

18. The Council has continued to coordinate a Gateshead Careers, Education, Information, Advice and Guidance Network involving all Gateshead Secondary Schools, including our SEND schools, Gateshead College and more recently the Pupil Referral Unit. The purpose of the Network is to facilitate the sharing of good practice in careers advice for young people within schools and support schools working to attain the eight Gatsby benchmark standards.

19. The Council's learningSkills team offer 4 key Level 6 programmes to schools to upskill staff in the delivery of Careers Education, Information, Advice and Guidance as follows, allowing schools to choose flexibly and appropriately to meet their needs and to ensure young people are aware of all opportunities available to them. 17 schools have completed the CEIAG level 6 programme with a success rate of 100%

20. The NELEP has appointed coordinators and enterprise advisers to directly support schools working towards the standards. NELEP are participating in the CEIAG Network to ensure the schools can access support through their North East Ambition project.

21. In the future, digital skills will be increasingly important for work. Forty percent of jobs created in the last two years were in digital intensive industries and half of employers recently surveyed, cited a requirement for digital skills in the next 12 months. However, only 35% of North East residents are considered to have 'digital skills for work'. The Council has secured the commitment of 23 primary schools from across the borough to establish a new Code Club as part of a programme to

ensure that all children have access to coding opportunities to address the digital skills gap in the region.

Improving access to work and in work progression

22. Enabling significant numbers of unemployed or underemployed residents to take up the jobs created by Council investment is an explicit demonstration of the Thrive agenda, in addition to the financial benefits arising from reduced demand and increased local spending as people move into employment.
23. Since January 2019, the Council's learningSkills team have assisted 655 young people (aged 16-24) with information advice and guidance and support to apply for apprenticeship vacancies with 93 residents gaining employment as an apprentice with Gateshead businesses. 131 Gateshead employees have undertaken an apprenticeship to help upskill within their current job roles. In total learningSkills has worked with over 350 employers (176 from Gateshead) across Tyne and Wear to source employment opportunities for apprentices and to upskill their workforce.
24. learningSkills has also supported young people who aren't apprenticeship ready into traineeships. 114 young people have been supported into programmes of study in construction, customer service, retail, digital skills and business admin, many battling with drug, alcohol and substance misuse, offending behaviour, mental health, housing, family and financial issues.
25. In April, the Council entered in to a partnership with Gateshead College, Northumbria University and Job Centre Plus with the intention of getting local people through the Gateshead Works initiative, a new locally focused job matching service.
26. Launched in August and delivered by the Council's Economic Development Service, Gateshead Works offers a free to use, ethical recruitment service for the residents and businesses of Gateshead. It is designed to provide Gateshead employers with job-ready local employees, while providing residents with the support they need to find sustainable, quality employment, locally through a wide range of pathways.
27. Jobseekers can register directly with Gateshead Works and are notified of job opportunities that match their employment preferences, skills and experience. Since the service went live in mid-August, 241 jobseekers have registered with Gateshead Works. Three employer-led recruitment campaigns have been supported, with 22 candidates interviewed and 7 people securing employment.
28. The Gateshead Works service works closely with businesses to understand their requirements, provides a fully comprehensive service based around business need and discusses, where appropriate, opportunities for apprentices, care leavers, people with a disability etc. By working with employers to satisfy their recruitment needs, officers have a unique opportunity to engage them in discussions around job quality (e.g. minimising the use of zero-hour contracts, promoting the real living wage, etc.) encouraging them to take on a more diverse workforce and invest in career progression and re-training.
29. In June the Council piloted a 5-day full time programme for 12 people not in employment, education or training (NEET) to learn more about careers and

business opportunities in tech/digital in Gateshead. Through the programme, residents attended workshops, group discussions, one-to-one's with industry professionals and undertook research tasks in order to better understand the sector and the career opportunities available.

30. One participant secured employment with Accenture and two others have commenced further education courses with Gateshead College. The remaining participants are continuing to be supported to find work through Gateshead Works.
31. A Tech Sector Employment event was also hosted at PROTO on 19th June providing 56 residents and school leavers from four Gateshead schools with access to 17 Gateshead tech/digital businesses exhibiting to promote live vacancies within their organisations.
32. The Council has reviewed the use of its powers and influence to enhance residents' access to employment opportunities arising from major regeneration projects and business investment. Updating strategic documents and planning policy will provide a solid legal basis to allow for wider Community Benefits to be secured for residents. The application of Community Benefit methodology has secured commitment from four developers to apprenticeships and employment and training support for residents to access employment opportunities. This approach is now being rolled out more widely.

Removing barriers and moving people closer to work

33. The Economic Development Service delivers flexible, personalised one-to-one employment support for unemployed and economically inactive residents across the borough. Tackling inequality is at the heart of the employment support with delivery built on trust and an 'understand not assess' principle. The nature of the support provided ensures that no resident is 'written off' as too hard to help in recognition that everyone has a right to thrive.
34. Delivery from community venues and informal settings such as cafes helps the service initially engage residents in locations that are close to home and familiar. The Council is currently working in partnership with Jobcentre Plus to trial a job coaching drop in session at Chopwell Community Centre to overcome barriers to access, including accessibility and costs.
35. Economic Development has provided employment support for 418 residents between April and September 2019. So far 157 residents have reported that they have overcome multiple and complex personal barriers to work and 36 have started work.
36. All Economic Development employment support services are grant funded, mainly from sources external to the Council. This means the Council needs to be extremely proactive in pursuing and securing new funding to help residents move closer to and into work to help individuals and families thrive.
37. The Council secured European Social Fund (ESF) in May 2019 for a new £398,000 programme to help 260 of the most disadvantaged unemployed and economically inactive residents in the borough. Supported by the Gateshead Housing Company as a delivery partner the project was launched 1 October 2019. A minimum of 60

residents supported will be workless tenants of the Housing Company and the Council has an innovative co-location arrangement in place with the Rent and Income Team enabling Housing Company officers to identify tenants in need of support to move into work at an early opportunity. The project will also target support to help care leavers, women returners, workless families engaged with Early Help, over 50s and residents with health problems and disabilities.

38. A £368,000 funding extension has also been secured by Economic Development to continue the Building Better Opportunities 'Wise Steps' project in July 2019. This will enable the Council to engage and support a further 200 residents with multiple barriers to the labour market.
39. The first phase of the project ended in June 2019 and helped 210 residents by providing over 3230 employment and wellbeing support activities every year. This included 44 residents over 50, 125 with a disability of health condition 90 women disadvantaged in the labour market. Over half of those supported moved into work or became economically active as a result of the support provided.
40. The funding also presented an opportunity for Economic Development to set up a pilot with the Leaving Care Team to provide intensive, tailored employment support for 22 young adults who were formerly looked after children. The pilot helped 6 into work and 8 into education or training on leaving the project. A specialist Job Coach provided the support and this work will continue through the new funding.
41. In 2018/19 the Council's learningSkills team also managed a £2.3 million community grants project across Tyne & Wear and Northumberland to support moving those furthest from the labour market (and with multiple barriers) towards work. £343,000 was targeted at benefiting Gateshead residents. Through the scheme 118 third sector organisations received grants and 53% of recipients progressed into further education, employment and volunteering.
42. Training was delivered to 17 Gateshead Looked After Children (or Care Leavers) with four successful securing an apprenticeship. A further 139 learners with a learning difficulty or disability received support with employability, internships and independent living.
43. learningSkills have delivered English as a Second Language (ESOL) and Life in the UK training to over 150 Syrian Refugees ensuring they are developing essential language skills as well as understanding British culture and employability skills. Support has including tasters in vocational areas and pastoral support through local events such as the learningSkills Peace Day celebrations.
44. As recognised in the review, Universal Credit (UC) has had a significant impact on the welfare system since its inception, and whilst presenting significant issues for both customers and administrators it does offer jobseekers enhanced flexibilities to gain employment. The Council is helping residents to navigate and utilise Universal Credit to ensure they are not disadvantaged when accessing work. This includes a personalised 'better-off' calculation as part of the employment support offer.
45. Over 400 residents who were all claiming JSA or Universal Credit were helped by learningSkills to gain the skills to find work. All were at least second generation unemployed or had spent at least 3 years out of work. All learners were supported

to develop their literacy, numeracy and digital skills and received financial awareness training to help the manage their benefits and wages.

46. The Council's Early Years services has developed an expression of interest for European funding through the Gateshead Goes Local Community Lead Local Development project to actively encourage more residents to consider childminding as a self-employment option, including opportunities of start-up support, particularly around funding and training, through to completion of registration. In addition to creating employment opportunities, childminders provide a flexible solution to childcare allowing parents to return to work. If successful, the project is expected to be awarded funding in early 2020.
47. Early preparation for opportunities resulting from development can help the Council, working with training and employment support partners, to maximise economic benefits for residents, particularly those furthest from the labour market. In response to a Construction Industry Training Board (CITB) commission (funding opportunity) the Council is working with Gateshead College and other partners to support the development of a proposition which if successful will secure funding to establish an onsite construction experience/training hub in or around Gateshead Quays to ensure residents have the skills required to access construction sector jobs arising from the planned arena /conference centre development. The project will offer a range of construction skills, trades training and certification from the earliest introductory stage to potentially supervisory or management levels.
48. Between March and August learningSkills trained over 500 volunteers for the World Transplant Games, all received accredited training in volunteering skills.

Future Focus

49. It is proposed that the Council continues to work with partners to implement the recommendations of the review in order to achieve a better match of labour and skills supply to demand regarding both immediate and future skills needs; maintaining growth in employment levels and retaining skills with a focus on career development and escalators to build the existing labour force through maintaining and reskilling older workers.

Recommendations

50. Sustainable Overview and Scrutiny Committee is requested to:

- Note the contents of this report and the progress achieved in the last six months
- Comment on whether the Committee is satisfied with the level of progress to date

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**COMMUNITIES AND PLACE
OVERVIEW AND SCRUTINY COMMITTEE**

Review to Address Skills Shortages & Increase Employment Opportunities

Final Recommendations

Recommendation 1: Childminders provide the most flexible childcare provision, allowing parents to return to work. There is a need to actively encourage more residents to consider childminding as a self-employment option, including opportunities of start-up support, particularly around funding and training, through to completion of registration.

Recommendation 2: North East Ambition aims to ensure every young person in the region can identify routes to a successful working life. We need to continue support to schools around careers education, information, advice and guidance (CEIAG) and ensure young people understand the opportunities available to them in Gateshead and the North East, through the delivery of a programme of sector insights.

Recommendation 3: Support the interactions developed between businesses and schools through the Work Inspiration pilot via the establishment of a Business and Education Partnership.

Recommendation 4: Continue to support schools, including school staff CPD, to work towards and achieve the eight benchmarks of good careers guidance and supporting young people through the CEIAG Network.

Recommendation 5: Encourage and support the development of mentors, through alumni from our partners and schools, to inspire and motivate other young people, particularly those from disadvantaged backgrounds.

Recommendation 6: Encourage the relationship between FE, wider training provision and schools to develop a more collaborative approach, ensuring young people are aware of all the pathways available to them post 16, including IAG support for Apprenticeships.

Recommendation 7: Develop pathways for young people who may have been unsuccessful academically but would be successful in vocational training

Recommendation 8: Actively work with businesses to engage with post-16 learners and offer practical and meaningful work placements as part of the national shift towards technical education.

Recommendation 9: Advocate for those residents with special educational needs and disabilities to ensure parity of provision, including tailoring specific interventions to meet the needs of these residents.

Recommendation 10: Encourage the uptake of apprenticeships, in both levy and non-levy paying businesses.

Recommendation 11: Work with the NELEP and partners to ensure up to date, regional, labour market information is available to young people when they are making important FE and HE study option decisions.

Recommendation 12: Ensure all residents, including young people are encouraged and can access the appropriate routeways into higher education, post 18.

Recommendation 13: Continue to support the Graduates in Gateshead scheme to encourage graduate entrepreneurship.

Recommendation 14: Strengthen partnership arrangements with FE & HE institutions to retain talent and ensure Gateshead graduates and alumni are supported into local employment.

Recommendation 15: Myths and perceptions of employment in certain industries and sectors can result in skills gaps and hard to fill vacancies having to be filled from outside the region or not at all. We must continue to ensure young people and job seekers understand what industries can offer and the skills required to access those opportunities.

Recommendation 16: Improve access to career progression opportunities for all residents

Recommendation 17: Promote career change opportunities for those residents in work, but who may be underemployed, at risk of redundancy or looking for a career change.

Recommendation 18: Promote the Fuller Working Lives contract and undertake further work with businesses to ensure they understand the support available to them to support their ageing workforce.

Recommendation 19: The transition into work for residents who've been unemployed or economically inactive can present challenges. There is a need to help people navigate this change, adapt and build resilience whilst recognising that Universal Credit is also a factor in ensuring that residents gain and sustain employment.

Recommendation 20: Improving access to employment for those residents disadvantaged in the labour market can require personalised, flexible support delivered on a one-to-one basis in local communities. We must help residents address barriers to work through services designed around their needs and which reflect local economic challenges and opportunities.

Recommendation 21: Deliver Gateshead Works, a Gateshead based, demand-led recruitment service, in partnership with Gateshead College, Northumbria University and DWP to maximise employment opportunities for residents and actively encourage businesses to employ local and think beyond their normal routes to access their workforce.

Recommendation 22: Through early preparation for opportunities resulting from development, influence training and employment support partners to ensure those residents furthest from the labour market are well placed to access opportunities when they arise.

Recommendation 23: Increase advocacy to encourage employers to take on a more diverse workforce, to drive up job quality and to support career progression.

Recommendation 24: Increase the use of Social Clauses and Targeted Recruitment and Training (TR&T) methodology to secure wider Community Benefits for Gateshead residents from procurement and planning / development activities.