

CANNOCK CHASE COUNCIL

ACCESS TO SKILLS & ECONOMIC DEVELOPMENT SELECT COMMITTEE

30 APRIL 2007

REPORT OF HEAD OF PLANNING & REGENERATION

LOCAL JOBS FOR LOCAL PEOPLE: BEST PRACTICE & REPORTING BACK

1. Purpose of Report

- 1.1 To provide an overview of how specific initiatives and good practice may inform future policy to support local jobs for local people, and to agree the recommendations from the Select Committee to Cabinet.

2. Recommendation

- 2.1 That the Select Committee note the examples of best practice in supporting the principle of local jobs for local people, and that the recommendations set out in this report be presented to Cabinet of consideration.

3. Key Issues

- 3.1 The Select Committee's consideration of the issues associated with Local Jobs for Local People was prompted by their concern that in 2005 - 06 the District secured significant new employment opportunities via inward investment from companies such as DHL, 3663 First for Food Service and Asda, yet the local unemployment rate increased from 2.0% (1,133 people) in April 2005 to 2.9% (1,707 people) in April 2006 an increase of 574 people. Some of this increase is attributable to the continuing restructure of the local economy, especially the decline in manufacturing employment. Nevertheless, Members considered that there is a strong case for ensuring that local residents have an above average chance of securing local jobs.
- 3.2 Members were also concerned that youth unemployment (young people aged 18-24) contributed an unacceptably high proportion of the overall unemployment figure, such that in April 2006 approximately 600 of the 1,707 claiming Job Seekers Allowance were aged under 25.
- 3.3 A Work Programme was agreed which allowed the Local Jobs for Local People theme to run through Select Committee's consideration of the following:-
- Young People/Youth Unemployment
 - Worklessness and hidden unemployment
 - Cannock Chase College Update

- The Coalfields Perspective
 - The role of inward investment
 - Chase Collegiate 14-19 Programme
 - Good practice in the local visitor economy
 - Employer engagement and 'workbased' training
- 3.4 In addition to the above themes, the Select Committee was informed of progress on reviewing the West Midlands Regional Economic Strategy (WMES) and their views were incorporated into the Council's formal response to the WMES Policy Choices consultation.
- 3.5 The Select Committee were also consulted on the emerging proposals for the local delivery plan required by the Local Area Agreement (LAA). In this context it should be noted that the local implementation of the Block 4 (Economic Development and Enterprise) actions and milestones will be the responsibility of the Local Strategic Partnership's Learning, Education, Employment and Prosperity (LEEP) Strategy Group. The LEEP Strategy Group have previously identified a series of initiatives to respond to local skills, education and training issues. In many cases the issues being considered by the Select Committee complement those of the LEEP Strategy Group, as well as the LAA.
- 3.6 As a result of Select Committee's considerations, a number of recommendations have emerged (as detailed in the annexed report). It is clear that many are focused on efforts to diversify the local economy and facilitate inward investment (demand side activities) as well as improving local education and skills (supply side activities). Therefore, local jobs for local people should be seen as an initiative intended to strengthen both the demand and supply side of the employment equation.
- 3.7 In addition the work of the Select Committee has also highlighted the importance of securing appropriate 'facilities' to underpin the achievement of the above; for example the Enterprise Centre proposed for Kingswood Lakeside, the Extended Learning Centre at Rugeley, and the rebuilding of much of Cannock Chase College's floorspace. Schemes such as these will provide 'Modern Facilities for a Modern Economy'. Accordingly, it is recommended that the twin themes of Local Jobs for Local People and Modern Facilities for a Modern Economy should form the basis of the Chairman's presentation of the Select Committee's findings to Cabinet.

ENCLOSURE 4.3

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Section 1

Background

The Select Committee's consideration of the issues associated with Local Jobs for Local People was prompted by their concern that in 2005 - 06 the District secured significant new employment opportunities via inward investment from companies such as DHL, 3663 First for Food Service and Asda, yet the local unemployment rate increased from 2.0% (1,133 people) in April 2005 to 2.9% (1,707 people) in April 2006 an increase of 574 people. Members expressed their concern with these figures and indicated their desire that local residents have an above average chance of securing local jobs.

Members were also concerned that youth unemployment (young people aged 18-24) contributed an unacceptably high proportion of the overall unemployment figure, such that in April 2006 approximately 600 of the 1,707 claiming Job Seekers Allowance were aged under 25.

A Work Programme was agreed which allowed the Local Jobs for Local People theme to run through their consideration of the following:-

- Young people/youth unemployment
- Worklessness and hidden unemployment
- Cannock College update
- The Coalfields Perspective
- Chase Collegiate 14-19 Programme
- The role of inward investment
- Good practice in the local visitor economy
- Employer Engagement and 'Work-based' Learning

A wider range of organisations were invited to contribute to the considerations of the Select Committee.

In addition to the above themes, the Select Committee was informed of progress on reviewing the West Midlands Regional Economic Strategy (WMES) and received a presentation from the Strategy Director or Advantage West Midlands (AWM) to assist this process. The views of the Select Committee were subsequently incorporated into the Council's formal response to the WMES Policy Choices consultation submitted at the end of February 2007.

The Select Committee were also consulted on the emerging proposals for the local delivery plan arising from the Staffordshire-Wide Local Area Agreement (LAA). In this context it should be noted that local implementation of the Block 4 Local Strategic Partnership (Economic Development and Enterprise) actions and milestones will be the responsibility of the Learning, Education and

Employment and Prosperity (LEEP) Strategy Group. The LEEP Strategy Group have previously identified a series of initiatives to respond to local skills, education and training issues. In many cases the issues being considered by the Select Committee complement those of the LEEP Strategy Group. Accordingly, where relevant, references to the role of the LEEP Strategy Group as an implementation channel, have been included in the recommendations.

Section 2

Details of Matters to be Considered

Arising from Member's consideration of the Local Jobs for Local People theme, the following points were noted:-

Young People/Youth Unemployment

- There is a higher incidence of NEETs (Not in Employment Education & Training) in Cannock Chase District than elsewhere in Staffordshire; 10.2 % compared to 7.2%.
- Almost 40% of the NEETS are clustered in the three District wards of Cannock North, Cannock South and Western Springs with large numbers associated with Blake Valley Technology College, Hagley Park Sports College and Cannock Chase High School.
- Only 10% of NEETS in Staffordshire left School with 5A* – C grade GCSEs
- **Recommendation – That the Council and LEEP Strategy Group engage with Connexions and other key agencies to develop a series of initiatives to reduce the number of current and potential NEETS in conjunction with the LAA, for example interventions in hotspot areas and working with vulnerable groups.**

Worklessness/Hidden Unemployment

- Across the District there are approximately three times more people claiming Incapacity Benefit compared to Jobseekers Allowance.
- There are a number of programmes which will tackle issues of worklessness including New Deal and Pathways to Work. Job Centre Plus and Connexions are leading on initiatives to address such issues.
- **Recommendation – that the Council engage with Jobcentre Plus and other key agencies to develop a series of initiatives to reduce the number of benefit claimants in target wards (Cannock East, Cannock North, Cannock South, Hednesford North and Hagley) in order to increase local employment and income levels in conjunction with work or the LAA.**
- Accessing employment opportunities is often difficult for those without access to a car because public transport services to employment areas are generally poor. Over 8,000 local household (21.8%) do not have access to a car with Cannock North ward exhibiting the most severe problems.

- **Recommendation - That the Council and County Council examine opportunities for improved public transport access to the Districts key employment locations.**

Cannock Chase College Update

- Enrolments and student performance at the College had improved with new courses being developed and improved links with local schools as a result of Chase Collegiate.
- The financial performance of the College was now on a par with other colleges.
- The College were pursuing an accommodation strategy which was designed to secure improved provision in Cannock and Rugeley, for example the Enterprise Centre proposed for Cannock and the Extended Learning Centre in Rugeley.
- **Recommendation – That the Council continue with their support of College initiatives to widen course provision and address future property requirements and that the two organisations work together to identify and plan for the future skill needs of the District.**

The Coalfield's Perspective

- The Coalfields legacy of poor education and skills is not unique to Cannock Chase District, with the proportion of pupils achieving 5 or more GCSEs at A*-C between 7-10% below the national average. Furthermore, performance tails off as school leaving age gets nearer. The Extended Schools Programme and an emphasis on more vocational courses may improve matters.
- **Recommendation – That the Council use its membership of the Coalfields Community Campaign to continue lobbying for the education needs of the District to be recognised and for additional resources for training support to be made available.**
- Special training packages through the CRT/English Partnerships 'Initiate' Programme had been successfully used at the former Shirebrook Colliery in Derbyshire, to match unemployed people to new jobs created via the redevelopment of the site.
- **Recommendation – That discussions to be held with English Partnership (soon to be merged with the Housing Corporation to form Communities England) and the Coalfield Regeneration Trust to establish the scope for the introduction of special training packages within Cannock Chase District.**

Chase Collegiate 14-19 Programme

- Additional funding had been secured to support the Collegiate initiative until 2008 which will allow the introduction of 'specialised diploma' qualification, as well as further reforms to the curriculum offer of local secondary schools. The Specialised Diploma's are proposed for IT and Society, Health Development, Engineering, Creative and Media, Construction and the Built Environment from September 2008.

- The Council's support for Chase Collegiate was welcomed at both a strategic level; by keeping education and skills at the top of the local agenda; and operationally, for example through the organisation of the annual choices day, which is showcase for local training and employment opportunities involving all the District's secondary schools.
- **Recommendation – That the Council maintain its support of the Chase Collegiate in conjunction with the LEEP Strategy Group to improve the educational opportunities available to 14-19 year olds via enhanced links between schools and increased emphasis on vocational teaching.**

The Role of Inward Investment

- Companies generally do not consider the recruitment and training issues associated with new investments early enough.
- Inward investment is a significant method used to secure new employment opportunities and can be used to generate jobs in sectors which are under - represented locally for example those in professional and business services
- Inward investment backed by customised training packages, can be an effective method of securing job opportunities for people who are currently unemployed although funding to support such initiatives is hard to find. Such an approach had been used to good effect to support the recruitment of staff to the Norton Canes Motorway Service Area, which resulted in approximately 60 unemployed people securing employment with Road Chef.
- **Recommendation – That the Council introduce a recruitment and training protocol in conjunction with significant new businesses investing in the District to ensure that the needs of the businesses are understood and local people are offered an enhanced opportunity to access the jobs associated with the development.**
- **Recommendation – That the Council through the LEEP Strategy Group, identify funding to provide bespoke training packages to ensure local people meet the skill needs of incoming businesses.**
- **Recommendation – That the Council maintain its role of facilitating inward investment into the District via site availability, targeted marketing and case officer support in conjunction with Instaffs UK Ltd and the LAA in order to increase the proportion of businesses within targeted sector, for example those in professional and businesses services.**

Good Practice in the Local Visitor Economy

- Tourism and the visitor economy is an increasingly important part of the local economy with 9.4% of the total workforce, about 3,000 jobs, associated with this sector.
- This is illustrated by employment growth generated through recent developments such as the new Ramada Hotel at Churchbridge which opened in December 2006.

- The Staffordshire Destination Management Partnership has been established in the form of a 'mini tourist board' to rationalise the limited resources available for tourism promotion, to avoid duplication and create a Staffordshire destination package; for example linking Cannock Chase Forest with Lichfield's heritage and theme parks. The DMP will also provide a strong public/private partnership capable of driving investment, skills and quality development.
- **Recommendation – That through its membership of the Staffordshire Destination Partnership and the review of the Tourism Strategy the Council continues with its efforts to strengthen the local visitor economy through improved facilities, business support and promotion.**

Employer Engagement and 'Workbased' Training

- The main finding of the Leitch Review of Skills was that skills at all levels need to be raised significantly in order to ensure the UK's competitiveness is not undermined. The issue is as relevant at the local level as nationally.
- Some of the barriers to employers engaging in training were the cost of provision, business priorities and lack of clarity as there are an increasing number of projects/programmes being introduced with varying degrees of quality/effectiveness.
- Local Training Providers are engaged in a series of initiatives which could benefit the local economy including programmes aimed at employers as well as individuals, for example Train to Gain and, through LEEP, the development of an 'employer engagement protocol'.
- **Recommendation – That in conjunction with the LEEP Strategy Group and LAA the Council engages with local training providers and local organisations to promote the wide range of initiatives which are available to local employers and individuals to improve skill levels across the District such as Education to Employment, and the development of an employer engagement protocol.**

In Conclusion

Whilst a comparatively large number of recommendations have emerged through the work of the Select Committee it is clear that many are focused on efforts to diversify the local economy and facilitate inward investment (demand side activities) as well as improving local education and skills (supply side activities). Therefore, local jobs for local people should be seen as an initiative intended to strengthen both the demand and supply sides of the employment equation.

In addition the work of the Select Committee has also highlighted the importance of securing appropriate facilities to underpin the achievement of the above. Therefore, efforts to secure the proposed Enterprise and Entrepreneurship Centre at Kingswood Lakeside and an Extended Learning Centre in Rugeley are seen as important components in securing Modern Facilities for a Modern Economy. Likewise, improvements to the local tourist 'infrastructure' (hotels, guest houses, visitor centre etc) are required to strengthen the local visitor economy.

Recommendation - That the twin themes of Local Jobs for Local People and Modern Facilities for a Modern Economy should be at the heart of the Chairman's presentation of the Select Committee's findings to the Cabinet.

Section 3

Contribution to CHASE

Securing a positive response to the issues considered by the Select Committee will complement to CHASE objectives to improve skill levels and employment opportunities.

Section 4

Section 17 Implication

There are no identified implications in respect of Section 17 at this stage.

Section 5

Human Rights Act Implications

There are no identified implications in respect of the Human Rights Act 1988 arising from this report.

Section 6

Data Protection Implications

There are no identified implications in respect of the Data Protection Act.

Section 7

Risk Management Implications

Failure to provide a positive response to the recommendation of the Select Committee with reference to the issue of local jobs for local people would undermine the regeneration efforts of the Council and prejudice the achievement of key actions and milestones arising from the Local Area Agreement.

Section 8

Legal Implications

As part of the LAA the Council will inevitably be set various targets and aims. The measures and steps that have and are being undertaken as set out in this report may impact upon the achievement of those targets/aims. Accordingly, regard should be had to this issue and relationship that exists between the measures and steps mentioned throughout this report and the LAA.

Section 9

Financial Implication

There are no direct Financial Implications arising in respect of this report.

Section 10

Human Resources Implications

There are no human Resource Implications directly arising from this report.

Section 11

Conclusion

As a result of Select Committee's consideration of the 'local jobs for local people' theme, a number of recommendations have emerged which have been outlined above. Many of the recommendations relate to efforts to strengthen the types of jobs within the District (demand side considerations) or the skill and education levels required to fill the posts being created (supply side considerations). In addition the Select Committee have also highlighted the importance so securing appropriate facilities to underpin the achievement of the above. Therefore, efforts to secure the proposed Enterprise and Entrepreneurship Centre at Kingswood Lakeside and an Extended Learning Centre in Rugeley are seen as securing modern facilities for a modern economy. Accordingly, it is recommended that the twin themes of Local Jobs for Local People and Modern Facilities for a Modern Economy should form the basis of the Chairman's presentation of the Select Committee's findings to Cabinet.