

**Report to:** Cabinet

**Date of meeting:** 20 September 2016

**By:** Director of Communities, Economy and Transport & Director of Children's Services

**Title:** Corporate Employability and Skills Strategy, 2016-2018

**Purpose:** To agree the content of the Corporate Employability & Skills Strategy

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**RECOMMENDATIONS:** Cabinet is recommended to:

- (1) agree the corporate Employability and Skills Strategy for 2016-2018; and**
  - (2) note that a progress report on delivery of the strategy will be brought to the June 2017 Cabinet Meeting**
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## **1. Background**

1.1 The previous Employability and Skills Strategy (E&SS) was approved by Cabinet in July 2014 with an allocation of £360,000 from corporate reserves to support its implementation. The initial strategy ran until June 2016 and was owned corporately across all directorates. It identified the ways in which the County Council could contribute directly, through procurement, workforce planning and its role as a strategic leader, to the improvement of employability and skills within the county.

1.2 The strategy has had a significant impact thus far (**see Appendix 1, Annex III**) with successes including:

- the establishment of an Apprenticeship programme,
- the creation of an active Employment and Skills Board (Skills East Sussex, SES),
- stimulating the creation of over 620 Apprenticeships through our campaigns, procurement activity and workforce development activity,
- reducing NEET levels for 16-18 year olds,
- improving the quality of careers advice and guidance in our schools and
- securing over £360,000 of external funding to engage business in school careers education.

1.3 Most of this work has been developmental; focusing on creating infrastructure, processes and systems, as well as strengthening external partnerships. We now wish to consolidate our delivery so that it becomes 'business as usual'. At the same time, the County Council will be able to highlight and share our best practice, in order to engage external partners and stakeholders in our programmes to secure their future sustainability. It is also proposed that we develop new elements of our strategy that will enable us to maximise the benefits of new government policy, (such as the Apprenticeship Levy, Devolution) for the Council and for our residents.

1.4 The revised Employability and Skills Strategy for 2016-2018 (**Appendix 1**) presented here for approval, supports this move away from development activity to embedding delivery, and makes a shift towards an even stronger facilitation, influencing and partnership working role. The aim of the new strategy is to fully embed our employment and skills activity in all of our Departmental Service Plans by March 2018.

## 2 Changes to the Employability and Skills Strategy

2.1 The new strategy takes account of financial pressures, considers political changes to skills, such as The Skills Plan, 2016 and the Apprenticeship Levy, 2017, and explores opportunities afforded by non-skills legislation (Social Value Act, 2012). The revised strategy will also support the delivery of devolution arrangements (**see Appendix 1, Annex II**).

2.2 As a result, the new strategy places greater emphasis on external facing and partnership activity than its predecessor, recognising that the Council has limited resources to allocate to skills delivery. It recognises that, apart from aspects of our core business (workforce development and procurement), we are better placed using our resources to support those partner organisations that have skills-specific remits. This will mean that the Council's focus becomes about strategic input, facilitation, and brokerage, instead of delivering skills based activity ourselves.

2.3 The other shift in focus is that the new strategy aligns our skills work more closely to local economic growth, with all aspects of our external work informed by the skills needs and gaps within our local economy and across the South East Local Enterprise Partnership (SE LEP) area. Our projected activity sees local businesses placed at the heart of the skills work that is undertaken with our schools, and as integral to steering our work around post-16 and higher level skills.

2.4 For the purpose of consistency, we retain the three workstreams from our original strategy as follows:

- **Workstream One: Boosting local employment and skills through strategic procurement**  
Systems and infrastructure for ensuring that all new and relevant contracts over £100,000 include an Employment and Skills Plan (ESP) in their tendering process are in place. In order to complete this work, contract managers need to be trained in how to assess and monitor the skills targets set by contractors in their ESPs and how to help contractors realise their targets. We also need to revisit large long-term contracts issued prior to introducing our Employment and Skills through Procurement Policy, that do not include ESPs, to see whether we can retrospectively include social value skills measures in them. Our objective is to fully integrate this area of work into Departmental Service plans by March 2018.
- **Workstream Two: Supporting skills and employability through internal training and recruitment**  
The County Council has taken significant steps in further improving the way in which we upskill our own workforce. Our Apprenticeship and internship programmes are now running. The County Council needs to look to improve these programmes, invite external public sector partners (including Health and Social Care partners) to participate in them with us, and develop our programme so that it is fit for purpose in the context of the new Apprenticeship Levy from March 2017. We anticipate that it will take an additional 18 months to undertake this work, and intend to have a self-sustaining model in place by March 2018.
- **Workstream Three: Improving skills and employability through partner and business engagement**  
Skills East Sussex (SES) has become the driver for addressing employability and skills issues across the county and it is proposed both the activities undertaken and the SES Board will be further strengthened, so that it is able to play a significant role locally and strategically, both in the context of SELEP and in the Three Southern Counties (3SCs) devolution bid arrangements.

2.5 The Raising Participation Age Strategy refresh (due Autumn 2016) will address how we support our marginalised young people including NEET, SEN and Looked After Children (LAC) with reaching their learning and employment goals. We will also continue to help our schools prepare their young people for the world of work and will implement new business-led initiatives through use of external funding (from the Careers and Enterprise Company).

2.6 The East Sussex County Council officers Internal Working Group (IWG) will continue to monitor the performance of the new strategy against the targets set out in the E&SS Action Plan 2016-18 (**see Appendix 1, Annex I**). However, the Business Services Directorate (BSD) has created a draft framework for measuring Social Value which puts a financial value against skills and employment outputs/outcomes wherever there is scope to do so, and we will use this framework to measure the fiscal impact of our contribution to the skills agenda.

### **3 Financial Appraisal**

3.1 The Council committed £360,000 of corporate reserves to deliver the Employability and Skills Strategy in financial years 2014/15 and 2015/16. Through careful management of the reserves funding, and by securing additional external funding, it has been possible to extend the delivery of the strategy using this resource until the end of the financial year 2016/17. Some of the funding from external sources will also be available in 2017/18.

3.2 Much of the strategy will be delivered through existing service's budgets but, £57,900 of additional resource will be required to support our Apprenticeship Programme, pending decisions about implementation of an appropriate self-sustaining model to support the Apprenticeship Levy. The sum will support our Apprenticeship work until a fully self-sustaining model is implemented.

### **4 Recommendations and next steps**

4.1 Cabinet is therefore recommended to agree the new Corporate Employability and Skills Strategy 2016-18 and to note that, pending a review of the sustainability of programme to implement Apprenticeship Levy recommendations, corporate reserves may be committed to facilitate the transition to the new model.

4.2 Cabinet will also receive a progress report June 2017 to demonstrate progress against targets.

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#### Members:

All

#### BACKGROUND DOCUMENTS

Employability & Skills Strategy 2014 – 2016

Employability & Skills Strategy 2016 - 2018, Annex IV: Employment and Skills: East Sussex evidence base. August 2016.