

Agenda Item No. 6(f)

DERBYSHIRE COUNTY COUNCIL

CABINET

18 April 2019

Report of the Strategic Director - Economy, Transport and Environment

**EMPLOYMENT AND SKILLS STRATEGY 2019-2023 (ECONOMIC
DEVELOPMENT AND REGENERATION)**

(1) **Purpose of Report** To seek Cabinet approval of the draft Employment and Skills Strategy 2019-2023, as set out in Appendix 1 of this report.

(2) **Information and Analysis**

Background

This Employment and Skills Strategy is an important part of the Council's approach to delivering economic prosperity across the county. It seeks to align workforce skills availability with the needs of local employers and ensure training provision meets the demands of a modern economy. The Strategy is focused not only on Derbyshire residents, but on the Council's own workforce. It supports the Council Plan priorities for creating a strong and diverse economy which makes the most of Derbyshire's rich assets. It also sets out opportunities for unlocking economic growth and ensuring meaningful employment for local people, investing in training and skills development.

The Need for the Strategy

Although still lagging behind the national average, the Derbyshire economy is becoming more productive. It is diverse but has strength in key sectors such as manufacturing, visitor economy, as well as above average representation in construction and transport, storage and wholesale. The County is well located with excellent connectivity in road, rail and air transport; HS2 East and electrification of the Midland Mainline will provide the catalyst for stronger economic growth in the medium term.

In terms of labour market, the County has strength in intermediate skills, with the level of higher skill levels improving. However, closing the gap between the skills of Derbyshire people and the skills needs of local employers is essential if the Council is to achieve its ambition for a fully inclusive and prosperous economy. Looking ahead, slower growth in the working age population, loss of labour as a result of economic shocks such as BREXIT and

significant, technology-driven changes in the nature of work are likely to require increased adaptability and the re-skilling of those people who are already working, as well as maximising the potential of young people entering or returners to the labour market. Making this happen (across occupations and sectors) will be important, both to social mobility and long term economic productivity — a key driver of ‘good growth’.

The key for employment and skills success in Derbyshire is to ensure the Council is as effective as possible in enabling residents of all ages and skill levels to progress and move into more productive, better-paid jobs in a transformed local economy. This requires the Council to lead and facilitate partner discussions and actions to address the major challenges and barriers that are preventing our workforce and businesses from benefitting from growth.

Despite high levels of employment, there are still communities and places where unemployment and economic inactivity remains high, with a growing number identified as facing significant or multiple barriers to work. These barriers include: poor health, skills mismatch and limited access to transport. In addition, it is essential the principles of good growth (through aligning transport, housing, and economic development and environmental activity) is embedded in work to address skills and employment, ensuring economic activity takes place in a sustainable manner and protects the significant natural and built heritage that exists in the County.

It is against this back drop that the Employment and Skills Strategy has been developed. The vision of the Strategy is:

‘To enable the residents and employers of Derbyshire to secure the skills and employment needed for economic success and prosperity’.

This vision will be achieved through a number of strategic aims:

- Adopting a whole system approach to improving opportunities for Derbyshire residents to help them gain the relevant skills, knowledge and experience to be able to enter, achieve and progress in education and work.
- Supporting employers to create accessible, quality and sustainable work and training opportunities.
- Acting as system leader to improve the effectiveness and efficiency of the employment and skills system.
- Providing better governance and collaboration in the employment and skills system by all agencies across Derbyshire, particularly training providers.
- Co-ordinating and sharing intelligence across Council services and partners to describe the challenges and opportunities in the employment

and skills system, to influence future work and to understand the relationship between inclusive growth, health, work and economic productivity.

Supporting these aims are four objectives which set the direction of travel for prioritised actions.

- 1) Supporting effective and targeted transition into education and employment.
- 2) Supporting Derbyshire employers to thrive.
- 3) Influencing training and education providers to deliver necessary skills.
- 4) Coalescing Council employment and skills activity around a single strategy.

Developing the Strategy

The Council's Employment and Skills Strategy has both an internal and external focus, encompassing all aspects of the employment and skills system. The internal element is focused on supporting and enabling the Council's own staff to upskill and retrain (for example through active implementation of the Apprenticeship Levy) to ensure the workforce is equipped to deliver our 'Enterprising Council' ambition.

The Strategy also reflects the Council's position as a lead employer in Derbyshire, as well as its position as a key influencer in the Derbyshire economy. Therefore, the scope of this element of the Strategy is one of strong stewardship, facilitation and coordination and is reflected in two clearly defined ways:

- 1. Influencing policy and programmes (internal and external):** to play a lead role in the strategic governance that influences the design, commissioning and delivery of quality programmes of activity around employment and skills.
- 2. Co-ordinating activity and delivering local action (internal and external):** take the lead in drawing together the various partners involved in employability and skills, to ensure activity is coordinated.

The Strategy has been designed by the cross-divisional working group that supports the Employment and Skills Board and has received direct input from the Corporate Management Team (CMT) and the Council's Employment and Skills Board (ESB).

Core to the Strategy is the need for more effective, co-ordinated activity by Council services to ensure all efforts are targeted at the things that will make the most difference (Objective 4). This activity then under-pins the three fundamental objectives of: the availability and skill of the labour market;

support to businesses in accessing skilled labour; and ensuring good provision access to the required skills/training offer.

The diagram on page 30 of the strategy shows the inter-relationship between these objectives.

The draft Strategy is attached as Appendix 1 and Section 4 sets out how the four objectives translate into deliverable actions for the Council and its partners.

Delivering and Monitoring

The Strategy was considered and agreed at the ESB in December 2018. It has been fully recognised that a detailed, costed action plan is required to ensure timely progress and this is currently being finalised. Appendix 2 of this report provides the draft action plan framework and reporting template which will be used to monitor progress and achievements. The action plan, once completed, will be subject of a further report to the ESB and Cabinet members, as required.

Being a corporate Strategy means the document will act as a framework within which departments will deliver activity linked to their own Service and Departmental plans, as well as facilitating a more joined up approach to this work across the Council. The action plan for the Employment and Skills Strategy will not, therefore, duplicate existing actions, but will ensure more effective co-ordination and reporting of activity.

Effective communication of the key messages and securing commitment from key stakeholders will be essential to successful implementation of the strategy. To ensure wider buy-in of this Strategy, engagement with key partners such as Derby and Chesterfield Colleges, Job Centre Plus and local employers is taking place through existing networks, such as Derbyshire Economic Partnership and the D2 (Derby and Derbyshire) Economic Development Group. An active engagement plan for Council workforce is being developed with the support of the Corporate Communications Team.

It is proposed the Strategy and action plan is monitored through the ESB and is subject to refresh every two years, with an annual review to take place at the Board.

(3) **Financial Considerations** Much of the activity delivered through the Strategy is already funded through existing departmental budgets. In addition, external funding opportunities have been, and will be, maximised through joint work with partners. However, there may be future costs for the delivery of specific actions that arise, but these will be explored by the Officer Group supporting the Strategy and will be subject to further reports, as required.

(4) **Legal Consideration** The Council's legal duties are taken into account within the draft Strategy.

(5) **Human Resources Considerations** There are no additional human resources considerations at this stage. As the Strategy develops and activities are identified, additional staffing resource considerations may be needed at that time, but will be subject to additional reports and approval processes. The Strategy does seek to positively impact on the Council's workforce in delivering programmes that support training and reskilling apprentices.

(6) **Social Value Considerations** The Strategy fundamentally embraces the principles of social value in seeking to equalise local economic growth and employment opportunities.

Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, environmental, health, property and transport considerations.

(7) **Key Decision** No.

(8) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(9) **Background Papers** Held on file within the Economy, Transport and Environment Department. Officer contact details – Andrew Marsh, extension 38080.

(10) **OFFICER'S RECOMMENDATIONS** That Cabinet:

10.1 Approves the Employment and Skills Strategy 2019- 2023, as set out in Appendix 1 of this report.

10.2 Agrees that monitoring of the implementation of identified priorities and actions takes place through the Employment and Skills Board.

Mike Ashworth
Strategic Director – Economy, Transport and Environment

Employment and Skills Strategy 2019-2023





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Our Vision

**‘To enable the residents and employers of
Derbyshire to secure the skills and
employment needed
for economic success and prosperity’**



Executive Summary

The Derbyshire economy is becoming more productive.

It is diverse but has a number of important sectors including manufacturing and a strong visitor economy, as well as above average representation in construction and transport, storage and wholesale. The county is well located with excellent connectivity in road, rail and air transport; HS2 East and electrification of Midland Mainline will provide the catalyst for stronger economic growth in the medium term.

In terms of its labour market the county has strength in intermediate skills, with higher skill levels improving. However, closing the gap between the skills of Derbyshire people and the labour force needs of local employers is essential if we are to achieve our ambition for a fully inclusive and prosperous economy. Looking ahead, slower growth in the working age population, loss of labour as a result of economic shock, such as BREXIT and significant, technology-driven changes in the nature of work (and labour demand in some occupations) are likely to require increased adaptability and re-skilling by people who are already working, as well as maximising the potential of young people entering or returners to the labour market. Making this happen (across occupations and sectors) will be important both to social mobility and long term economic productivity - a key driver of good growth.

The key for employment and skills success in Derbyshire is to ensure the Council is as effective as possible in enabling residents, of all ages and skills levels, to progress and move into the more productive, better-paid jobs in a transformed local economy. This means addressing the major challenges and barriers that are preventing residents and businesses from benefitting from growth.

Despite unemployment being low, there are still communities and places where unemployment and economic inactivity remains high, with a growing number identified as facing significant or multiple barriers to work. These barriers include: poor health, skills mismatch and limited access to transport. In addition, it is essential we embed the principals of good growth in our work to address skills and employment, ensuring economic activity takes place in a sustainable manner and protects the significant natural and built heritage that exists in the county.

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Strategic Aims

In developing our Employment and Skills Strategy, a number of strategic aims have been developed which will improve our approach through:



Adopting a whole system approach to improving opportunities for Derbyshire residents to help them gain the relevant skills, knowledge and experience to be able to enter, achieve and progress in education and work.



Supporting employers to create accessible, quality and sustainable work and training opportunities.



Acting as system leader to improve the effectiveness and efficiency of the employment and skills system.



Providing better governance and collaboration in the employment and skills system by all agencies across Derbyshire, particularly training providers.



Co-ordinating and sharing intelligence across Council services and partners to describe the challenges and opportunities in the employment and skills system, to influence future work and to understand the relationship between inclusive growth, health, work and economic productivity.

Objectives

More detailed objectives have been developed to help ensure delivery of our strategic aims. These are:

1) **Supporting effective and targeted transition into education or employment for residents by:**

- ♦ Working in partnership to facilitate a meaningful and modern careers service for all ages and employment sectors.
- ♦ Delivering Derbyshire's Disability Employment Strategy (DES) to improve outcomes for those who find it more difficult to access employment.
- ♦ Offering and championing work experience with suitable businesses across the county.
- ♦ Reducing barriers to employment by adopting a multidisciplinary approach to developing the employment and skills system.
- ♦ Establishing and supporting recruitment programmes and other progression pathways for disadvantaged residents and graduates with employers.
- ♦ Assisting in the development and delivery of wider employability skills training,

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including pre-employment, to target those furthest away from the workforce.

- ♦ Supporting adults to return to work and/or progress into better paid employment.

2) Supporting Derbyshire employers to thrive by:

Improving the sharing and assessment of data to gain a better understanding of the skills gaps and employment needs in the local economy.

- ♦ Maximising the value of economic regeneration and inward investment opportunities through coordinated innovative application of national and local legislation and policy.
- ♦ Acting as a lead employer in supporting disadvantaged residents to access opportunities presented through the apprenticeship levy.
- ♦ Working with other public and private sector partners to deliver the levy effectively for Derbyshire.
- ♦ Working with partners to address health barriers to employment.
- ♦ Working directly with employers to engage fully with the needs of the labour market through uptake of:
 - Careers and Enterprise Company activity
 - Curriculum design
 - Disability Confident
 - Apprenticeships
 - Encouraging flexible working practices and job design.

3) Influencing training and education providers to deliver the skills needed by employers and the wider economy through:

- ♦ Working directly with providers to understand the skills provision offered nationally, regionally and locally, ensuring gaps and local needs are addressed without duplication or displacement of existing services and initiatives.
- ♦ Working with relevant stakeholders / commissioners to ensure design and delivery of future skills and training programmes and initiatives meet strategic needs of the economy.
- ♦ Working with training and education providers to ensure they are complying with their statutory responsibilities for raising participation and developing high quality Careers Education, Information, Advice and Guidance.
- ♦ Working with strategic partners, in particular the D2N2 Growth Hub, districts and East Midlands Chamber to co-ordinate and improve the employment and skills system in Derbyshire.

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- 4) **Coalescing Council employment and skills activity around a single, cohesive strategy to ensure effective delivery of the vision and wider objectives. Concerted activity includes delivery and/or support is:**

Council Plan

- *The Thriving Communities Programme*
- *Enterprising Council Approach*
- *Disability Employment Strategy*

- ♦ Derbyshire's Health and Wellbeing Strategy
 - *Strengthen opportunities for good quality employment and lifelong learning*

- ♦ Service Plans
 - *The County Council as a provider to deliver services in line with the economic needs of Derbyshire*

The employment and skills landscape is complex. Multiple agencies operating at national, regional and local level are deploying strategies and plans and bidding to myriad funding streams to try and match provision of skills to the needs of the economy, now and in the future.

Whilst there are many examples of good practice, work in this arena is often still delivered in isolation, with no shared strategy or comprehensive approach guiding the work of partners; no lead organisation co-ordinating activity; and no collective oversight of the activity that is being commissioned or delivered.

Within this context, Derbyshire County Council (The Council) is keen to ensure it fulfils its statutory responsibilities around supporting young people, disadvantaged adults and the wider workforce into suitable, sustained employment. The Council is also keen to ensure it is helping facilitate stronger partnership working and driving more cohesive action on skills and employment across the county.

In the absence of a single, shared strategy for the county, this document sets out the Council's vision and priorities for improving the employment and skills agenda and provides an overarching framework, around which, individual strategies and plans can coalesce. It sets out how the Council will work with external partners to make the employment and skills landscape less fragmented and easier to navigate and access for residents, education, establishments and employers alike. It will provide a strategic framework for employment and skills, around which, individual service plans can align.



Purpose of the Strategy

Set against a complex policy and delivery background, it is important to have a clear strategy in place that guides the Council's (and partners') activity over the coming years to ensure local people are able to take advantage of the available job opportunities; that employers have access to an appropriately skilled workforce; and that training and skills provision is targeted at meeting economic needs. This Strategy will provide a coherent platform from which to build more effective partnership working to meet our ambition for economic success and prosperity.

To be more effective in our collective efforts as a Council we need to understand the current policy context and challenges facing our residents and employers. This section sets out that policy context and identifies the main challenges faced by Derbyshire residents and the economy.

Context

The UK has a strong economy, hosting some of the world's leading businesses (Tier 1 companies such as Rolls Royce etc.) and universities. It has one of the highest employment rates in Europe and is viewed as the location of choice for businesses at the cutting edge of innovation and technology, attracting more overseas investment in research and development than many major countries, including Germany, France and China. However, the recent growth in the economy has started to slow and the UK has not nurtured some of the skills needed to support growth in a rapidly transforming economy, as a result our national productivity is lower than our competitors. Also growth is not even across the UK, with the south east outperforming other regions including the east midlands. This is equally true of the Derbyshire economy, where recent performance has been good, but productivity remains below the average. The Council must work to reduce the level of inequality within the county and make greater efforts in equalising the quality of opportunities for our residents.

In addition, this Strategy must take into account the varied natural landscape and built environment that represents Derbyshire. It is a significant asset that underpins the leisure, tourism and recreational industries, whilst being a great attraction to new businesses to the area, and contributing to the health and wellbeing of Derbyshire residents. Protecting and enhancing this environment for future generations is an important framework within which the Strategy must operate.

National

Government has issued a number of significant policies and reforms for skills and employment over the last year or so, many linked to the Grand Challenges and Foundations of the Industrial Strategy or international issues such as Brexit. A number of other reforms are planned over the period 2018/2020.

Brexit

The impact on employment and skills that our proposed withdrawal from the EU will have on the UK economy is much mooted but little understood. Facts and figures are still emerging and this is resulting in economic uncertainty. Issues such as the free movement of workers and the potential loss of skilled (and unskilled) labour will have significant impact, particularly in economies around Derbyshire and the East Midlands where there is a reliance on EU workers in key sectors such as servicing (visitor economy), storage and warehousing, adult social care etc. Changes to employment visas may result in out-migration of existing workers, leaving some employers struggling to recruit; re-skilling and up-skilling other workers will be essential for these sectors if they are to continue to succeed.

The Industrial Strategy

The Industrial Strategy was launched in November 2017 and describes Government's intention to boost productivity and economic performance across the UK. It sets out five policy foundations that seek to transform the economy and make the most of untapped potential.

These are being embedded in all local industrial strategies and economic plans throughout the UK and are providing the platform for other Government policies:

- **Ideas:** the world's most innovative economy
- **People:** good jobs and greater earning power for all—including retraining the labour market, improving maths and technical skills
- **Infrastructure:** a major upgrade to the UK's infrastructure
- **Business Environment:** the best place to start and grow a business
- **Places:** prosperous communities across the UK

The Strategy also sets out four grand challenges—artificial intelligence; agency population; clear growth and future of mobility—all of which, Government believes should underpin or be recognised in local policy development.

The National Careers Strategy

Government has set out how it proposes to bring together different elements of the careers system to deliver significant improvements for people of all ages. Of particular relevance are proposals around national careers support and the responsibility of schools. The relatively new Careers and Enterprise Company is the single deliverer of the national Strategy, with the main elements of its delivery model focus upon the Enterprise Adviser Network. The Network is made up of local coordinators co-funded by local enterprise partnerships and local

authorities. In Derbyshire, there are a total of six co-ordinators and two more are planned working directly with schools and colleges to build career plans and make connections to employers.

Schools

The Government has set out a number of requirements for schools:

- **Gatsby Benchmarks** - secondary schools and academies recommended to adopt 8 benchmarks to develop/improve careers provision. This includes every pupil by age 16 having had a meaningful encounter with providers of the full range of learning opportunities including apprenticeships.
- **Apprenticeships** - every school must ensure there is an opportunity for training providers to access all pupils in years 8 to 13 to give advice on approved technical education qualifications or apprenticeships. Provider visits must be made available to all pupils.
- **Labour Market Information** - schools should ensure all pupils have made use of information about career paths and labour market information to inform their decisions.
- **Addressing individual pupil needs** – ensuring all young people, including those with Special Educational Needs (SEN), disabilities or at risk of non-participation are able to consider the widest possible range of careers.

Apprenticeship Reforms

Apprenticeships are one of the most significant areas of national policy reform in recent times. These reforms centre on:

- Changes to the funding rules and methodology
- Introduction of the Levy
- Legislating to protect the term apprenticeship in the Enterprise Bill
- The creation of the Institute of Apprenticeships (IfA)

The Institute of Apprenticeship's remit is to ensure the development of high quality apprenticeships so they are viewed and respected as highly as other education routes. The Institute also covers a series of supportive and advisory functions, all with a focus on ensuring that apprentices have the skills, knowledge and behaviours needed to make a significant contribution to their job role, sector and employer.

Recent changes to the application of the apprenticeship levy presents an opportunity for the local authorities to directly engage with local businesses and supply chains in the authority and supporting apprenticeships in key sectors / service areas. Activity in this area will help address some of the issues of our engaging workforce and limited succession planning.

Post 16 Skills Plan

Published in July 2016, the Post 16 Skills Plan is Government's ambitious framework to support young people and adults in securing sustained, skilled employment and meeting the needs of our growing and rapidly changing economy. The introduction of T-levels is at the heart of wider reforms to the 16 Skills Plan and they aim to provide young people with the choice between technical and academic, post 16 education. This is a major opportunity for Derbyshire as it will help ensure improved routes to employment that meet the needs of the local economy and the 21st century.



Review of Post-18 Education and Funding

Government is currently undertaking a major review across post-18 education and funding to ensure a joined-up system is in place and that education for those aged 18 years and over is accessible to all. To ensure the UK and Derbyshire economy retains its place as being internationally recognised for the quality and outputs of the FE system, these reforms are essential. A successful 21st century economy requires 21st century skills.

Reforms to Welfare System

Implementation of Universal Credit is currently affecting around 10,000 residents (source Department for Work and Pensions (DWP) Aug 2018) in Derbyshire and is providing a greater focus on claimants undertaking work related activity. Changes to the DWP activity, with the closure of the Work Programme and creation of new national programmes such as the Work and Health Programme, are providing the framework for helping more vulnerable residents, and those furthest from the job market, back into employment.

Regional / Local Issues

Midlands Engine and the Northern Powerhouse

Government has established new regional agencies with responsibility for creating a more balanced UK economy by driving employment growth and increasing productivity. Government investment is now starting to be targeted through these agencies which are setting the strategic delivery context on issues such as infrastructure, skills, routes to employment, transport and connectivity.

Local Enterprise Partnerships and Regional Governance

Local Enterprise Partnerships (LEPs) provide a collaborative public/private sector arena for determining local economic priorities, undertaking activities to drive economic growth and support job creation, including responsibility for setting skills priorities. A corner stone of the newly invigorated LEPs will be development of the Local Industrial Strategies, Strategic Economic Plan (SEP) and Skills Panels, all of which will provide the policy platform for local authority and partner deliveries.

The developing SEP has the following priorities for skills and employment:

- **Future Workforce** - equip people of all ages (and particularly young people) with the skills and knowledge they need to make informed career choices and to access jobs.
- **Inclusive Workforce** - support those individuals who are furthest away from the labour market to re-engage and move towards and into work.
- **Skilled and Productive Workforce** - enable businesses to find the talent they need and to equip their workforce with the skills of the future.
- **Planning for future skills needs** - build an intelligent, evidence-based local skills ecosystem that is capable of matching the skills of the population with the needs of business.

HS2 Skills and Supply Chain

The national Skills, Employment and Education Strategy (SEES) sets out how HS2 is working with suppliers, the National College for High Speed Rail and regional stakeholders (including LEPs) to address the skills demands generated by this major infrastructure project. Its aim is to help young people, job returners and the active workforce develop the technical skills to not only design and build HS2, but to deliver a pipeline of the UK's rail infrastructure and leave a lasting skills legacy for the country.

It will be achieved by:

- Delivering a highly skilled transport infrastructure workforce;
- Working to promote the transport infrastructure sector with the aim of ensuring the best talent is available to the industry;
- Supporting more people to reach their full potential by improving their skills and securing employment; and

- Seeking to increase the diversity of the transport infrastructure workforce.

Derbyshire is host to 44km of HS2 track and 25km upgraded (electrified) Midland Mainline, classic rail track. A total of £4 billion growth in Gross Added Value by 2043 is anticipated as a result of HS2 in the region along with 74,000 jobs.

Derbyshire Health and Wellbeing Strategy

Employment is seen as critical to good overall health and is one of the five new priority areas in the refreshed Derbyshire Health and Wellbeing Strategy. Good quality employment is well understood to be one of the key routes out of poverty. It provides a sense of personal worth and enables enough economic resources for material wellbeing. By equal measure, poor housing is directly linked to poor mental and physical wellbeing, which in turn, restricts an individual's ability to access employment or education and training.

Good quality employment is made up of three key elements:

- Fair employment
- Good working conditions
- Decent work

The Council's Employment and Skills Strategy seeks to address and embed approaches to driving better employment that not only has the desired economic and social benefits but also desired health benefits. Public health partners are critical to ensuring appropriate and effective delivery.

Thriving Communities and Troubled Families Programmes

This Strategy embeds the principles and activities of the Council's Thriving Communities programme which is innovating new ways of co-designing and co-producing local services, with local people. Moving away from fragmented models of service provision, the approach seeks to change the relationship between public services and communities to create greater self reliance and resilience.

Thriving Communities has identified three high level priority outcomes, one of which is to create an *Alliance for Work and Skills*. The aim is to provide strategic governance for the successful local integration of work, employment and skills support which will help local residents, and ultimately local businesses, thrive. Development of the alliance is embedded in the objectives of this Employment and Skills Strategy and relevant action plans will be fully integrated.

Disability Employment Strategy

The Council has an existing DES which sets out its commitment to make it easier for people of all ages, including care leavers and those with disabilities, to find and access suitable employment.

The vision for this work is set out below:

‘To support disabled people in Derbyshire to access opportunities to achieve their employment goals; and that Derbyshire County Council - in liaison with key Partners - effectively targets its efforts at increasing disability employment.’

In order to achieve the vision, the DES sets out five priorities that provide the framework for action and investment of the Council and its partners over the next five years.

- Empowering and supporting people to secure paid employment
- Job retention and career development
- Working with employers
- Strategic partnership and engagement
- Skills development

The new Employment and Skills Strategy does not duplicate the work of the DES but forms a complimentary document that ensures the Council’s overall approach is supporting *all* residents, and is comprehensive and coordinated.

Derbyshire Enterprising Council

The Enterprising Council approach recognises the fact that the role and shape of public services has changed dramatically over recent years. The Council Plan 2017-2021 sets out clear ambitions to be an efficient and high performing council, delivering value for money services. Exploring creative ways to deliver better services for less and ensuring that the Council’s operating model is fit for purpose is critical to the Council achieving its ambitions and addressing the challenges that lie ahead.


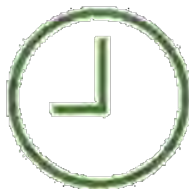

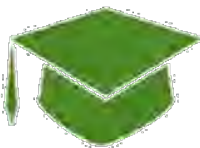

This involves fundamentally examining and addressing the way in which we do business and exploring opportunities for more effective partnership working to deliver better results locally. The objectives and resulting action plan of the Employment and Skills Strategy exemplifies the principles of Enterprising Council and will maximise opportunities for reshaping and reimagining service delivery not just for the Council but for its work with partners as well.

Current Performance

Local Delivery Context

A range of agencies across the public sector are actively working to impact the effectiveness of employment and skills activity in Derbyshire. Great strides are being made in key areas and the national and regional policy context outlined earlier is helping set the framework for new and innovative delivery. However, challenges remain and more needs to be done to address some of the critical barriers to employment and skills development if we are to sustain and drive our economy forward. Performance in key result areas is set out below:

Summary of Key Employment and Skills Indicators

	The county's employment rate has continued to increase. It now stands at 79% and remains 4% points higher than the national rate of 75%	Change since 2014 Derbyshire +4.1% points England +4.1% points
	Productivity levels have improved significantly in Derbyshire with output per hour now £30.30 , closing the gap with England (£33.10). Raising productivity levels both nationally and locally is a key economic challenge.	Change since 2014 Derbyshire +15.6% England +8.1%
	The average weekly earnings of a Derbyshire resident is £547 , this is 5% less than the national average of £575.	Change since 2014 Derbyshire +9.3% England +10.4%
	Higher level qualifications have increased, 33% of the working age population are now qualified to degree level or above. However fewer Derbyshire residents have higher level qualifications compared with England.	Change since 2014 Derbyshire +2.7% points England +4.2% points
	The average attainment 8 score in Derbyshire is 45.4 , above the national average of 44.3. In addition more pupils (42.6%) in the county achieved a grade 5 or above in English and Maths than across England (39.9%).	Change since 2014 Not available due to changes in how attainment is measured

Current Performance

GVA

Since 2014, the size of Derbyshire's economy has grown by 15.0% (£1.9 billion), slightly less than the 17.1% England average. However, over the last year, growth locally has more closely matched that nationally with respective increases of 3.5% and 3.7%. The sectors contributing most during this time have been distribution, transport, accommodation & food (£0.8bn) and manufacturing (£0.5bn). Two other sectors have also shown strong growth, professional services (£0.3bn) and real estate (£0.2bn).



Productivity

Since the last LEA in 2014, Derbyshire's productivity has improved by 15.6% compared to 8.2% across England. This has significantly reduced the size of the gap between Derbyshire and the rest of the country. Despite these improvements, Derbyshire workers currently generate £30.30 per hour in output, which is £2.80 less than the England average. This is a key test of productivity, and a major focus of the



industrial strategy. Within the county, productivity is higher in south and west Derbyshire than east Derbyshire, with the figures being £31.10 and £29.00 respectively. It is vital that productivity levels continue to rise and is one of the main key challenges for the local economy. Any activity to be promoted through this Employment and Skills Strategy needs to be targeted on providing better quality jobs and ensuring a skilled workforce to support them.

Current Performance

Entrepreneurship

In 2018, there were just under 30,000 businesses in Derbyshire. Whilst the number has declined over the last 12 months overall there has been an increase of more than 15% over the last four years. The bulk of employers are micro-businesses employing less than 10 employees, with fewer than 100 large firms locally.

Levels of entrepreneurship are on the rise. Over the last four years business starts have exceeded business closures, with the latest figures showing 3,505 new firms compared with 2,965 business closures. However, the county has a lower start up rate than elsewhere in England at 11.7% compared with 15.0%. Despite this, new employers are succeeding. Business survival rates in Derbyshire are consistently higher than across England. Given that entrepreneurship levels are lower in Derbyshire but business survival rates are higher, it raises the question of how business start-up rates might increase locally without compromising the county's strength in commercial survival.

Workforce: Labour and Skills Supply

Derbyshire has a large pool of available labour with above average employment rates and below average levels of unemployment overall. The qualification levels of residents also continues to improve. However, there are areas of the county where both the employment prospects and skills levels for local residents fall well below average. Equalising opportunities for these disadvantaged residents will be a key strand of this Strategy.

Population

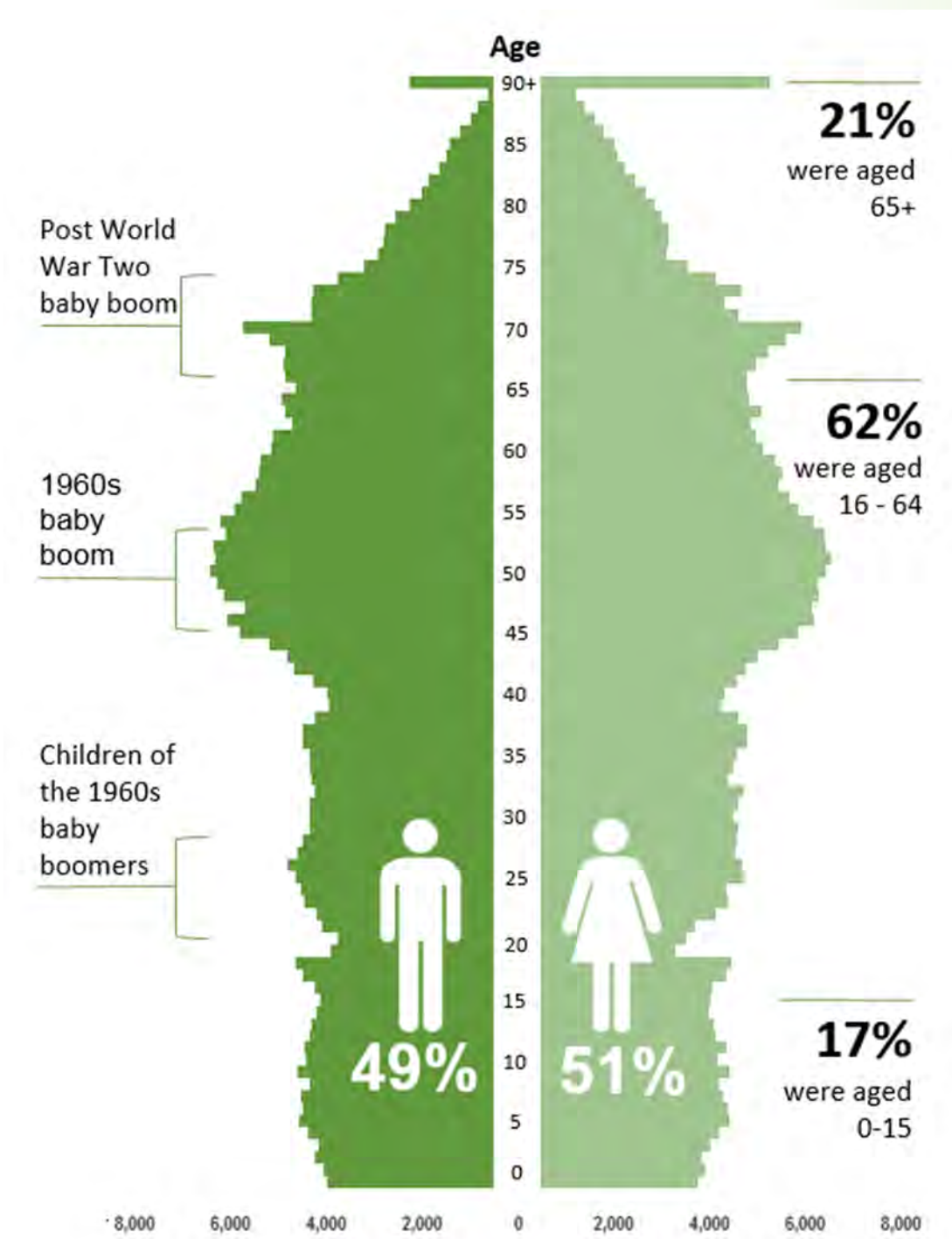
In 2017, there were 791,966 people living in Derbyshire, an increase of 0.8% (6,201 people higher than in 2016). It is estimated that by 2039 the population will have increased locally by nearly 10% to 858,900 people. Derbyshire also has an increasingly ageing population and consideration needs to be given to the impact of this not only in terms of the demographic challenges this presents, but also the challenges of employing an ageing workforce.

In addition, Derbyshire has relatively high levels of residents who experience 'limited' day to day activities due to a health problem or disability with higher rates of residents claiming Employment and Support Allowance. Continuing to provide support to those who find it more difficult to access and remain in employment is vital and again, will need to be a key strand of activity in this Strategy.

The proportion of the Derbyshire population aged over 65 is also projected to increase significantly, whilst the working age population is forecast to fall slightly. This means that there will be fewer working age residents available to work to support the growing number of elderly people. The supply of suitable, skilled and available labour is therefore a key issue for the medium term. Derbyshire's economy will need to take advantage of all those residents capable of working and ensure they are employed.

Current Performance

Population by Age and Gender (2017)



Source: Mid-year Population Estimates, 2017, ONS, © Crown Copyright

Current Performance

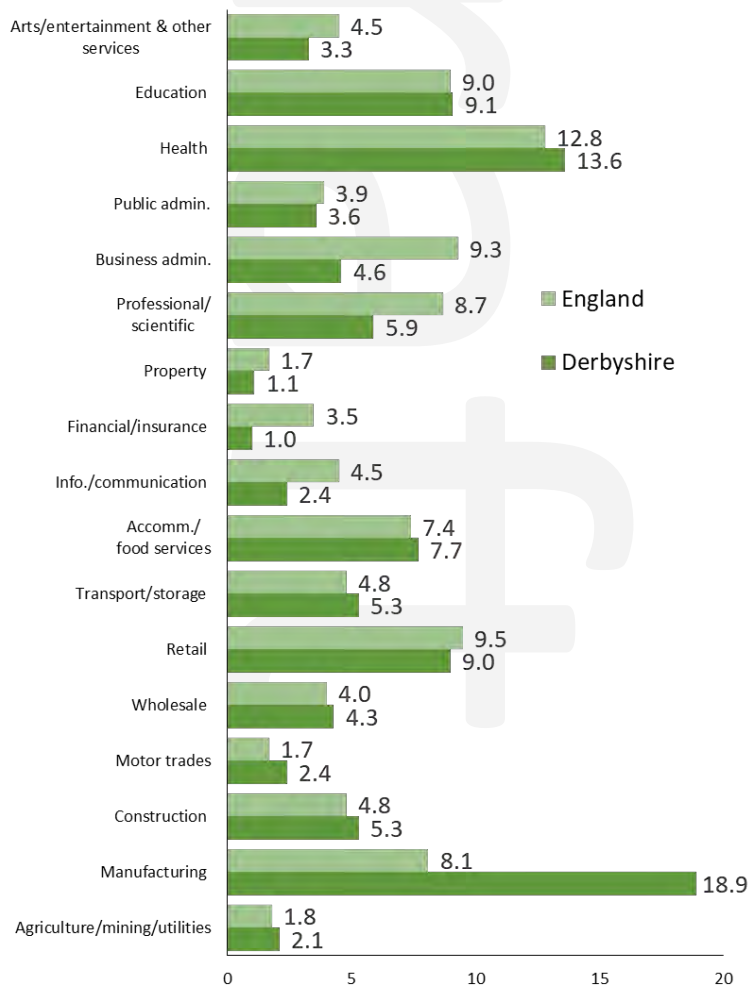
Employment Rates

Derbyshire's employment rate has continued to increase since the 2014 Local Economic Assessment and now stands at 78.8%, more than 3% points higher than the England rate of 75.2%. Employment rates nationally and locally are now amongst the highest they have been since 2004, reflecting the improving economic picture, and also perhaps marketing some of the terms of employment that Universal Credit and zero hours contracts provide. Locally, the employment rate ranges from highs of 85.3% in Amber Valley and 82.1% in South Derbyshire to lows of 70.7% in Chesterfield and 71.8% in Bolsover.

Key Employment Sectors

There are over 290,000 people employed by a Derbyshire business, with nearly 60% of employees working in just five sectors. Manufacturing remains the largest employment sector in the county at around 19% of employment, with metals and metal products and food and drink being the two biggest components. Other significant employment sectors are Health (13.6%), Education (9.1%), Retail (9.5%), and Accommodation & Food (7.7%).

Employment by Sector (2017)



Source: Business Register and Employment Survey, 2017, ONS, © Crown Copyright

Current Performance

The Derbyshire economy has a significantly different profile to that nationally. The key difference is in manufacturing where the level of employment is more than double that nationally. Other differences are linked to the relatively smaller service sector locally, with for example the Business Admin, Professional, Scientific & Technical and Information & Communications sectors weaker than for England.

Tourism is the UK's fastest growing employment sector, locally the sector employs 22,500 full-time equivalent workers and in 2016 around 32 million visitors came to Derbyshire, contributing more than £1.6 million to the economy. Since the end of the recession, the sector has performed well locally with a rise of nearly 3 million visitors, growth of £150 million in visitor spend and a 9% rise in employment.

Across the employment sectors, the Accommodation and Food sector has seen the greatest rise in employment levels over the last five years with around 6,500 more employees. Other sectors which have grown strongly are the Professional, Scientific & Technical, and Manufacturing sectors which have expanded by 3,500 workers. However, the Education sector has been particularly hit, with nearly 11,000 jobs lost as has Public Administration where there are 5,000 fewer employees.

Over the next 15 years, Derbyshire's employment levels are forecast to increase by around 3%, or 10,000 jobs, lower than the national forecast of 8%. Although many service sectors are forecast to have growth, the largest growth in employment in the county is in Residential and Social Care. This sector is predicted to see an additional 3,500 (17.2%) employees by 2030, reflecting the demands of an ageing population. Three other sectors are forecast to see rises of more than 2,000 employees; Retail (+2,900), Public Administration & Defence (2,500) and Wholesale (2,100). Manufacturing sectors dominate areas where large declines are predicted, the largest being for non-metallic mineral products (-2,900).

Private/ Public Sector

There are 240,288 people employed within the private sector in the county, representing 82.8% of total employment, just below the figure for England. Within the county, the greatest levels of private sector employment are in South Derbyshire (88.4%) and Bolsover (86.7%) whereas in Derbyshire Dales (79.8%) and particularly Chesterfield (75.3%) the levels are lower due to higher levels of public sector employment.

Rebalancing the economy in favour of the private sector has been a Government priority since the 2008 recession and over the last five years, private sector employment has grown by more than 20,000 employees in Derbyshire (or 9.3%). This is just below the rise of 14.1% seen nationally.

Current Performance

In contrast, public sector employment in Derbyshire has declined considerably over the last five years falling by more than 30%, much higher than the 5.9% fall nationally. Over half of the decline has been across the three districts of Derbyshire Dales (-5,800 employees), Chesterfield (-3,950) and High Peak (-3,250). Despite these falls, the public sector still remains a significant employment sector locally.

The Third Sector in Derbyshire

Derbyshire has a vibrant Third Sector where there are an estimated 4,936 voluntary and community organisations operating across the county. This estimate includes formally registered organisations, such as charities, social enterprises and co-operatives, and a large number of 'below the radar' organisations that are not formally registered or incorporated. Overall, 62% of organisations are micro in size (annual income under £10,000), 26% are small (annual income between £10,000 and £100,000), 10% are medium sized (annual income between £100,000 and £1million), and 2% are large (annual income greater than £1 million). In 2009/10 it was estimated that the total income of the sector was at least £34 million.

The sector employs an estimated 17,000 people. This equates to about 10,000 full time equivalent employees. Around two fifths are employed in large organisations with a further third employed in medium sized organisations. By comparison micro and small organisations combined are estimated to employ only one fifth of the sector's paid staff. However, it is important to highlight that more than two thirds of voluntary and community sector organisations do not employ any paid staff at all relying solely on volunteers. It is estimated that 106,000 volunteers contribute to voluntary and community sector activity in Derbyshire providing an estimated 218,000 hours of their own time each week.

Unemployment

Unemployment figures for October 2018 show that Derbyshire has lower than average levels of unemployment with a rate of just 1.7%, well below the national rate of 2.2%. However, high unemployment exist at local levels, with 43 of the county's wards having an unemployment rate above the national average. Over two fifths (41.2%) of all unemployed people in the county are long-term unemployed . This has risen by 6.6% over the last year, indicating that this group is experiencing difficulties with moving into work.

Even though Derbyshire has a lower than average level of unemployment, Government figures for 2015/16 show it continues to spend large sums (in the region of £223 million) in out of work benefit. The latest Employment Support Allowance (ESA) figures shows there to be 28,700 claimants in Derbyshire, with more than 20,000 in the support group which is for those people with the most severe conditions. A further 5,180 people are within the Work Related Activity Group who have been identified as being fit for work if they received the right level of support.

Current Performance

In addition, 2011 Census data reveals Derbyshire has higher levels of residents who report experiencing 'limited' day-to-day activities due to a health problem or disability compared with England, 20.4%:17.6% respectively.

Skills and Attainment

The overall qualification levels of Derbyshire residents continue to improve. Despite this, relatively fewer people hold a degree level qualification than the England average. Occupational analysis also shows there are more residents in Derbyshire who work in higher level occupations than there are higher level jobs available with local employers. This suggests that the residents who commute outside of the county do so for higher level jobs, due to a lack of opportunities within the county.

At the same time, local employers report experiencing recruitment difficulties. This suggests there is a mismatch in the skills required by Derbyshire employers and those held by local residents, both in terms of the level of qualification and occupational area. There is a need to support activity to ensure the skills local employers demand are adequately matched through the education and training provision available. This is likely to require improvements in understanding the specific skills needs of businesses and how this can better inform provision.



Source: Annual Population Survey, Jan - Dec 2017, ONS, © Crown Copyright, Department for Education.

Qualification Levels

Over the last 10 years, the proportion of the workforce with a degree level qualification has improved by 7% and currently represents 33.0% of the local workforce. However, this varies considerably across the county with Derbyshire Dales (47.4%) having nearly double the number of people qualified to level 4 or above than Bolsover (25.8%).

Current Performance

Fewer people also report having no qualifications locally. Derbyshire's strength is at qualification levels 1, 2 or 3, where greater numbers of people are qualified than across England.

GCSE

Attainment levels of young people at GCSE are just above the national average, although educational achievement in some parts of the county is considerably lower. These geographical areas are also social mobility cold spots where the achievement of young people from disadvantaged backgrounds lags behind that in other parts of Derbyshire.

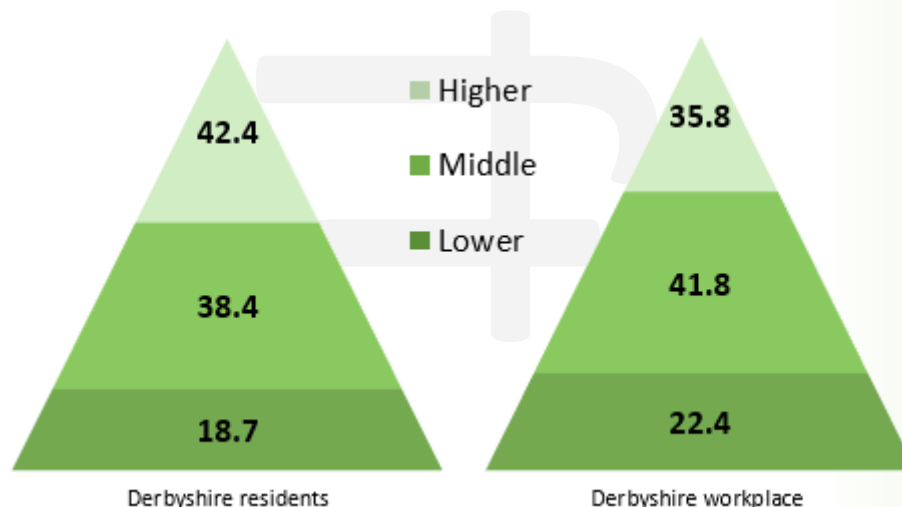
Raising aspiration and attainment levels across the county is of vital importance to ensure as many young people as possible are equipped to contribute fully to the labour market. The role of careers information, advice and guidance will be critical in addressing this issue.

In addition to the economic case for having an Employment and Skills Strategy, there is the wider impact that such an activity has on social justice and social mobility. To this end, the Strategy should take into account the Joseph Rowntree Foundation's five point plan for economic policy, which includes the raising of education and skill levels.

The Strategy should also incorporate the needs of the Government's Unlocking Talent, Fulfilling Potential report of 2017 paper which set out the process for dealing with social mobility issues in society. The Life Stage Ambitions outlined a number of priorities including access to Careers Education, Information and Guidance (CEIAG), and support for retraining and upskilling.

Occupation Levels

Occupation Levels (%) - 2017



Source: Annual Population Survey, Jan - Dec 2017, ONS, © Crown Copyright, Department for Education.

Source: Annual Survey of Hours and Earnings, 2017, ONS, © Crown Copyright

Source: Sub-Regional Productivity, 2016, ONS, © Crown Copyright

Current Performance

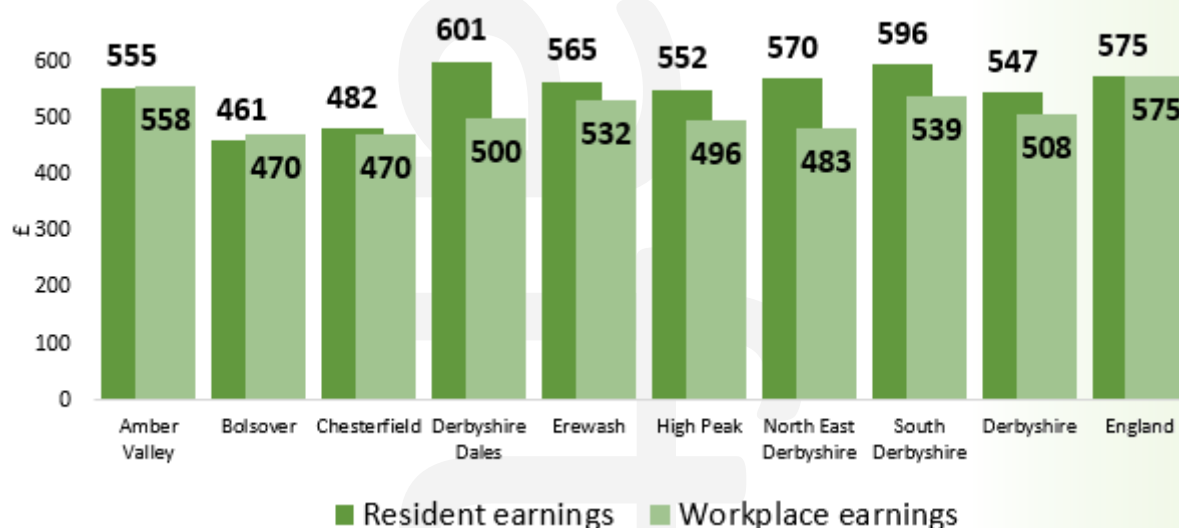
Derbyshire also has a less skilled occupational profile than nationally although the occupational level is improving. The occupational profile of Derbyshire's residents shows that 42.4% currently work in a higher level occupation. This is higher than the 35.1% of people within the county's firms who are in higher level jobs. This suggests an oversupply of higher level skills locally with many skilled individuals travelling outside of the county for work. This raises the question of whether Derbyshire has the right mix of higher level skills needed by the county's firms or whether there is a need to attract greater numbers of higher value employers into the area to help retain greater numbers of high qualified residents.

Earnings

The average weekly wage in Derbyshire of £547 remains below that for England (£575). Residents in Derbyshire earn 5% less than the national average and those employed by a Derbyshire business earn 13% less.

Across the majority of Derbyshire districts, the earnings of those living in the area (residence based) are significantly higher than the earnings of those who work in the area (workplace earnings). This reflects the lower skilled employment structure of the county and the travel by some residents out of Derbyshire to work to secure higher wages.

Average Weekly Earnings by District (£)



Source: Annual Survey of Hours and Earnings, 2018, ONS, © Crown Copyright

Source: Sub-Regional Productivity, 2016, ONS, © Crown Copyright

Skills Demand

The latest detailed analysis of the skill demand for Derbyshire is from the UK Employer Skills Survey 2017 (NESS) published in 2018, which highlights a number of skills issues for the county.

Between 2015 and 2017 there has been a slight drop in the number of employers in Derbyshire active in the recruitment market, compared with no change nationally.

Current Performance

This is reflected in the number of vacancies advertised by the county's firms over the last two years which has seen a modest increase of 3.0%. Nationally employers appear to have been more active in the labour market where there has been a growth of 9.4% in vacancies.

However, in 2017 fewer vacancies (17%) were reported due to skills shortages locally than in 2015 when the figure was 25%, suggesting that the skill needs of recruiting firms are being better met by the local labour market than two years ago. The greatest number of skills shortage vacancies in Derbyshire, as in 2015, were in skilled trades (385 vacancies), machine operatives (205) and then associate professionals and sales and customer staff (both 160). As nationally, 13% of employers in the county reported that their workforce were not fully proficient in their roles. Encouragingly, this figure has dropped locally since 2015 when it was 19%. Given the debate about the UK's relatively low productivity this is positive as skills are an important strand in the government's objective to raise productivity levels.

At occupational level, the greatest number of skills gaps, as in 2015, were in elementary staff (3,275 staff), followed by machine operatives (1,545) and caring, leisure and other service staff (1,115). Overall, the latest NESS results are positive showing that there are fewer skills gaps in the workforce locally compared with two years ago.

The flip side to skills gaps is the perception from employers that some staff are 'under-utilised', a situation which can represent a missed opportunity for employers to increase performance and productivity. Whilst the number of skills gaps has gone down, the proportion of firms in Derbyshire saying they had staff who are under-utilised has increased from 31% to 35% over the last two years.

Whilst the analysis from the NESS provides a very useful overview of the skills needs in Derbyshire, the survey is based on a relatively small sample of the county's businesses. It is felt that further research and analysis is required in order to fully understand the skills needs, particularly the specific sectors and occupations that will be required to support the local economy in the future. This refers to the skills required by existing employers in the area and significant large scale developments such as the East Midlands Gateway, HS2 and as a result of wider economic determinants like Brexit and advances in automation.

The Quantity and Quality of Current Skills Provision

Derbyshire has two strong, general further education (FE) colleges; Derby College and Chesterfield College. Both offer a wide range of vocational provision and have strong links with employers. Two other FE colleges, Burton and South Derbyshire and Buxton and Leek, play a considerable role in the training, skills and education provision to Derbyshire residents. In addition, there are other FE institutions in neighbouring LEP areas which impact on provision, for example, Stockport College which serves residents living within the borough of High Peak.

Current Performance

The D2N2 area based review that reported in August 2017 gave an insight into the performance of the post-16 skills market across the area. The summary of its findings were that for the most part, provision across the area was of good quality and broadly met the needs of the young people it served. However, rural accessibility was identified as an issue for some parts of Derbyshire.

The D2N2 Skills Mismatch report which was published during the same period indicated that in terms of meeting the needs of local employers, there appeared to be some mismatch between the skills demanded by employers and those undertaken by students, indicating some potential market failure.

Summary

There is a complex and multi-faceted policy context governing the skills and employment agenda. Emergency issues such as the local industrial strategy and likely economic shocks associated with Brexit will inevitably impact on the Council's, and its partners' ability to address the issues outlined in this section.

Overall, the economy of Derbyshire is performing well with strengths in key employment sectors. However, the advent of artificial intelligence, together with challenges around an ageing population, transport connectivity and globalisation mean that ensuring all our residents and businesses benefit from growth will require concerted and strategic efforts by the Council. The remainder of this document sets out that strategic approach.



The Employment & Skills Strategy

Vision

This Strategy has been developed having full regard to the policy context and economic conditions set out earlier. Addressing the challenges and maximising the inherent opportunities of improved coordination of Council services and stronger partnership working requires ambition and energy. The following statement seeks to capture our vision for employment and skills.

“To enable the residents and employers of Derbyshire to secure the skills and employment needed for economic success and prosperity”

Strategic Scope

The Council works across two spectrums of the employment and skills agenda: operationally, by delivering and commissioning a range of services; and strategically, as an upper tier authority influencing national, regional and local policy and coordinating partnership working. Both are highly relevant in guiding the work of the Council and considered to be essential elements of this new Strategy.

The Council is ideally placed to utilise its strategic role to influence and drive forward improvements in the employment and skills landscape, both internally and externally. Therefore, this Strategy promotes the principles of strong stewardship, facilitation and coordination in two clearly defined ways:

- **Influencing policy and programmes:** working corporately to influence the design, commissioning and delivery of quality programmes of activity around employment and skills.
- **Co-ordinating activity and delivering local action:** drawing together the contributions and impact of strategic partners involved in employability and skills to ensure activity is as meaningful and as effective as possible.

Internal Focus

Currently, the Council commits significant levels of resources across a wide range of internal initiatives and programmes, each with the aim of meeting individual departmental objectives. At a time of scarce resource it is imperative these individual activities are able to have greater impact through better co-ordination and oversight, not only to help avoid duplication but to make sure no obvious gaps are left in our efforts to support economic growth.

This Strategy therefore supports:

- Delivery of relevant Council Plan and Service Priorities
- Our Enterprising Council approach by challenging the need for and ways in which employment skills and services are delivered

The Employment & Skills Strategy

- Supporting delivery of the Thriving Communities Programme
- Delivery of the Disability Employment Strategy
- Implementation of the new 'employment and skills model'

More specifically, Thriving Communities seeks to co-design and co-commission local services which given some of the geographical disparities of Derbyshire's economy, is an approach that is fully embraced in this Strategy.

External Focus

Given the level of complexity in the policy context, it is fully recognised that the Council is only one of a number of parties actively seeking to address the challenges in the skills and employment system. The Local Government Association (LGA) has estimated there are currently 17 funding streams managed by eight departments or agencies and spending more than £10 billion a year on employment and skills related activity. Despite this level of investment, evidence suggest they often fail to meet local need, address economic and social challenges, or make a decisive impact on outcomes for people or places such as Derbyshire.

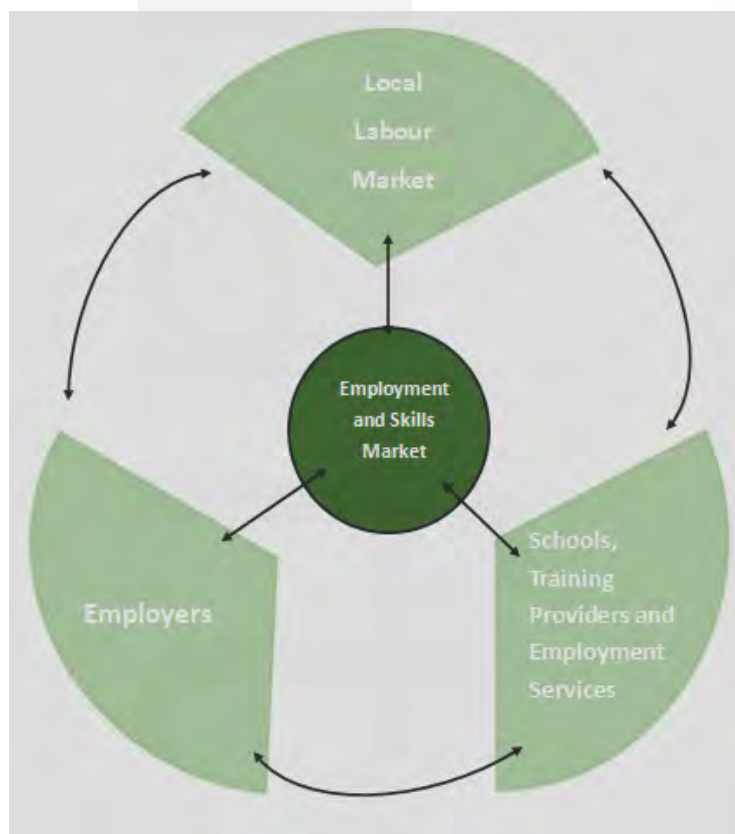


Figure 1: Inter-Relationships between Labour Market, Employers and Providers

The Employment & Skills Strategy

To help articulate the employment and skills market and the Council's contribution, a model has been developed which reflects the mutual relationship between the labour market (supply), educational institutions (providers), and employers (demand). This model is well articulated in various local and regional partnership documents and provides the framework for coordinated and coherent working with key partners and stakeholders such as Job Centre Plus, colleges and local employers. The diagram in figure 1 sets out the general approach of the model.

This Strategy uses this model as a framework through which it will deliver agreed aims and objectives of the Strategy.

The model is based around three key themes:

- 1) **Supporting the local labour market** – residents of all ages from 16 years upwards, including those vulnerable people furthest away from the job market, those with limiting health issues, those in employment already and those looking to return to employment
- 2) **Supporting local businesses in all sectors** to attract appropriately skilled labour – ensuring employers are able to survive and thrive through accessing appropriately skilled workers
- 3) **Co-ordinating the activity of education and training providers** – ensuring skills and training provision in the county is aligned to meet the needs of the local economy now and in the future

The ethos of the model will help provide a step change to current delivery arrangements by enabling a coherent and understood 'marketplace' for employment, skills and learning opportunities to all stakeholders.

Working with Local People

This Employment and Skills Strategy has been developed for all residents of Derbyshire, regardless of individual circumstances, and aims to help them obtain, maintain and progress in employment and/or skills training by offering:

- ⇒ Learning employability assets (knowledge of one's own ability and personal circumstances (Careers Education Information Advice and Guidance), skills and attitudes, career management skills, job search skills to identify relevant opportunities)
- ⇒ Deploying employability assets to apply for and obtain employment and skills training (e.g. Curriculum Vitae writing and interview techniques)
- ⇒ Deploying employability assets to maintain and progress in employment of skills training (e.g. being able to positively demonstrate workability skills and also how to manage personal circumstances such as family responsibilities, health and other external factors which may impact on individuals making the most of 'employability assets' to compete in the labour market)

The Strategy recognises that the Council, in terms of workforce development, has a

significant part to play in helping those who are most disadvantaged by focusing resources on key client groups. For example, those furthest from the labour market who need support to help them enter work or skills training – this includes individuals from the following priority groups:

- people with disabilities
- care leavers
- ethnic communities
- rurally isolated.
- people with long term health conditions
- job returners
- those in low paid and/or insecure employment to progress either in employment or skills training

From this complex and inter-related framework, the Strategy presents a small number of aims and objectives which will drive the work of the Council and its partners.





The Employment & Skills Strategy

Our Vision

“To enable the residents and employers of Derbyshire to secure the skills and employment needed for economic success and prosperity”

Strategic Aims

In developing the Employment and Skills Strategy, a number of aims have been agreed which will improve our overall approach through:



Adopting a whole system approach to improving opportunities for Derbyshire residents to help them gain the relevant skills, knowledge and experience to be able to enter, achieve and progress in education and work



Support employers to create accessible, quality and sustainable work and training opportunities



Act as system leader to improve the effectiveness and efficiency of the employment and skills system



Provide better governance and collaboration of the employment and skills system by all agencies across Derbyshire, particularly training providers



Co-ordinate and share intelligence across Council services and partners, to describe the challenges and opportunities in the employment and skills system, to influence future work. Understand the relationship between inclusive growth, health, work and economic productivity

The Employment & Skills Strategy

More detailed objectives have been developed to ensure delivery of our strategic aims. These are:

Objective 1

Supporting the transition into education or employment for residents

This will be achieved by:



Working in partnership to facilitate a meaningful and modern careers service for all ages and employment sectors



Delivering Derbyshire's Disability Employment Strategy to improve outcomes for those who find it more difficult to access employment outcomes



Offering and championing work experience with suitable businesses across the county



Reducing barriers to employment by adopting a multi-disciplinary approach to developing the employment and skills system



Establishing and supporting recruitment programmes and other progression pathways for disadvantaged residents and graduates with employers



Assisting in the development and delivery of wider employability skills, training, including pre-employment, to target those furthest away from the workforce



Supporting adults to return to work and/or progress into better paid employment

Measures of Success



Increase the proportion of young people aged 16-17 participating in compliant education and training.



Increase the number of people accessing high quality CEIAG.



Reduce the number of people who are claiming Universal Credit unemployed component.



Increase the number of people undertaking work experience placements.



Reduce the number of people with no qualifications.



Increase the number of people who are competent in English, Maths and ICT.



Increase the number of people in work with a disability.

The Employment & Skills Strategy

Objective 2

Supporting Derbyshire employers to thrive

This will be achieved by:



Improving the sharing and assessment of data to gain a better understanding of the skills gaps and employment needs in the local economy



Maximising the value of economic regeneration and inward investment opportunities through innovative application of national and local legislation and policy



Acting as a lead employer in supporting residents to access opportunities presented through the apprenticeship levy



Working with other public and private sector partners to deliver the levy effectively for Derbyshire



Working with partners to address health barriers to employment



Working directly with employers to engage fully with the needs of the labour market through uptake of:

- careers and enterprise company activities
- curriculum design
- disability confident
- apprenticeships
- encouraging flexible working practices and job design

Measures of Success



Increased Small Medium Enterprises investing in skills development.



Reduced wage gap with regional and national averages.



Reduced reported skills gaps and shortages.



Increased L3+ qualifications in the workforce.



Increased L4+ qualifications in the workforce.



Increase the number of employers who are disability confident



Increase the number of employers engaged with the Careers and Enterprise Company and work experience activities



Increase the take up of apprenticeships through the transfer of levy funds

The Employment & Skills Strategy

Objective 3

Influencing training and education providers to deliver the skills needed by employers and the wider economy

This will be achieved by:



Working directly with providers to understand the skills provision offered nationally, regionally and locally, ensuring gaps and local needs are addressed without duplication or displacement of existing services and initiatives.



Working with relevant stakeholders / commissioners to ensure design and delivery of future programmes and initiatives meet the strategic needs of the economy.



Working with training and education providers to ensure they are complying with their statutory responsibilities for raising participation and developing high quality CEIAG.



Working with strategic partners, in particular the D2N2 Growth Hub, districts and East Midlands Chamber to co-ordinate and improve the employment and skills system in Derbyshire.

Measures of Success



Increased Level 2 at 16 including English and Maths)



Increased level 2 at 19 (incl. English and Maths)



Increased level 3 at 19 (incl. English and Maths)



Increased numbers of level 3 apprentices



By an improved perception in business surveys of work readiness and skills



Increased numbers of business and education collaborations



Increase the number of educational institutions having a CEC Enterprise Adviser



Increase the number of educational institutions undertaking tracker and Compass

The Employment & Skills Strategy

Objective 4

Coalescing Council employment and skills activity around a single, cohesive strategy to deliver the vision and objectives.

Concentrated activity includes delivery and/or support to:



Council Plan Priorities

- *The Thriving Communities Programme*
- *Enterprising Council Approach*
- *Disability Employment Strategy*



Derbyshire's Health and Wellbeing Strategy

- *Strengthen opportunities for good quality employment and lifelong learning*



Service Plan Priorities

- *The County Council as a provider to deliver services in line with the economic needs of Derbyshire*

Measures of Success



Strategic Alliance signed off



Council Plan priorities delivered



Increases in employment of residents with a disability



Reductions in unfilled vacancies in priority areas

Ensuring Delivery

Developing the Action Plan

A detailed Action Plan will be developed by dedicated task and finish groups. Action plans will take into account the existing activities and resources of the Council, as well as identifying any new activity and resources that are required. The Action Plan will support the three elements of the employment and skills market; those relating to the labour market; those relating to education and skills providers; and those relating to employers - as well as any cross-cutting corporate work linked to Objective 4.

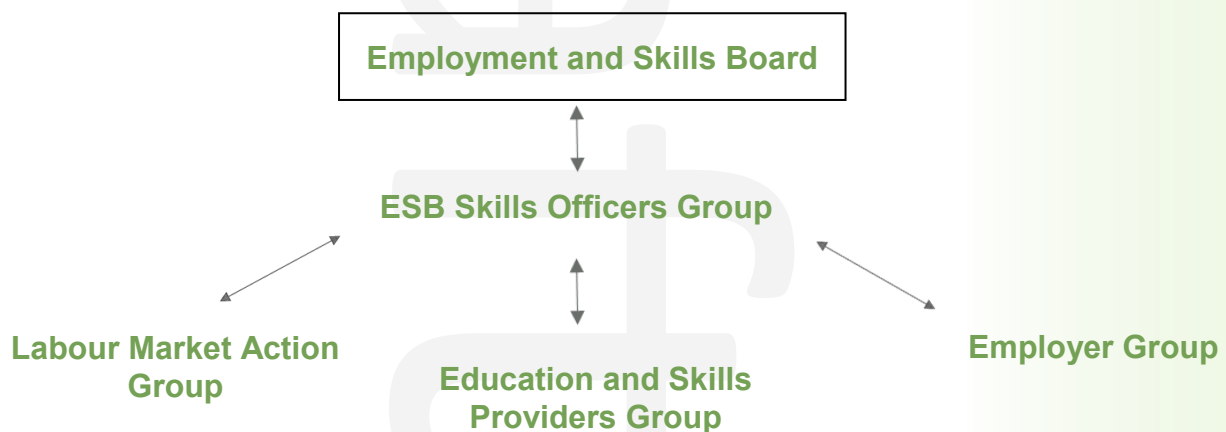
Action identified under each objective is not intended to be exhaustive, and makes no attempt to repeat activities already embedded within individual service plans or strategies. It does not replace existing departmental plans, but places an overarching 'filter' through which departmental plans are delivered. The Action Plan is currently being developed and will be finalised in early 2019.

Strategic Relationships

Key to delivering the work of the Strategy is effective partnership working across Derbyshire and the rest of the LEP area. The Strategy has already identified that Derbyshire County Council is a key stakeholder in the local employment and skills landscape, but is heavily reliant upon strategic partners such as DWP, NHS, district councils, further and higher education establishments in delivering its vision.

Ensuring effective co-ordination across partnership areas is therefore essential. The diagram below sets out the nature of established relationships.

Structure for Action Plan Delivery



Governance

To effectively discharge the Employment and Skills Strategy, an appropriate governance structure needs to be developed. Currently, the Council has an internal Employment and Skills Board (ESB) which was established in 2015. The ESB has succeeded in supporting a more joined up approach to deploying Council resources, but there is scope for increased co-ordination.

Ensuring Delivery

Taking this into account, the ESB recognises that to achieve the best employment and skills outcome a new, more robust, governance structure needs to be in place.

Key issues for consideration are:

- membership and scope
- link to other Boards e.g. Derbyshire Adult and Community Education Service Governance Board, Derbyshire Economic Partnership Board etc.
- resource allocation
- project task groups
- service delivery options

Resources

Previous analysis of resources deployed on employment and skills activity is now out of date and given the degree of financial challenge and organisational change in recent years, will require further assessment.

Essentially, existing services are delivered across all four different Council departments:

- Adult Care
- Children's Services
- Commissioning Communities and Policy
- Economy, Transport & Environment

At national level, recent assessment has identified approximately £10 billion per annum is being spent on the skills and employment agenda. It is therefore important that Council and partner activity is well-aligned to maximise the availability of external funding, as well as utilising its own resources to best effect.

The "Thriving Communities – Moving into Phase 2" report identified potential savings from that project to be £14 million in year 3, with a potential social return on investment of some £65 million. Whilst employment and skills only forms part of that activity, it can be seen that significant savings can be made through greater integration of both strategic activity and service delivery and joint work with partners.

Ensuring Delivery

Monitoring and Evaluating

The E.S.B. is responsible for monitoring delivery of the Strategy, and evaluating its impact, quality and effectiveness. In particular, the ESB should look to ensure the Strategy is:

- achieving its aims and objectives
- showing progress towards its vision
- meeting the needs of Derbyshire residents and employers
- able to demonstrate the impact it is having
- using its resources efficiently and to the greatest effect

To achieve this, the ESB will receive reports against the strategic actions from relevant project groups, e.g., The Disability Employment Strategy Group, to review progress.

When reviewing progress towards achieving the strategic aims and objectives, the ESB will:

- ⇒ **Ensure** that activities are kept within the parameters of the agreed strategic aims and objectives
- ⇒ **Ensure** that activities are consistent with strategic vision
- ⇒ **Use** the information collected to show the public benefit of the Strategy
- ⇒ **Keep** under review internal and external changes which may require adjustments to the Strategy.

Measuring success

A number of appropriate performance indicators have been identified and aligned to specific objectives of the Strategy. Through the work of the task and finish groups, targets and timescales for delivery will be confirmed for each indicator and progress will be reported to the ESB at suitable intervals.



Appendix 2A

PROGRESS AGAINST ACTION

PROGRESS AGAINST ACTION		
Ref	Deliverables	RAG
	OBJECTIVE 1	
1	Supporting effective and targeted transition into education or employment for residents.	
	Key Actions	
1	Working in partnership to facilitate a meaningful and modern careers service for all ages and employment sectors	
1 a)	Delivering Derbyshire Disability Employment Strategy to improve outcomes for those who find it more difficult to access employment	
1 b)	Offering and championing work experience with suitable businesses across the County	
1 c)	Reducing barriers to employment by adopting a multidisciplinary approach to developing the employment and skills system	
1 d)	Establishing and supporting recruitment programmes and other progression pathways for residents, including those disadvantaged residents who need greater support	
1 e)	Supporting adults to return to work and/or progress into better paid employment	
1 f)	OBJECTIVE 2	
2	Supporting Derbyshire Employers to Thrive	
	Key Actions	
2	Improving the sharing and assessment of data to gain a better understanding of the skills gaps and employment needs in the local economy	
2 a)	Maximising the value of economic regeneration and inward investment opportunities through coordinated innovative application of national and local legislation and policy	
2 b)	Acting as a lead employer in supporting disadvantaged residents to access opportunities presented through the apprenticeship levy	
2 c)	Working with other public and private sector partners to deliver the levy effectively for Derbyshire.	
2 d)	Working with partners and business to address health barriers to employment	
2 e)	Working directly with employers to engage fully with the needs of the labour market through the take up of Government initiatives	
2 f)		
	OBJECTIVE 3	
3	Influencing training and education providers to deliver the skills needed by employers and the wider economy	
	Key Actions	
3	Working directly with providers to understand the skills provision offered nationally, regionally and locally, ensuring gaps and local needs are addressed without duplication or displacement of existing services or initiatives	
3 a)		

3 b)	Working with relevant stakeholders / commissioners to ensure design and delivery of future skills and training programmes and initiatives meet the strategic needs of the economy	
3 c)	Working with training and education providers to ensure they are complying with their statutory responsibilities for raising participation and developing high quality careers education, information advice and guidance	
3 d)	Working with strategic partners, in particular the D2N2 Growth Hub, districts and East Midlands Chamber to co-ordinate and improve the employment and skills system in Derbyshire	
	OBJECTIVE 4	
4	Coalescing Council employment and skills activity around a single, cohesive strategy to ensure effective delivery of the vision and wider objectives	
	Key Actions	
4 a)	Council Plan	
4 b)	Health and Wellbeing Strategy (align health and employment support into a shared agenda that supports our communities)	
4 c)	Service Plans	

Key	
Action is on target / completed	
Action is progressing but not on target - some slippage and/or barriers to delivery	
Action is behind schedule and / or major issues in delivery	
Action Not Commenced	

APPENDIX 2 B) EXAMPLE ACTION PLAN FRAMEWORK

PROGRESS AGAINST PERFORMANCE INDICATOR	Start 2019	2019-2020		2020-2021		2021-2022		2022-2023	
OBJECTIVE 1	Outturn	Target	Outturn	Target	Outturn	Target	Outturn	Target	Outturn
Supporting effective and targeted transition into education or employment for residents.									
Performance Measures									
Social Mobility Index (No. of Districts in top 50 worst performing)	5	5	n/a	5	n/a	4	n/a	4	n/a
NEET percentage (incl unknown) (16-17)	3.60%	2.50%	n/a	2.50%	n/a	2.50%	n/a	2.50%	n/a
Unemployment	1.80%		n/a		n/a		n/a		n/a
Claimant count 50+	1.40%		n/a		n/a		n/a		n/a
Claimant Count (18-24)	3.40%		n/a		n/a		n/a		n/a

KEY ACTIONS	Links to	Activity	Timescale	Accountable Officer / Responsible Officer	Resources	Progress Update
OBJECTIVE 1 Supporting effective and targeted transition into education or employment for residents.						
		DCC NCS Contract	2018 -2022	SfT / Transition Team	£180,000	1250 individuals seen to March 2019 - 93% of target.

a) Working in partnership to facilitate a meaningful and modern careers service for all ages and employment sectors	1 (f), (g), 2(a), 4(a)	CEC Derbyshire Virtual School	2019-2021	SD Schools and Learning / Kim Johnson	CEC £153100	Programme delivering to 30 y9-13 LAC or Care Leavers - in start-up phase
		Raising Aspirations Programme	2018/2019	Director Public Health / Sara Bains	£93,000	Note: this project runs academic years - to end of Q3 (Dec 2018) number of schools supported - 14, number of sessions delivered - 424, number of beneficiaries completed - 581, number of partnerships formed - 32
		CEC EAN	2014-2020	SD Economy and Regeneration /Andrew Marsh	£140000 CEC, £70000 DCC, £70000 Districts, Officer Time	Fully coverage of secondary schools by CEC Co-ordinators. CEC Careers Hub bid covering Chesterfield Area schools submitted in January
		Implement SEP Key Action 4: Careers Inspiration For Our Future Workforce	2019 - 2030	SD Economy and Regeneration /Andrew Marsh	Officer Time	Supporting the development of SEP KA4 incl. the implementation of ESF and CEC Funds to achieve obj.
		Delivery of Skills Festival	Sep-19	SfT / Transition Team	Staff Time / self-finance	Planning started for 2019 events. Year only due to Service Review.

		Delivery of HS2 Primary Programme	June 19 - onwards	SD Economy and Regeneration /Andrew Marsh	£20000 DCC, Staff time. Partner contributions	Links with D2N2 CEC Primary Schools bid. Contracting to deliver workshops to 10 Secondary and 16 Primary Schools in the Chesterfield and NE Derbyshire Area
		Joint working to pilot Community based resource to support access to work.	On-going	SD Economy and Regeneration	Staff Time	Initial discussions have taken place with DWP and identified Alfreton as a pilot area.
		School Careers Service	to Sept 2019	Assistant Director, Specialist Services (CS) / Bish Sharif	Self-Financing	Traded Service ceases from end of August - part of early help review. Move to strategic role / partnership model
		Deliver Derbyshire Ready to schools	On-going	SD Schools and Learning / Julie Parker	Officer time	Report expected

Draft Engagement Plan

Effective communication of the key messages and securing commitment from key stakeholders will be essential to the successful implementation of the Strategy. Subject to Cabinet approval, the Strategy will be shared with stakeholders through established networks over the coming months. One key stakeholder group is the County Council's own workforce as the Strategy seeks to support not only new apprentices, but also sets out activity to retraining and upskilling opportunities for existing staff.

The table below sets out the broad engagement framework and this will be refined in consultation with Corporate Communications.

Stakeholders	Networks
Derbyshire County Council workforce	<ul style="list-style-type: none"> • Development and communication of key messages and information on what the Strategy means for the workforce – April • Direct engagement with senior leadership forum through established network – April/ May • Wider communication with staff and unions – May onwards
Colleges, universities and training providers	<ul style="list-style-type: none"> • People and Skills Board, D2N2 LEP – presentation at meeting in April/ May • Email cascade to schools and colleges with web link to Strategy - May • Communication via Head Teachers' Forum - May
Local businesses	<ul style="list-style-type: none"> • Presentation at DEP meeting – April • Circulation to Chamber of Commerce, Federation of Small Businesses, Institute of Directors requesting cascade to members – April/ May • Links to wider business community via Growth Hub website - May • Email cascade via MINT database – April
Labour market	<ul style="list-style-type: none"> • Presentation and discussion with Job Centre Plus regional colleagues – May • Thriving Communities workstream – April onwards • Cascade through Vol/Com network – including weblink to Strategy – April/ May
Other local authorities	<ul style="list-style-type: none"> • Presentation at D2 Chief Executives meeting - April • Presentation at D2 Joint Committee – May • Presentation at Heads of Economic Development – March/ May
Others	<ul style="list-style-type: none"> • Circulation to D2N2 LEP – April • D2N2 People and Skills Board - May