

HERTFORDSHIRE COUNTY COUNCIL

CABINET

MONDAY 22 JANUARY 2018 AT 2.00PM

HERTFORDSHIRE SKILLS STRATEGY TO 2020

Agenda Item
No.

7

Report of the Director of Resources

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Executive Member:- David Williams, Leader of the Council (as responsible for the Resources, Property and the Economy portfolio)

1. Purpose of report

1.1 To seek Cabinet approval of the Hertfordshire Skills Strategy to 2020.

2 Summary

2.1 This is the second Skills Strategy for Hertfordshire, a refreshed version of the first. The aim remains to increase and develop the county's workforce to ensure it can support a strong economy within which businesses can thrive, whilst enabling all residents of Hertfordshire to fulfil their own individual potential and share in Hertfordshire's prosperity.

2.2 Significant progress has been made in implementing the first Skills Strategy and recruitment difficulties have eased in Hertfordshire. While lack of skills remains a key factor in the county, the percentage of hard to fill vacancies that are a result of skills shortages has reduced significantly. However, there is still a need to increase and develop our workforce to ensure a strong economy can be supported.

2.3 Stakeholders were invited to comment on the draft strategy and identify any gaps at the Skills Summit in October 2017 and online survey. Findings from the summit and survey have been analysed, considered and incorporated into this Skills Strategy.

2.4 The revised strategy is attached at Appendix A.

3. Recommendation

3.1 The Resources, Property & the Economy Cabinet Panel considered a report on this item of business at its meeting on 15 December 2017. The Cabinet Panel recommended to Cabinet that Cabinet agrees the Hertfordshire Skills Strategy, attached at Appendix A.

4 Background

4.1 The concept of a Hertfordshire Skills Strategy was first proposed at the Hertfordshire Forward Conference in February 2014. A Skills and Labour Market review in 2014 of Hertfordshire businesses showed that nearly half of employers identified skills gaps in their existing workforce and many considered that skills gaps an important factor affecting their competitiveness and business performance.

4.2 The first Hertfordshire Skills Summit 'Releasing our potential' co-hosted by the Hertfordshire Local Enterprise Partnership (LEP) and Hertfordshire County Council was held in September 2014. Individuals attending the summit were invited to discuss the findings of the Hertfordshire businesses' skills gap survey and pledge an action they could implement.

4.3 The round table discussions from the Skills Summit provided the five themes for the first strategy:

- Developing our future workforce - supporting young people aged 16-24 years in the transition from education to employment
- Towards fuller employment - supporting vulnerable adults into employment, increasing the available workforce and enabling priority groups to fulfil their potential
- Enhancing opportunities through lifelong learning, adopting a culture of lifelong learning to benefit individuals as well as local businesses
- A leading economy – skills to drive growth. Working with businesses and training providers to improve the skills of both the existing workforce and the future labour market in order to sustain economic growth.
- Skills to grow small and medium size businesses (SMEs), providing targeted support to SMEs and their workforce in order to facilitate growth.

4.4 Hertfordshire County Council, Hertfordshire Local Enterprise Partnership and the Department for Work and Pensions have worked together to produce, implement and drive the Hertfordshire Skills Strategy.

5 Progress to date

- 5.1 Significant progress has been made implementing the first Skills Strategy and the Hertfordshire Skills and Labour market update from March 2016 reports favourably on a number of areas that the Skills Strategy has strived to address. While a lack of skills remains a key factor behind recruitment difficulties in the county, the percentage of hard to fill vacancies that are a result of skills shortages has reduced significantly. However, there is still a need to increase and develop our workforce to ensure we can support a strong economy.
- 5.2 A number of actions, dependant on funding available later than first anticipated, were delayed in starting. Hertfordshire County Council has led a partnership, including the voluntary and community sector, in a successful bid for European Social Fund monies with match funding from The Big Lottery of £5.5m to help boost skills for residents. The programme will reach around 2,250 people in Hertfordshire over the next three years and commenced in January 2017, rather than in 2016.
- 5.3 Over the life of the first Skills Strategy we have seen major changes to the skills agenda: apprenticeship reforms including introduction of the Apprenticeship Levy, the government's Industrial Strategy proposals and rapid technological changes. Looking to the future further developments are anticipated: the government's School Careers Strategy and plans for T (Technical) Level courses, possible implications of Brexit, the devolution agenda and the impact on the workforce on an ageing population.
- 5.4 Regular monitoring reports on the progress of the first Skills Strategy have been presented to this Cabinet Panel and the LEP Skills and Employment Board every six months.

6 The second Skills Strategy

- 6.1 Given the need to remain agile, the refreshed strategy deliberately focuses on the short-term up to 2020 to provide room for further future proofing. In particular, the rapidly developing technologies are changing the way we work, the jobs and the skills required to do them. Commentators have identified that we are experiencing the "Fourth Industrial Revolution".
- 6.2 A second draft Skills Strategy was first presented to this Cabinet Panel on 6 April 2017 for comments before a second Skills Summit was organised. Cabinet Panel endorsed the draft strategy and commented on a number of areas: promoting apprenticeships, targeted support for over 50 job seekers and the need for all residents to have digital skills and these issues remain a focus of the strategy.
- 6.3 The five themes of the first Skills Strategy remain for the second strategy and the document as a whole has been refreshed to reflect

the changes in the skills agenda, the progress achieved to date and mindful of the future. The action plan has been updated and reflects the progress made to date and the comments and suggestions gathered at the second Skills Summit.

7 The second Skills Summit

- 7.1 Incorporating the influences, views and needs of employers, training providers, schools, colleges and public sector organisations in the strategy remains vital and the Skills Summit held in October 2017 provided an opportunity for all stakeholders to be involved.
- 7.2 Over 80 people attended the second Skills Summit for the opportunity to hear about the challenges around the skills agenda in the county and the progress made to date implementing the strategy. Delegates were asked to comment on the strategy: to identify any gaps, any barriers to implementation, their organisations role in implementing the strategy and to highlight issues on the horizon the Hertfordshire Skills Strategy should be addressing.
- 7.3 For those who were unable to attend the Summit an online survey was also available to ensure all had the opportunity to be involved.
- 7.4 The findings proved that there was good support for the Hertfordshire Skills Strategy and stakeholders made a number of comments and suggestions that have been analysed, considered and incorporated into the strategy. A stakeholder report containing a summary of the comments received and details of subsequent amendments to the draft strategy is available on the Hertfordshire LEP website; Skills Summit hub <https://www.hertfordshirelep.com/skills-summit-2017/>

8 Monitoring the progress of the second Skills Strategy

- 8.1 Performance measures for the second Skills Strategy have been revised to better reflect the work carried out to address the skills gap in Hertfordshire. The previous set of performance measures used to monitor the first strategy were identified by this Cabinet Panel in April 2017 as not reflecting the efforts and progress made. Previously high level indicators were selected but for much of the work, such as around lifelong learning for example, there will be a delay in someone beginning to access learning in the community before moving on to gaining formal qualifications.
- 8.2 As was requested by the Resources, Property & the Economy Cabinet Panel in September 2017, the performance reports continue to include the overarching ambitions of the strategy e.g. the percentage of 16 – 64 year olds in Hertfordshire with no qualifications but the targets are now more relevant to the actual work to be completed. The list of performance measures can be seen on pages 8 and 9 of the strategy.

8.3 The work to implement the Skills Strategy will continue to be delivered in partnership; all three organisations aspire to support a strong economy within which businesses can thrive, whilst enabling all residents of Hertfordshire to maximise their own individual potential and share in Hertfordshire's prosperity. Partner organisations across Hertfordshire such as the District and Borough Councils and training providers will be encouraged to refer to this strategy and reflect it in their individual planning, knowing that we will be working towards the same strategic outcomes.

9 Equality Implications

9.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the equalities implications of the decision that they are taking.

9.2 Rigorous consideration will ensure that proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EqIA) produced by officers.

9.3 The Equality Act 2010 requires the Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.

9.4 An Equalities Impact Assessment (EqIA) has been carried out and updated where necessary on the proposal contained within this report. The EqIA is attached at Appendix B, to ensure that members are fully aware of any equality issues arising from the proposals. The EqIA will be reviewed and updated as part of any future public consultation. Consideration has been given to the likely impact of the proposal, and current assessments conclude that it is not anticipated that people with protected characteristics will be affected disproportionately.

10 Financial implications

10.1 The strategy includes twenty actions to be progressed over a three-year period, together with details of the funding sources for each action. Implementing the actions should be feasible within our existing budgets,

but is dependent on Government maintaining the current levels of funding for adult education; we continue to source additional funding.

10.2 The delivery of actions supporting young people aged 16 to 24 years is within existing budgets or within externally funded or traded services e.g. the Careers & Enterprise programme.

Background papers

Appendix A Hertfordshire Skills Strategy to 2020

Appendix B Equalities Impact Assessment