

SOUTH EAST ENGLAND REGIONAL ASSEMBLY SELECT COMMITTEE ON SEEDA'S APPROACH TO LABOUR FORCE AND EMPLOYMENT

Submission from: **Basingstoke and Deane Borough Council**

Date: **September 2008**

1. Within the RES, does SEEDA adequately capture the range of key issues and challenges regarding labour force and employment in the region?

The RES covers the regions range of issues adequately, and gives a good indication of what actions need to be taken to ensure the targets set can be reached.

In addition, greater consideration might be given to the impact of the following factors:

- How changing demographics (including in/out migration) may impact on local economies in the future.
- How societal changes could affect local economies – for example, changing working patterns (such as working from home), environmental concerns, internet shopping, use of public transport, and ‘retail as leisure’.
- How the affect of government policies might impact on the region – for example, increases to the school leaving age and state pension age, the Leitch review of skills, and the Stern review (climate change). In particular, proposals to reform the benefits system could lead to an increase in the number of people looking for work, many of whom will require intensive support to find sustainable employment.
- How the region and local areas can achieve sustainable economies that successfully balance social, environmental and economic elements. This is particularly important when aligning the need to raise aspirations in deprived and excluded communities with the desire to recruit and retain highly skilled staff. (In Basingstoke and Deane, for example, there is relatively high employment, but a skills shortage in some areas and pockets of deprivation. It was decided that the highest priority of our Neighbourhood Renewal Strategy should be to ‘ensure learning opportunities, attainment and aspiration for all’.)

2. How effective are the key strategic regional agencies with an interest in labour force and employment, such as SEEDA, Job Centre Plus and the Learning and Skills Council, in developing a joined up and coherent approach?

Regionally JCP, SEEDA and the LSC are well recognised in their field, and at a local level, JCP run several schemes to assist the workforce. As SEEDA's and the LSC's involvement has been sporadic, it is difficult to say how joined up the approach will be in the future, however, there has been a concentrated effort by both SEEDA and the LSC on north Hampshire in recent months with specific collaboration between them on a project in Basingstoke

We feel that Business Link, and those organisations that deliver under the Business Link brand on behalf of SEEDA have delivered good support to Basingstoke and Deane and across the region as a whole.

3. SEEDA's Corporate Plan gives considerable emphasis to higher level management and technical skills. Is this focus appropriate and what should it do to also ensure development of basic skills and employability?

A key issue facing Basingstoke and Deane, is recruiting and retaining highly skilled staff, therefore we would support SEEDA's emphasis on the higher level management and technical skills, as long as it is not to the detriment of the large number of those who would benefit from skill development at levels 2 and 3.

As the Context and Issues Paper points out, within the RES SEEDA is looking to increase economic activity in the region from 82% to 85% and 'a significant number of these people will need to come from the "hard to reach" core'. Therefore, as noted above, there should be a balance between social and economic factors that reflects the requirements of each area and enables the particular needs of each group to be addressed.

It may also be necessary to tackle the lack of aspiration and self-esteem that prevents some "hard to reach" people from seeking sustainable employment and developing basic skills in the first place. The local voluntary and community sectors could play an important role in this work.

4. Is the range of SEEDA's activities appropriate and suitably targeted to tackle labour force and employment issues? Where should the balance lie between strategic and local interventions?

SEEDA's planned activities cover a wide range of topics, which when implemented should assist with tackling labour force and employment issues. However local knowledge is very important in addressing these matters, as each geographical area will have their own unique issues that will require differing assistance, therefore it is important for local authorities to work closely with SEEDA when looking to address these issues to ensure consistency in approach. The role of SEEDA should be to provide a strategic framework.

5. Is SEEDA doing enough to encourage sustainable job creation in the region, particularly in under-performing areas? How and where should it focus resources on this issue to best effect?

SEEDA, along with its partners, has provided a good level of support to local areas. Under performing areas will require SEEDA's support, however, the council believes that SEEDA has a good record of working with those areas that are performing well, in particular the work with the Diamonds for Growth, which have the ability to improve the economy for the South East. The Diamonds for Growth are a more effective way of encouraging sustainable job creation for the region including the under performing areas.

6. How effective is SEEDA in engaging` with businesses to understand their skills needs and in promoting employers' responsibilities regarding skills development?

We would encourage SEEDA's engagement with businesses to be through established business focused partnerships and organisations, that operate across the region, but also have a local presence, such as the Federation of Small Businesses, Chambers of Commerce, Local Authorities, Economic Partnerships, Sector Skills Councils etc.

Local Employment Partnerships and similar initiatives are key in delivering and promoting employer's responsibilities in regards to skills development. Emphasis should be on the promotion to businesses of training schemes, whilst ensuring that they are relevant and of value.

7. What has been your experience of the Regional Skills for Productivity Alliance? What needs to be done to ensure its long-term effectiveness? What can SEEDA or other partners do to support the evolution of Local Skills for Productivity Alliances into revised roles as local Employment and Skills Boards?

Our direct experience of the RSfPA has been limited. A greater engagement at a local level, would assist in ensuring its long term effectiveness

Basingstoke and Deane Borough Council has been involved in the North Hampshire LSfPA since its conception. This LSfPA has strong public sector support but insufficient engagement with employers, despite the best efforts of the Chair, to make it really effective. For the ESB to be more successful they would need to have their outcomes carefully re-defined and effective balance between regional and local requirements would need to be set.

8. How effectively do SEEDA and other strategic regional organisations engage with the further and higher education sectors, voluntary and community sector, local partners and deliverers to tackle employment and labour issues in the region? What more needs to be done?

Having consulted representatives from our further education, voluntary and community sectors the following points were raised.

The voluntary sector in Basingstoke and Deane expressed some concerns around the levels of engagement with most key strategic bodies and raised the following points:

- strategic bodies have trouble recognising the role or importance of the voluntary and community sector in tackling employment and labour issues locally.
- there has been little recognition of the value of volunteering or the value of volunteering as an effective transition for people from unemployment to employment.
- it is important to recognise the role voluntary and community organisations play in the community based training arena, and how this low level training often helps build capacity and confidence of people not in employment to access accredited training that helps routes into employment.

Representation from our further education provider stated that they had had good relationship with SEEDA including work on the Basic Skills Programme, although little involvement via LSPA on a strategic level.

SEEDA could also extend its reach to Local Strategic Partnerships, where there are forums for bringing these local organisations and sectors together to consider and address strategic issues.

9. How effectively do SEEDA and local authorities work together on labour force and employment issues? In the light of an increasing role for local authorities in this area, what more needs to be done to ensure effective joined-up working arrangements?

Previous support from SEEDA has been limited at time in the past. However, there has been a considerable amount of support and engagement since Basingstoke was designated a Diamond for Growth and on specific projects such as the Basingstoke Learning Campus project and incubation hub work, where SEEDA has been a strong supporter both with officer commitment and financial support, and through the council's Economic Prosperity Board where SEEDA have a key membership role on the board, but also sponsor the Inward Investment project.

Through our Borough Business Partnership SEEDA along with other organisations, key employers and businesses influence a wide range of issues, including those labour force and employment topics. SEEDA's continued support is vital in contributing to effective joined up working.

With a greater awareness of the role of LAAs and the partnership approach required to deliver them (through, for example, LSPs), SEEDA could capitalise on arrangements that are already in place to develop more effective joined-up working.