

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

Submission from: **Oxfordshire Economic Partnership (West Oxfordshire
District Council support this submission)**

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The Oxfordshire Economic Partnership (OEP) welcomes the Regional Assembly's Select Committee and the wider debate on the impact of SEEDA's approach to Labour Force and Employment. The OEP is a network of public and private sector partners committed to achieving success for the economy of Oxfordshire. Its aim, from the beginning, has been to inspire and motivate private, public and social enterprise partners to align their plans and activities towards shared goals for the economic success of Oxfordshire. Labour force and employment could be defined to include almost all aspects of economic development. If we take it that one of the main aims of economic activity is to create wealth, employment is the main way of filtering that wealth through the economy and in turn maintaining that wealth creation, in most cases. Thus all efforts to support business and economic development will have impact on the labour force and employment. However, the context and issues papers prepared for this select committee almost exclusively focus on skills with some reference to removing barriers to employment. It is unclear if this is considered to be the full remit of the select committee or if the other programmes such as inward investment which are mentioned in the papers are to be considered.

Questions for Consultation

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 captures a wide range of issues and challenges. The key areas of this select committee i.e. skills and removing barriers to employment are included in the main objectives of the RES but in failing to include skills in Global competitiveness misses one of the key issues to making progress in that Goal. The focus on skills is reflected in the Business Plan of the OEP. Workforce skills development pivotal to economic development but it needs to be integrated with the other services offered as business support. A criticism of SEEDA in the past, has been that its skills division has developed distinct programmes and these have not been integrated with the rest of SEEDA. Recent developments and indications from SEEDA indicate that this has changed and OEP welcomes this.

The delivery of the objectives within the RES can only be delivered if organisations working in partnership. This is particularly the case in the area of removing the barriers to employment. Many of the clients included in the worklessness figures will also be targeted for basic skills training and probably also targeted by health support workers and others. Agencies such as Youth Offending Teams and the Police can have key roles in actively getting people back into work as of course do numerous voluntary sector agencies. People with mental health issues seems to be an area where with additional support and role out of successful programmes could make a real difference to numbers on incapacity benefits. Many of these activities are not areas where traditional economic development organisations have been engaged but the SEEDA-funded Area Programme activity, which in Oxfordshire has supported a number of local delivery

projects, is the sort of programme, which brought a diverse range of partners around the table. This work has acted as a foundation to the development of worklessness programmes within the County, which are being developed in conjunction with a wide range of partners to deliver LAA targets. These types of activities are very much about working with individuals to remove their barriers to becoming economically active and must be delivered at a local level. SEEDA's move to fund programmes that can be adapted to offer local solutions is welcomed.

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?

There are many organisations with a strategic interest in labour force and employment. They all basically strive towards the same goal, however currently they all seem to be striving separately towards their own targets and not making best use of resources. This is difficult when organisations are driven by targets rather than outcomes. More work is needed but the agencies do seem to recognise that something needs to change.

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?

The evidence indicates that these areas are gaps and it is right that SEEDA intervenes to address market failure. The high value-added business sectors where these skills are most in demand are likely to be area which makes most contribution to wealth creation and GVA targets, however a balanced approach is needed to address cost reductions in terms of reducing worklessness as well as supporting wealth creation.

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?

There are too many different interventions and agencies, many of which we have not come across or heard about prior to this. Other programmes such as the Redundancy Support Service, have been highly valued but seems to have been cut back. Whereas Tomorrow's Workforce programme seems to be poorly thought out, classifying as it does everyone over 40 - some 50% + of the working population - as an older worker!! This is an area where culture change and healthier lifestyles will drive change (along with legislation).

Most labour force and employment activities are best driven and owned locally but co-ordinated regionally. The LSPAs or Employment and Skills Boards should be local, in our case Oxfordshire. This enables local players and local issues to feed into the activity and for it to be Oxfordshire owned. However, it is clear that programmes, such as Investor Development Managers, Enterprise Hubs, also benefit hugely from being part of a regional programme. Programme such as these benefit from local and regional strengths.

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, with its limited budget, will only ever have a limited impact on job creation. Its main aim should be to ensure that partners work together to create an environment where business can thrive. Having these small building blocks in place is far more important than grand (and expensive) job creation packages albeit a slower process. Business wants to be associated with success not public sector subsidy. SEEDA must be careful not to raise expectations through its PR machine of huge numbers of jobs created, the reality is usually much less as the example outlined shows.

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

Engagement with business can often be ad hoc and lack co-ordination. Many businesses have complained that no one came near them until a certain point in time and then suddenly they are harassed by agencies wanting to engage them. It is important to ask the customer what they want when developing a service for them. However, it is also important to listen and act upon what they have said and to not keep badgering them once they have told you. Business needs to understand the value of skills development. The language we use needs to be changed so that it is clear to business what is in it for them and what is meant. Many businesses will not recognise that they have a skills need and even if they do, would not call it that. Integrating Train to Gain skills brokerage into business support brokerage is a clear step forward if those providing the service have the full range of skills and knowledge necessary to provide a good service. There is often a difference between the employee who wants recognised qualifications and the employer who wants the person to have the right skills to do the job. Addressing barriers to employment is important; this is barriers to businesses taking an employee on, as well as barriers to taking up employment opportunities. Ex-offenders would be a good example of this; businesses are often unwilling to take a risk with someone with a criminal record, however there are mentoring and support schemes, which do work to encourage employers to take that risk.

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?

The RSPA is remote and removed, we have had only the slightest of contacts with them. In Oxfordshire, the Employment and Skills Board is in development. Currently SEEDA do not see the value of having an Oxfordshire ESB and will not be funding a manager as they have in other areas, despite widespread local support. This is because Oxfordshire has been lumped with Milton Keynes and Buckinghamshire for this programme. This contradicts their support and recognition of the Oxfordshire economic area and funding of the Oxfordshire Economic Partnership.

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?

There is generally a poor understanding of what is meant by employment and labour force issues. SEEDA and other strategic regional organisations can always do more to engage with partners. However to engage purposefully there needs to be a clarity of purpose and it is not clear that employment and labour force issues has this. The papers

for this select committee offer a wide range of programmes as being connected and indeed in this response it has been indicated that it could include all economic development activity. This lack of definition does not help with this consultation process.

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?

See answer to question 8. SEEDA and local authorities should be partners around the table striving for effective outcomes to improve the economy. The OEP would like to see interventions that are based on firm evidence and that are subject to long-term evaluation. Once an intervention has been demonstrated to be successful, put a long term programme in place that continues the good work and tell everyone about it. The Oxfordshire Economic Partnership hopes that these comments are useful and add-value to the on-going discussion on SEEDA's approach to Labour Force and Employment.

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