

SEEDA WRITTEN EVIDENCE TO THE SOUTH EAST REGIONAL ASSEMBLY INQUIRY INTO LABOUR FORCE AND EMPLOYMENT

This paper is the South East England Development Agency's (SEEDA) formal written response to the South East England Regional Assembly's inquiry into Labour Force and Employment. This submission is not intended to address all the issues raised in the Issues and Context paper prepared by Ancer Spa. However, we have provided headline responses in respect to each of the questions posed. SEEDA looks forward to providing more detail during the Oral Evidence session on 24th October.

Introduction

1 The South East is one of the most economically successful regions in the country, regularly achieving higher growth rates in Gross Value Added (GVA), higher economic activity rates and lower unemployment rates than any other region. Now a £180bn economy, the South East contributed a net £17.5bn (tax take minus public spending) to the UK exchequer in 2007.

2 The sheer size of the South East means substantial numbers of deprived residents, with almost 500,000 living in areas among the 20% most deprived nationally; over 900,000 people of working age who are economically inactive; almost 200,000 residents claiming income support; and over 1 million people of working age with very low literacy skills. In this context, SEEDAs role is not to subsidise success, but to enable markets to work better by addressing information gaps, improving networks and addressing the barriers to opportunity.

3 In 2006/07 SEEDA's budget was £163 million, the second lowest in the country after the East of England. However if we take into account population, then the total RDA allocation for the South East is by far the lowest in the country. In 2006/07 the South East received £19.80 per resident through the RDA single pot, the lowest allocation in the country by a significant margin. This is 20% less than the second-least funded RDA on a per-capita basis (East of England), and nearly 4-times less than the most generously funded (North East).

4 The South East is a region with the highest employment rate in the country. Conversely it can boast the second lowest unemployment rate in the country (195,000 or 4.5% in 2006).

5 Since 1999 the unemployment rate in the South East has declined from 3.9% to just 3.3% in the early years of this decade. The unemployment rate of less than 4% implies a tight labour market and an economy that is near full employment. The unemployment rate went over 4% in 2006, for the first time since 1998.

Q1: Within the RES, does SEEDA adequately capture the range of key issues and challenges regarding labour force and employment in the region?

6 RDAs are required by statute to formulate clear priorities for seeking to improve regional economic performance, and to identify strategies for achieving them via Regional Economic Strategies. The aim is to help to ensure that regional opportunities are fully exploited, and that those responsible for economic decision-taking are working effectively together, with common goals and accepted priorities for regional development. The RDAs are charged with drawing up the RES and keeping them under review, but the aim is that the strategy is owned by the whole region and draws on the resources of all the major partners within the region. RDAs are obliged to review their strategies in full every three years.

7 The last revision occurred in 2006, with SEEDA undertaking a consultation from 7th April to 30th June. 180 formal written responses were received from a range of partners and interest groups, culminating in a revised RES being produced in October 2006. Since then, SEEDA has been working with key partners across the region to identify specific activities that partners will undertake to deliver the Strategy through an Implementation Plan which defined the activities needed and partners responsible for delivering the Targets and Actions within the RES. Regional Skills for Productivity Alliance (RSPA) partners have been directly involved in



the development and shaping of the skills and employment sections in the RES and the RES Implementation Plan. This process involved extensive consultations which led to the RSPA becoming the Target Sponsor for the skills and employment targets.

8 Employment and Skills is a key part of the SEEDA agenda and of the RES; however some of SEEDA's most successful projects are where employment and skills work together with the broader place-making agenda (e.g. the Universities of Medway project in Chatham Maritime, the Hastings five point plan and the University Centre and the emerging approach to an employment and skills board in Urban South Hampshire).

9 The RES has set challenging targets around employment – reiterated in the Ancer Spa report. As that report suggests, the targets set for the region are greater than can be delivered by SEEDA alone and therefore require the co-operation of partners.

10 In relation to skills and employment, SEEDAs role is to align the resources of the Learning and Skills Council (LSC), Higher Education Funding Council for England (HEFCE), Local Authorities and Jobcentre Plus. It also seeks to work with these major funding partners to catalyse new and integrated approaches to encouraging economic activity and raising skills levels which avoid duplication of effort and address market failure.

11 For the first time, the Regional Economic Strategy 2006-16 is a “living” strategy and is refreshed annually following an annual Partners Conference to discuss priorities in more detail and how to align them with the business plans of partner organisations. The first of these took place in July 2008 and comments relating to the employment and skills agenda are being reviewed and considered as part of that process. Revised RES Action Plans are due to be in place by the end of November. SEEDA will be working with key RSPA partners to update the skills and employment action plans and also to assess progress of key programmes such as Local Employment Partnerships and Pathways to Work.

12 In refreshing the RES and its action plans we also take account of developments in national policy. For example, we are now incorporating an increased focus on apprenticeships, the National Training and Quality Standard for FE providers and shaping the development of National Skills Academies. The refreshing process also allows us to take account of changing economic conditions. A prime example of this is work we are doing to facilitate the development of skills that are particularly relevant to the construction sector which will be essential to the longer-term growth of the region when the economy starts to improve after the current difficulties pass.

13 There is a need to both re-skill and up-skill those who are already in work; to provide avenues for new opportunities for those who find themselves outside the labour market; and to provide routes for a new generation of enterprising people who are prepared to set up their own business to exploit their own ideas

Q2: How effective are the key strategic regional agencies with an interest in labour force and employment, such as SEEDA, Jobcentre Plus and the LSC in developing a joined up and coherent approach?

14 Enabling more people to enter, stay and progress in employment and ensuring that those in employment have the skills the region requires to become more productive are key to achieving the objectives agreed in the RES.

15 Because SEEDA is not a mainstream funder of employment and skills programmes, it is essential that we influence those who are to work closely together to ensure a joined up approach. In July 2008 the **South East Employment and Skills Accord** was drawn up between SEEDA, Jobcentre Plus and the LSC to recognise and respond to the need for greater integration. The Accord sets out the agencies' commitment to:

- Establish shared success measures which “glue” together individual agency targets and seek to maximise their achievement and achieve greater effectiveness;
- Creation of multi-agency work teams – operating sub-regionally they will ensure that agency-led initiatives, such as the LSC's Skills Account trial and Jobcentre Plus' Local Employer Partnership are situated within the overall regional plan. This approach is being rolled out initially in Urban South Hampshire (working within the Multi Area Agreement which is already in place) and Thames Gateway (with a focus on worklessness);

- Review funding policies and procedures to identify barriers to integrate services and, if necessary, persuade sponsor Departments and relevant Ministers of the case for changing practice; and
- Be inclusive and responsive to emerging national, regional and local policies so that they can be included within an integrated employment and skills system.

16 Also in July 2008, the **Regional Employment and Skills Summit** brought together the key regional agencies to focus on joining up agendas across different agencies, informed by business themselves. Messages coming out of the event focused on what Government/ regional partners could do to: (a) enable employers to develop the skills they need for their workforce; (b) get more people into jobs; (c) align the supply side to employers' needs; (d) develop and engage young people for employment; (e) for Higher and Further Education, prepare students for work; and (f) bring clarity, consistency and stability to the employment and skills infrastructure and systems. These messages are now being fed back to all relevant Government Departments and agencies and the RSPA will monitor action taken. Plans have begun for a follow-up event in 2009 to demonstrate progress made in taking forward actions and joining up agendas.

17 The **Social Dialogue Forum** is a SEEDA Board Committee comprising regional representatives of employers, employer representative bodies, trades unions, Business Link, ACAS, Health and Safety Executive (HSE) and any other regional bodies with an interest in and influence on workforce issues. The purpose of the Forum, which has led the way amongst the English regions in bringing together the social partners at a regional level, is to contribute to and support workforce productivity in the region through:

- a. Enabling key regional players with an interest in workforce productivity to make an effective and value-adding contribution to regional policy development and delivery;
- b. Identifying good practice in workforce management and ensuring this is effectively disseminated to an appropriate target audience within the region. A recent example was the development of seminars on the Healthy Workplace, run jointly by regional HSE and ACAS, for employers and trades union representatives; and
- c. Acting as a catalyst for the development of innovative pilot projects and activities which address needs identified in the RES and can be taken forward in a sustainable way by the most appropriate regional partners. An example of this was the development of a Workforce Pooling Pilot (see case study).

18 To ensure optimum integration, SEEDA is currently working on developing closer links between the Social Dialogue Forum and the RSPA and Employment and Skills Boards (ESBs).

19 More integrated working and the simplification for employers of the employment and skills offer falls within the spirit of the national requirement for **Business Support Simplification**. For example, SEEDA is working with Business Link, LSC, and Skills South East to ensure an effective integration of Train to Gain and the Business Link's Information Diagnostic Brokerage (IDB) services.

20 Internally, SEEDA is in the process of building closer collaborative working processes between its Employment & Skills and Business Support & Enterprise Teams to share intelligence and create joined-up initiatives.

Q3: 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?

21 SEEDA's role is to act as a catalyst to stimulate activity and achieve sustainability and mainstreaming for the region's sustainable economic development. To do this it addresses gaps in the market rather than allocating scarce resources to activities which are already funded by national and regional agencies such as the LSC.

22 In its early years SEEDA developed a strategy to deliver skills for life in the workplace to address a market failure at that time. It developed a portfolio of innovative projects and interventions, investing around £10 million between 2001 and 2006 in up-skilling around 40,000 employees. This intervention was intended to be

the catalyst for individuals to return to learning and lead them on to level 2 aspirations, so SEEDA's work complemented rather than duplicated that of other agencies (eg LSC, Jobcentre Plus).

23 It is of course important that there is a focus within the region on all levels of skills development, from basic skills and employability through to intermediate and higher level skills – as demonstrated in the Skills Escalator concept to support progression in the workplace, as set out in the RES. However, there is now significant public money targeted at basic skills development in the region, for example through Train to Gain and the European Social Fund.

24 There is less government funding targeted at higher-level management and technical skills. However, there is a well-recognised shortage of Science, Technology, Engineering and Maths (STEM) skills. The LSC 2007 National Skills Survey SE Region shows employers identifying particular skills shortages in IT, construction and finance, professional and associate professional positions. A 2007 Regional Assembly Select Committee report also identified a skills gap in terms of languages and cultural awareness. The case can also be made that good management/leadership in employers creates a greater awareness of the need to develop basic/employability skills in the workforce. In the face of business need for these types of skills in the region, SEEDA has a clear duty to respond to this market failure.

25 A recent Higher Education South East report by HEIST indicated that employers will pay for appropriate training and do not seek subsidy provided the course is tailored to their needs. Equally, all the work done with FE colleges indicates that there can be a significant increase in provision which employers will pay for if there is increased flexibility and recognition that a different approach is required. So, in terms of higher level and technical skills, SEEDA's has acted as catalyst, for example by working with e-Skills UK to develop:

- Computer Clubs for Girls – since 2005, CC4G has benefited more than 125,000 girls in over 3,600 schools, including more than half of the secondary schools in England, building on the SEEDA pilot, where over 20,000 girls have benefited. 62% of girls who participate say they are more likely to consider a technology-related career as a result.
- IT Management for Business Degree (ITMB) – a new qualification designed to respond to the needs of employers, which brought together IT employers with HEIs. SEEDA invested an initial £438,500 and DIUS has now funded the programme roll-out. It is estimated there will be over 300 graduates from ITMB programmes in 2010.

26 Additionally, many employers (particularly SMEs) are looking for shorter courses rather than full qualifications. The SEEDA-initiated Training Pools programme that involves employers, Sector Skills Councils (SSCs) and training providers, has been described by employers as a "unique provision". The programme addresses intermediate and technical skills gaps and shortages within key sectors. Partners submit bids to SEEDA to design, develop and implement a training solution not currently being met in the region by existing FE/HE or private sector providers. There has been a high degree of positive feedback from local partners in terms of the creation of strong, potentially sustainable partnerships.

27 SEEDA's catalytic role also involves putting in place the infrastructure for skills development through Education Led Regeneration – the development of higher education (HE) infrastructure in more deprived parts of the region not currently well served by HE, to achieve a positive impact on the area's regeneration. For example, at University Centre Folkestone SEEDA provided capital funding to contribute to the costs of the conversion of a former glassworks in the developing creative quarter. The first students began courses on the campus in Sept 07 – by 2014 it is planned that there will be 500 learners on site with a total of 102 jobs created or safeguarded. Independent evaluation has shown that this project has levered in five times the original SEEDA investment. The University Centres at Hastings and Medway are also excellent examples of Education-led Regeneration.

28 Work on employability in the region has moved on from the model of initial engagement, up-skilling and jobs match to one of employer engagement. A key example of this is the Local Employment Partnerships set up by Jobcentre Plus whereby the government commits to making disadvantaged people ready for work and, in return, the employer gives these people a fair chance through job interviews, work placements and mentoring. An example of a very successful employer engagement model is the Employ Jobsmatch Medway project, part of the Employ North Kent programme specifically designed to address training, recruitment and job brokerage needs of residents in North Kent (see case study).

29 An example of employability work targeted at the particular needs of the region is the Redundancy Support Service (RSS), which has now developed – from 1st April 2008 – into the more brokerage-focused Continuous Employment Support Service (CESS). This is joint initiative between SEEDA and Jobcentre Plus. Whilst the standard Jobcentre Plus approach meets the needs of large organisations with corresponding large scale redundancies, the South East is home to very many SMEs and the Support Service is also able to deal with small scale redundancies in SMEs. It provides a rapid, coherent and effective response to redundancies, brokers sub regionally based work with businesses and employees who are facing redundancy, aiming to provide them with a package of support (using a range of local partners – Next Steps, Learndirect, private providers, colleges, Business Link etc) which will move them quickly into alternative employment. The Support Service helps prevent employees from becoming detached from the labour market and entering the benefits system, enabling them to remain economically active. Since 2003 the Support Service has helped over 27,000 individuals and supported hundreds of businesses.

30 Other good examples are:

- The programme which is commencing – sponsored by the RSPA – on the older (40+) workforce, focusing on retaining older workers in the workforce, making better use of their skills and bringing inactive older people back into the workforce.
- Using the welfare reform system to develop an employability model in the Care sector, being piloted in Sussex and Kent through a contract with the Royal British Legion Industries (RBLI).

Q4: 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?

31 A recent independent report evaluating a cross-section of SEEDA-led programmes, provides a number of positive comments on SEEDA’s strategic role, stating that:

- Stakeholders identified as a strength the range of delivery partners used by SEEDA (e.g. schools, universities, sector consortia, Business Link, Sector Skills Councils). SEEDA makes use of regional strengths to take activities forward.
- Stakeholders have highlighted a number of key aspects of SEEDA acting as a strategic leader and catalyst through its skills and employability actions, including:
 - Supporting the development of a range of pilot initiatives in the region that have now gone on to mainstream implementation.
 - Supporting the development of learning and skills infrastructures that provide a basis through which to address key regional skills needs.
 - Shaping new approaches to address skills needs where mainstream approaches have not been effective.
- “As a body with a strategic role in relation to skills and employability, SEEDA is in a unique position to work with organisations across local and sectoral boundaries, reflected in one strategic stakeholder commenting that no other agency could have provided the strategic leadership to pull the various organisations together. That is the added value of SEEDA.”
- SEEDA has brought together previously competing organisations in collaborative approaches to respond to identified skills issues, eg the Rural Business Advice and Training Network has drawn together training providers serving rural businesses that had previously only worked in competition.

32 SEEDA is a strategic body which facilitates local delivery with its key role being to prioritise how and where scarce resources can best be targeted to achieve the biggest positive impact. To reflect the increased focus on place in the 2006-16 RES, SEEDA’s Area Teams have recently been restructured to play a more strategic, influencing role which will enhance SEEDA’s effectiveness in making things happen at a local level.

33 As reflected in the RES, interventions take on different forms in different parts of the region. The RES identifies the Inner, Rural and Coastal South East, along with the Diamonds for Growth.

34 The move from LSPAs to ESBs will result in greater business focus which should improve their ability to identify local needs in a strategic way. However, the LSPAs have already had many successes with local interventions (see case study).

35 The new sub-regional Innovation and Growth teams will also help to identify appropriate local interventions. The eight teams being implemented in two phases (April and September 2009), to be managed by partnerships of significant local players will provide specialist services for businesses with significant growth potential.

Q5: 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?

36 SEEDA exceeded its 2005-08 Corporate Plan targets relating to jobs created or safeguarded and output data indicates that the bulk of these jobs are located in the more deprived parts of the region. However, job creation is a long-term outcome from skills development, because a significant time is required to develop a critical mass of skills in a particular area which in turn provides incentive for businesses to set up there. There are, nevertheless, some small-scale examples such as the Routes into Radio Training Pools project which led to the creation of 12 new jobs within one employer in the sector.

37 The employment and skills agenda has been more about developing the skills needed for jobs that are being created, eg construction skills in North Kent as result of the major regeneration activity in the Thames Gateway. However, it is recognised that this is an area where SEEDA needs to create closer links between those working on employment and skills and regeneration/inward investment activity to determine how to get the conditions right for job creation.

Q6: How effective is SEEDA in engaging with businesses to understand their skills needs and in promoting employers' responsibilities regarding skills development?

38 There are several channels used by SEEDA and partners to understand employers' skills needs and priorities and determine appropriate interventions, which includes working through intermediaries such as business affinity groups and Sector Skills Councils (SSCs). SEEDA engages with the SSCs through the Sector Skills Agreements (SSAs) and influences regional partners to contribute to funding priorities identified in the SSAs. SEEDA has worked with Train to Gain to influence their focus on sectors which are particularly important to the South East economy and SEEDA's Investor Development Managers, who focus on strategically important businesses in the region, are working with the SSCs. Close links between the SEEDA-funded Sector Consortia (with their broader business engagement) and the regional SSCs enable interventions to be designed on the basis of evidence provided by the employer working with the Consortia and SSCs – an example being the Technology Skills Managers initiative, addressing five technical skills needs. SEEDA is also working with the SSC and LSPA networks to strengthen local and regional linkages in terms of skills needs and priorities. SEEDA is working with its Investor Development Manager, UKTI, the LSC and two Sector Consortia to develop an advanced manufacturing training facility at Farnborough Aerospace. This is an example of collaboration between multiple agencies to meet business needs. SEEDA is also working with its Hampshire and Isle of Wight area team, Marine South East, the LSC and Southampton City College to fund a project to engage a senior person to profile projected growth in demand for skills across the marine sectors and put in place a strategic plan to meet the demand.

39 LSPAs generally have a good feel for the skills needs and priorities of their local employer base. However, the transition to ESBs will strengthen business representation to promote a coherent employer voice to influence and champion employment and skills. Whilst being employer-led, the ESBs will also have key public sector agencies (local authorities, Business Link, JobCentre Plus, LSC and SEEDA) on their boards. To support a co-ordinated approach to employer engagement at a local level, SEEDA recently instigated the bringing together of Sub Regional Partnerships (whose remit is broader than employment and skills) and LSPAs/ESBs in a series of workshops.

40 There are a number of examples of where SEEDA interventions are recognised as having achieved good employer engagement, such as Training Pools and Action for Business Colleges. Training Pools, for example, is a proven model of employer/provider collaboration in designing training solutions to meet employer needs, based on evidence in the Sector Skills Agreement.

41 Integration of the employment and skills agendas (as set out in the Accord) is key to simplification of the systems (hiding the “hard wiring”) which encourages business engagement to address specific skills solutions. A strong message from the Regional Employment and Skills Summit was the need for a simpler employer journey. Integrated Brokerage (Train to Gain and the Business Link Information, Diagnostic and Brokerage – IDB - tool) to be implemented in April 2009 is intended to provide a better service to business. Closer links are also being developed between the Business Link network and SSCs in order to provide better feedback on the skills needs of SMEs.

Q7: What has been your experience of the RSPA? What needs to be done to ensure its long-term effectiveness? What can SEEDA or other partners do to support the evolution of LSPAs into revised roles as local ESBs?

42 Skills, employment and productivity are intrinsically linked and each region has different needs that require regionally specific solutions. The Government’s National Skills Strategy – 21st Century Skills – announced the formation of Regional Skills Partnerships as a means of identifying these regional needs and integrating activity on skills, training, business support and marketing activity..

43 Under SEEDA's chairmanship, partners in the South East have established the **Regional Skills for Productivity Alliance (RSPA)**, which is driven by the needs of the region's employers. Partners with a responsibility or interest in the national skills agenda are committed to using Local and Regional Alliances to transform provision and business support services.

44 The purpose of the Regional Skills for Productivity Alliance is to:

- Advise and influence Government by identifying barriers to enhanced skills delivery and improving productivity and offering solutions to overcome them.
- Provide a structure to enable partners to jointly plan against shared objectives that achieve closer alignment of the supply and demand for skills and drive-up demand for skills to improve productivity.
- Maximise the contribution that publicly funded skills provision, workforce development, business improvement and labour market services support can make to the productivity and profitability of businesses.

45 There are substantial differences in the labour market between the East and West of the region and between the landlocked interior and the coastal fringe. Differing skills needs, priorities and capabilities at a local level have led to the creation of six employer-led Local Skills for Productivity Alliances.

46 The RSPA focuses on the delivery of key activities including:

- The Action for Business College Network;
- Supporting Development of Young People;
- Higher Skills and employer engagement;
- Higher Education Task Group;
- Local Skills for Productivity Alliances/Employment and Skills Boards;
- Regional Skills Brokerage Model;
- Skills for Life;
- Training Pools;
- World Skills 2011; and
- Olympics 2012

47 The **Regional Skills for Productivity Alliance** is recognised as a good example of integrated working with some real outcomes – see case study. A recent independent evaluation report states: “External stakeholders have expressed the view that the RSPA provides a good networking opportunity for the key skills

organisations, with good relationships between the key organisations, which are not always evident in other regions. The functioning of the RSPA as a forum to enable stakeholders with differing agendas to identify opportunities for engagement is valued. Without this forum, stakeholders have expressed the view that activity would be more disjointed.”

48 A survey conducted amongst RSPA members in November 2007 indicated that most respondents (80%) felt that the RSPA added value to their organisation’s work.

49 To ensure its long-term effectiveness, SEEDA is currently looking to develop the RSPA, for example, by strengthening the LSPA/ESB representation to ensure a local link to employers’ needs and developing employer representation. SEEDA’s investment in six LSPA Managers is now bearing fruit in terms of the development of ESBs. Another aim is to strengthen the RSPAs function as a strategic influencer with National Government.

Q8: 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?

50 The RSPA already provides a forum for bringing together these partners at a regional level, including Higher Education South East (HESE), Association of South East Colleges (AOSEC) and Regional Action and Involvement South East (RAISE), and the need to bring together the appropriate partners will be a key consideration in the future development of the RSPA. A priority for ESBs will be to help achieve more effective local skills coordination and local learning partnerships can support this (as reflected in Local Area Agreements). This is already working well in Urban South Hampshire as part of the MAA.

51 Focusing specifically on higher education, a Strategic Alliance has recently been signed between SEEDA, HESE and Higher Education Funding Council England (HEFCE) – the first for any English region with aim of enabling the region’s 25 universities to work more closely with funding agencies to develop shared priorities for HE development in the region. It provides a structured framework for new investment which will be needed and will also contribute to increased innovation through stronger university engagement with business.

52 SEEDA’s newly formed Corporate Cabinet may also provide an opportunity to engage with the voluntary and community sector on the employment and skills agenda through large corporates in the region. It is, nevertheless, recognised that SEEDA needs to further clarify how it can best work with the voluntary and community sector.

53 SEEDA and the LSC, in partnership with RAISE, have planned a conference that will examine the human resource skills and organisational capacity of the voluntary and community sector in the South East in supporting marginalised and hard to reach young people and adults access employment. RAISE has played a significant role in helping to shape the event that will take place in late October, and the conference will also explore the skills gaps in third sector organisations, the barriers to skills development and the range of solutions from funding bodies.

Q9: 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 the area, what more needs to be done to ensure effective joined-up working arrangements?

54 Under SNR SEEDA will need to develop a much closer working relationship with local authorities. Local and Multi Area Agreements are already being used to focus interventions in the region – for example in Urban South Hampshire and Thames Gateway. There are some good examples of LSPAs working effectively on this with local authorities. For example, the Kent LSPA Manager sits within Kent County Council and Milton Keynes, Oxfordshire and Buckinghamshire (MKOB) are strengthening the local authority representation on their LSPA/ESB. The closer working between the ESBs and Local Strategic Partnerships will enhance this.

ANNEX 1 - SUPPORTING CASE STUDIES

CASE STUDY 1 – WORKFORCE POOLING

It was known that many marine companies experience peaks and troughs in their order books which are difficult to manage and affect the stability and security of the business. Workforce pooling was identified as having the potential to address this by allowing companies to cluster and collaborate on common projects for the benefit of the sector and its customers.

In 2003/04 the Social Dialogue Forum brought together a group including representatives from the Cowes Marine Cluster, Marineteck South, EEF South, SERTUC, ACAS, Hampshire & Isle of Wight LSC, SEMTA and SEEDA to undertake a feasibility study. SEEDA provided a small amount of funding to achieve this. The report identified the potential benefits to SMEs in the marine sector and concluded that workforce pooling could be commercially and legally realistic. It recommended that a second phase operational pilot be implemented to demonstrate the feasibility and build widespread awareness within business and communities.

Government (DTI) funding was obtained for the pilot which was matched by funding and in-kind contributions from the partners involved (SEEDA's contribution for this phase was in-kind and not financial). The purpose of the pilot was to assist SME marine companies within the Hampshire and Isle of Wight area to cope with cyclical workloads by the development of innovative and collaborative working arrangements which would provide a basis for long term growth and also be transferable to other sectors. This was primarily achieved through mentoring, brokering and the use of case studies.

The findings of this pilot, which completed in 2006, led to two initiatives commencing in respect of apprentice training and facilities sharing of modern technology, taken forward by Marine South East Ltd, SEEDA's regional marine initiative.

CASE STUDY 2 – HAMPSHIRE & ISLE OF WIGHT LSPA

The LSPA led the development of a training model for the security sector. The private security industry has recently undergone a radical shake up of its employment standards, and now private security staff are required to be trained and licensed. With events such as the Olympics on the horizon this sector needs to keep up with current and future demands.

Graham Cull of Steel Security has stated "Not only were we faced with a rapidly increasing demand for qualified security personnel but the industry as a whole was having to ask itself whether it could actually afford its own professionalisation under the 2001 Private Security Act. Stringent regulations are now in place to ensure that the private security industry continues to offer a professional service but with regulations comes increasing costs. Under the regulations manned and static guarding have to be licensed and, in order to obtain a license, an individual must be trained and pass an exam. Training and licensing is very expensive for an employer."

To date 67 people have gone through the training with 58 obtaining the licence. Twenty-one of those were unemployed and have now found work in this sector. Building on the success of this initiative the model has been replicated in the retail sector to great success.

CASE STUDY 3 – EMPLOY NORTH KENT

SEEDA funds a suite of employability projects across North Kent which aim to help ensure that local people benefit from the wide range of training and employment opportunities arising from physical and social regeneration investment.

- **Employ Kent Thameside** – set up with partners, including Jobcentre Plus, and based on best practice models, this project assists people to attain higher levels of skills across industry sectors, with an initial focus on the construction sector in Kent Thameside to help them benefit from local regeneration opportunities.
- **Jobsmatch Medway** – aims to assist the needs of nearly 10,000 economically inactive people in Medway who have faced difficulties in accessing job opportunities. The project complements and works in conjunction with employment services offered by Jobcentre Plus, whose focus is towards supporting people of working age from welfare into work only. Jobsmatch Medway works within the community helping Medway residents find employment and assisting employers to find the right people for their business. It also

helps residents improve their skills through courses and career training, working closely with jobseekers, employers and partners to provide the best possible service. The service crosses a broad range of industry sectors, including construction, manufacturing, health and social care, retail, leisure and business services.

- **Skill Swale** - aims to improve access by residents to training opportunities and provide improved information, advice and guidance to local residents and schools on jobs and training opportunities.

CASE STUDY 4 – REGIONAL SKILLS FOR PRODUCTIVITY ALLIANCE

Regional Skills Partnerships (RSPs) were established in each English region following the publication of the National Skills Strategy in July 2003. SEEDA has supported the development of the South East RSP (the RSPA) since its inception, providing the main mechanism for integrating activity on skills, employment, business support and labour market activity in support of regional economic development.

Strategic influence - SEEDA has influenced RSPA partners at both the regional and sub-regional levels and has helped to determine the priorities of the RSPA.

- SEEDA has worked closely with the LSC and other RSPA partners to develop the Action for Business College programme. This programme has enabled Further Education colleges to become responsive to the training requirements of businesses. Thus far, 26 colleges have achieved Action for Business College accreditation and this work has helped to inform the development of the LSC National Training and Quality Standard – now being rolled out to other colleges across the country;
- The RSPA role in supporting the 14-19/young people's agenda, has involved the promotion of Enterprise Education in Schools. SEEDA in partnership with the University of Portsmouth helped initiate and shape the *Up for Enterprise* programme. By the time the project ended (December 2007), 108 schools had participated and used the materials and 639 teachers had received training; and
- SEEDA has championed along with other RSPA partners, the development of 'Level 3 jumpers' in response to the need for more people to be qualified to level 3. In addition, SEEDA and the LSC have also worked on an adult learner account pilot to the raise participation and achievement of adults in Level 3 learning.

Leverage - SEEDA's investment in six LSPA Managers to co-ordinate the activities of the LSPAs has helped SEEDA to lever in contributions from other partners to run a number of locally-based skills development programmes.

Leadership and catalyst – RSPA partners, facilitated by SEEDA, have directly helped shape and influence the development of the RES and its Implementation Plan. As a result the RSPA signed up to be the target sponsor for the Skills and Employment targets and is playing a central role in helping to deliver these objectives.

Through the RSPA, a positive and sustained relationship has been fostered with Sector Skills Councils (SSCs) both on an individual and collective basis.

SEEDA facilitated the active engagement of RSPA partners at a Regional Skills Summit that took place in July 2008.

Synergy - Through the LSPAs, SEEDA has co-ordinated partners to provide a submission to Government on the development of Employment and Skills Boards (ESBs).