

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

Submission from: **University of Chichester**

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

Broadly speaking SEEDA has identified most of the issues and challenges in this area. There have been a significant number of surveys that look to identify the skills needs in the Region. There is also the recognition that skills development is a critical part of the holistic agenda for economic growth involving urban regeneration, economic inclusion and job creation. In many respects the issue today is not so much about understanding what is required but meeting that requirement. University of Chichester research in this area differentiates between what businesses and organisations need and what they want (i.e. are prepared to pay for). In many respects what they need is to be able to perform more effectively - "Do Business Better." However, they often do not themselves have the management understanding to articulate what this requires. Therefore much of the analysis focuses on the need for personal skills such as computer literacy, communications and team working but does not highlight other, more complex needs, such as operations management issues of supply chain management, logistics, process re-engineering, strategic management etc. Associated with this is the issue of training versus development. Sending someone on a short training course may be very effective for specific skill acquisition but is too often seen as an excuse for staff development which actually necessitates longer term continuous input.

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?

The agencies mentioned do work together, especially in areas such as the Gatwick Diamond. However, our experience is that, although there is a lot of goodwill between the organisations to provide a coherent approach, the effectiveness of their joint work is constrained by practical considerations such as funding methodologies and timescales and the difficulty of levering in definite commitments from other organisations.

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 focus on higher level skills development is critical as it is this that will lead to improved and new business that will assist with the job creation agenda. Clearly basic skills are also important and SEEDA appears to be undertaking some effective work in this area. However, there do appear to be a wide range of programmes. Initiatives are most effective when they are focused, consistent,

and branded for the long term. Many of the individuals within this area might need support not just to get jobs but also to sustain those jobs.

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 appears to be reasonably effective strategically but less so locally. This is perhaps because of the wide range of overlapping agencies, committees and agencies involved. This may in part be addressed the Business Support Simplification Programme and the development of the Innovation Growth Teams. Also by their nature, local intervention can mean that some localities receive more investment than others at certain times. Although SEEDA must continue to represent the region strategically, targets will be delivered locally and logically suggesting a shift in emphasis to local intervention.

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?

The difficulty of this should not be underestimated as it requires a multi-agency involvement across the region in order to address the multiplicity of issues involved over a considerable period of time. Addressing the issues requires clear and sustained leadership and it is not always plain who should be leading. SEEDA could perhaps take a more active role in this area.

Further to this, there is clear evidence that sustainable job creation occurs in geographic areas where single sector businesses cluster. A good example would be aerospace in and around Farnborough. Another example might be digital media in Brighton. This has been recognised to some extent in the focus on creative media in Hastings linked to schools, the university centre and the media incubator. However, it would be more appropriate to identify, develop and promote cluster activity associated with regeneration, perhaps based around developing HE capability. The key will be to identify sectors that lead to genuine and sustainable job creation at all levels. For example, it might be argued that the creative media concentration in Hastings is not targeted in a way that results in many non-creative jobs.

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

At the strategic level, SEEDA appears to understand the needs of employers to up-skill. As per the response to Q1, this is not necessarily the case at the detailed level. When it comes to dealing with individual businesses and especially small businesses, it is not evident that specific skills requirements and employers responsibilities are being adequately addressed. The exception to this would be the Investor Development Managers who do appear to operate effectively but are only working with larger organisations. Train to Gain seems to operate only at the lower level of training requirements, concentrating more on staff training rather than the broader needs associated with business improvement.

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 Regional Skills for Productivity Alliance has been effective in a number of areas; for example the creation of the ESF2008 - 11 funding specification. However, the members of the RSPA are not always best placed to provide true representation of their sector, so this needs to be addressed to ensure the long-term effectiveness of the group. Stronger more systematic and transparent communication between RSPA members and others in the sector they represent would be beneficial to its development. The same applies, to a lesser extent to the LSPAs as they evolve into local Employment and Skills Boards.

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?

SEEDA does recognise the role HE has in this area but converting this understanding into concrete effective support is challenging work. At the operational level, the relationship appears to more reactive rather than proactive in terms of if an organisation comes to SEEDA with a request for support, it will be considered. In other areas it requests bids to undertake certain activity. It is not always clear that such approaches maximise the benefit potentially arising from targeting funds. Some initiatives appear to be 'headline grabbing' and short term (e.g. CommercialISE) when what is required is sustained investment that recognises that significant change requires time to achieve.

It is clear from our research that many businesses do not understand the value of working with HE either in terms of research or staff development. Businesses are more interested in outcome and value for the business and do not see the need for accreditation other than it may motivate the individual. SEEDA could usefully work together with HE to promote awareness.

It is not at all clear how SEEDA want to work with the voluntary and third sector although they recognise the role they have to play. There is an opportunity to identify and support successful models, of engagement and social enterprise.

Based on our work, examples such as Care-Co-ops and their subsidiary, Nourish in Brighton demonstrate an effective social enterprise model. However, like many such organisations, they are constrained by the uncertainty associated with the need to constantly search for funds to undertake their work. This makes long term planning and expansion both difficult and risky. SEEDA could assist with the development of sustainable funding models utilising sources such as ESF in a focused and effective way over time rather than as a quick fix, which subsequently disappears.

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?

SEEDA works closely with Local Authorities over these issues, for example, supporting the Partnership for Urban South Hampshire (PUSH) initiative, and the development and delivery of Local Area Agreements. Where improvements could be made is in closer working between staff responsible for education and lifelong learning with staff responsible for economic development.