



Developing skills for growth

South East Diamonds Networking event

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Workshop Objectives

- To support the development of sustainable communities in the South East
- To showcase innovative work which the Diamonds are currently involved in
- To invite feedback, comments and other best practice from the delegates
- To provide an opportunity for delegates to participate in the event






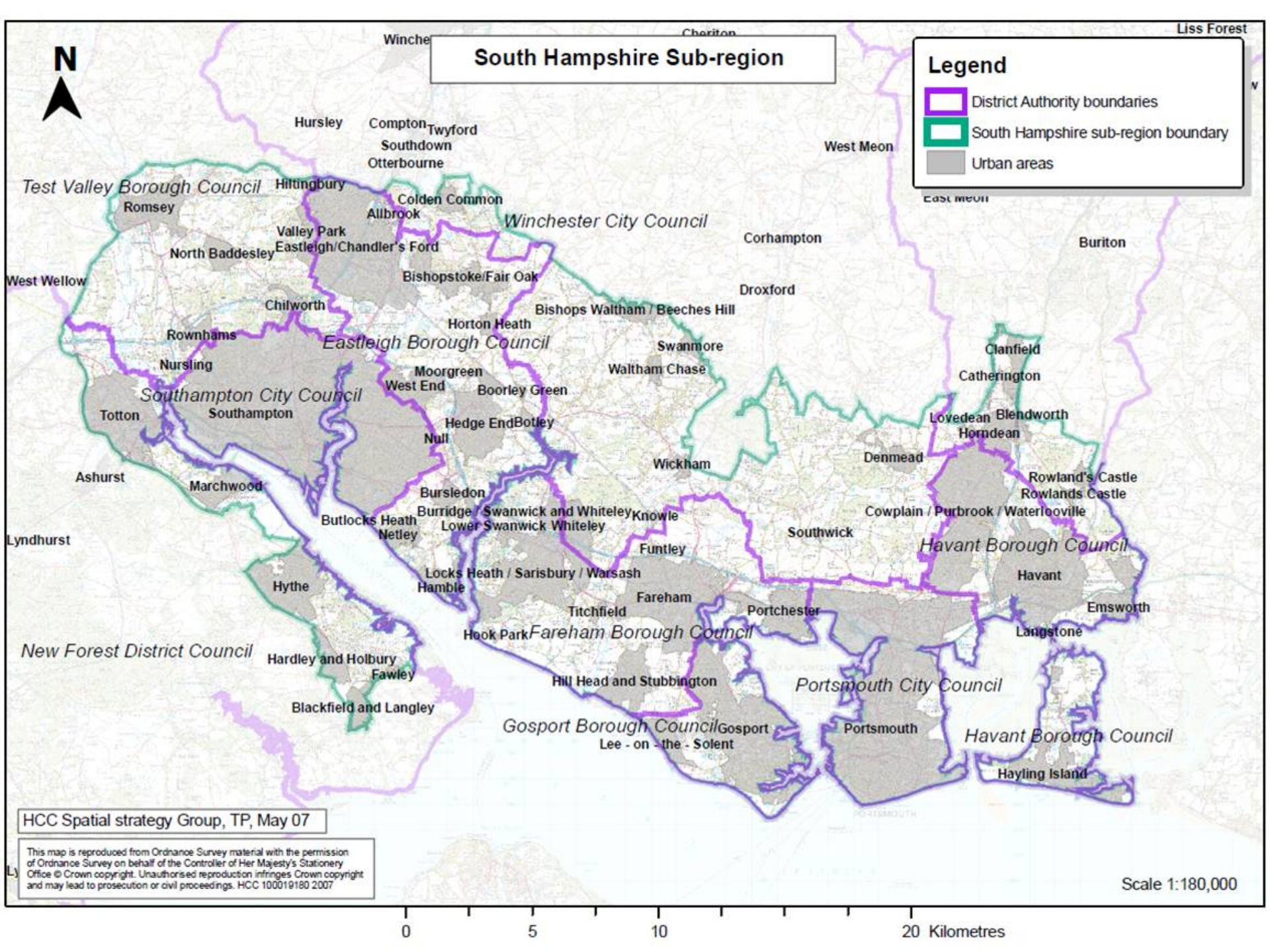
Developing Skills for Growth

The South Hampshire Agreement

South Hampshire Sub-region

Legend

-  District Authority boundaries
-  South Hampshire sub-region boundary
-  Urban areas



HCC Spatial strategy Group, TP, May 07

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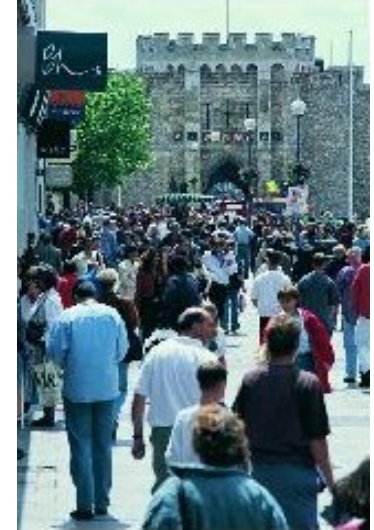
Scale 1:180,000



**SOUTH EAST
DIAMONDS**
for investment and growth

South Hampshire's Assets

- Its people
 - Population 1 million, largest urbanised area in South of England outside London
- Its economic diversity and potential
 - UK's premier cruise terminal & 2nd biggest container port
 - Home of Royal Navy and significant Armed Forces presence
 - Strong Higher & Further Education – 3 complementary universities
 - Sector strengths: marine, aviation, advanced manufacturing, business services, logistics and distribution, creative industries



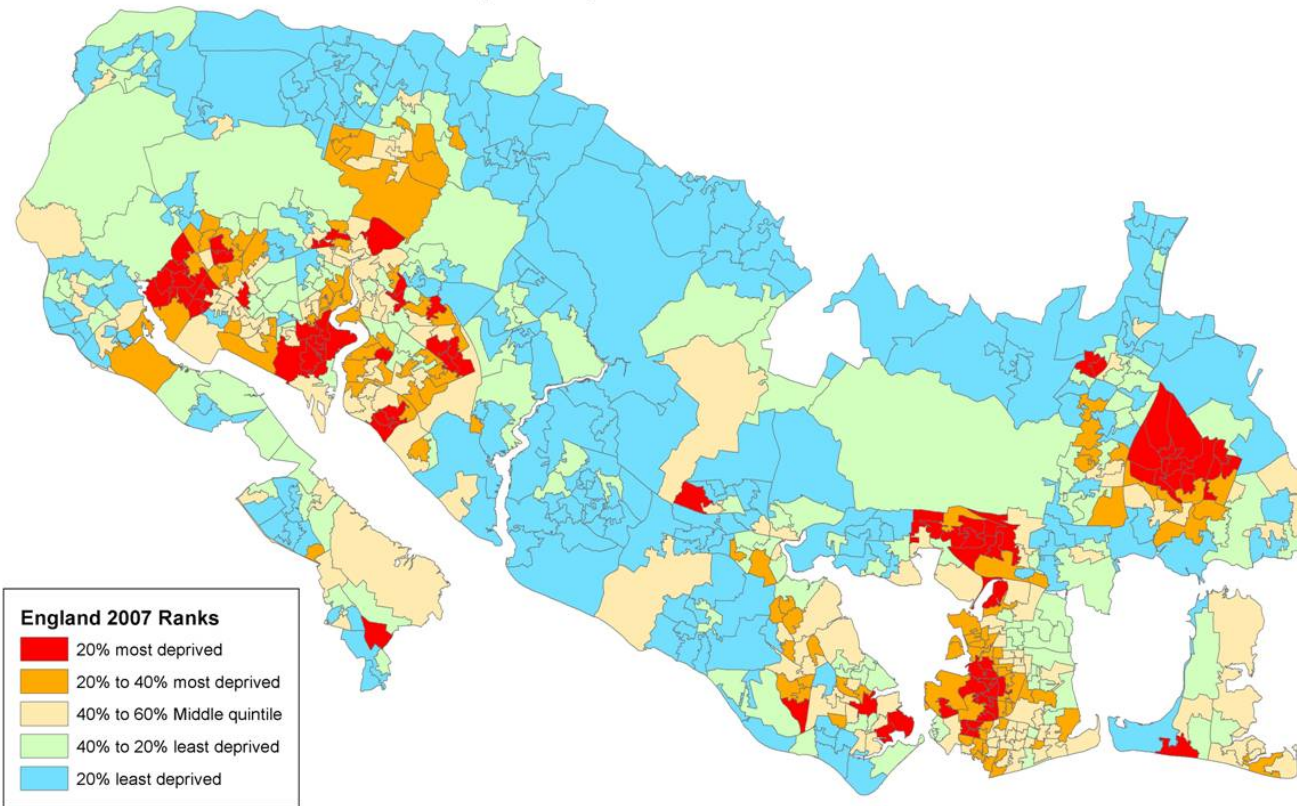
South Hampshire's Challenges

- Legacy of industrial decline and restructuring
- Economic under-performance:
 - GVA: 2.8% in SH vs 3.1% in SE
 - Economic Activity: 80.3% vs 82.2%
 - Skills of working population: NVQ 4 27.5% vs 32.5%
- Infrastructure, especially transport and water
- Shortage of affordable housing
 - 1991-2007: 73,500 new dwellings but 86,000 new households
- Significant areas of multiple deprivation
- Environmental assets are also constraints and threats e.g. water supply, sewerage, coastal flooding



Closing the Gap - Deprivation in South Hampshire

2007 English Index of Multiple Deprivation
Lower Super Output Area Rank Score for PUSH area



Note: LSOA areas straddling the PUSH boundary are only partially shown.
Produced by Gareth Henry, Hampshire County Council. Source DCLG IMD 2007

- 83 local 'Super Output Areas' in 20% most deprived
- Clusters in the two cities, Gosport & Havant

South Hampshire Vision

Delivering sustainable, economic-led growth and regeneration to create a more prosperous, attractive and sustainable South Hampshire, offering a better quality of life for all who live, work and spend their leisure time here.



Business Plan Objectives

- Promoting Economic Success
- Providing Sustainable communities
- Reducing inequalities by Closing the Gap
- Investing in Infrastructure
- Promoting better quality of life
- Tackling Climate change



Headline Outcomes by 2026

Key objectives – economic led growth

- A more successful economy – **+3.5% GVA** by 2026 (from 2.8% now)
 - 85% economically active, 45% level 4 qualification (working age population)
 - Increase skills NVQ2 and NVQ4 by 1.5% p.a.
 - 59,000 net new jobs, especially knowledge-based
- Delivering **80,000 more homes** between 2006-2026
- **2 million m²** of employment space
- “Cities and towns first” approach to secure **sustainable regeneration**
- Ensure **infrastructure** investment is in place – managed conditional growth
- Protect **quality** of life and ensure quality of design



Employment and Skills – developing skills for growth

Raise the skills and improve the employment opportunities of the current and future working age population in line with the aspirations in the South Hampshire Agreement



The Vision

By 2026, the PUSH area will be a highly productive and dynamic economy and a cohesive and prosperous society driven by a talented and growing workforce. Learning and skills development will play a driving role in increasing productivity and reducing economic inactivity by raising workforce skills.

The skills challenge

- To meet the 3.5% per annum GVA growth rate:
 - GVA per employee will need to play a defining role – even in growth sectors, GVA per employee growth rates will need to increase by up to 10 percent (e.g. 4.0% growth rate increasing to 4.4%)
 - GVA from new employment will be central to meeting the GVA growth target
 - Supporting the economically inactive into sustainable employment will also be important for SMART growth



The skills challenge

- By 2026:
 - Level 4 qualifications are forecast to make up 40% of the workforce in the PUSH area
 - Those with Level 2 and Level 3 qualifications will make up 15% and 19% of the workforce respectively, with Level 2 seeing a fall of 1.7% and Level 3 a rise of 2.7%
 - Qualifications below Level 2 and those with no qualifications will fall by 4.7% and 4.4% respectively and together will make up just 14% of the workforce
 - On current trends, Apprenticeships will be held by just 2% of the workforce but this may change as a result of the Government's increasing emphasis on and investment in Apprenticeships
 - Over 11% of the workforce will be made up of those holding 'other qualifications', a rise of 1.3%

Meeting the skills challenge

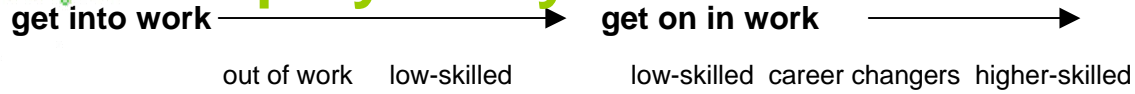
- Skills will have a vital role to play, alongside other productivity drivers, in enabling Urban South Hampshire to meet its GVA challenge:
 - new employment opportunities have to be maximised - in terms of value added and moving the inactive into work
 - a stronger focus is required on high value added activity within the area's highest growth sectors
 - need to nurture and develop new and emerging high value added sector activity
 - better alignment between skills supply and demand is required to meet 2026 demand projections
 - need to create stronger demand for apprenticeships amongst employers and learners
 - need to strengthen progression pathways from apprenticeships into higher level vocational learning (e.g. Foundation Degrees)

The skills strategy – ‘*Skills for Employability and Growth*’

- The strategic framework:
 - The Vision
 - Strategic Aim 1 : **employment rates and economic inactivity** ; providing the skills for sustainable employment growth – Focus on economic inactivity
 - Strategic Aim 2 : **workforce productivity** ;tackling skills shortages and gaps in growth sectors – Focus on sectors which are omprotant for PUSH and the local economy
 - Strategic Aim 3 : **high value added sector activity**: releasing high value added potential
 - Strategic Aim 4 : **skills infrastructure**: deliver world class skills in a demand led system - Focus on the establishment of and Employment and Skills Board, establishing skills development zones and investment in infrastructure



Employment – led activity: Skills and employability The Continuum...



IES
 Individuals helped into work
 Employers matched with recruits

Market – higher level skills
 Individuals & employers given power to choose

Aspiration – “pointing the way”
 Information on funding and courses (mediated)

Skills health check (mediated)
 Careers advice integrated with jobsearch

Job vacancies transmitted to those out of work
 Supply of potential recruits matched to vacancies



Skills Accounts

AACS

Train to Gain

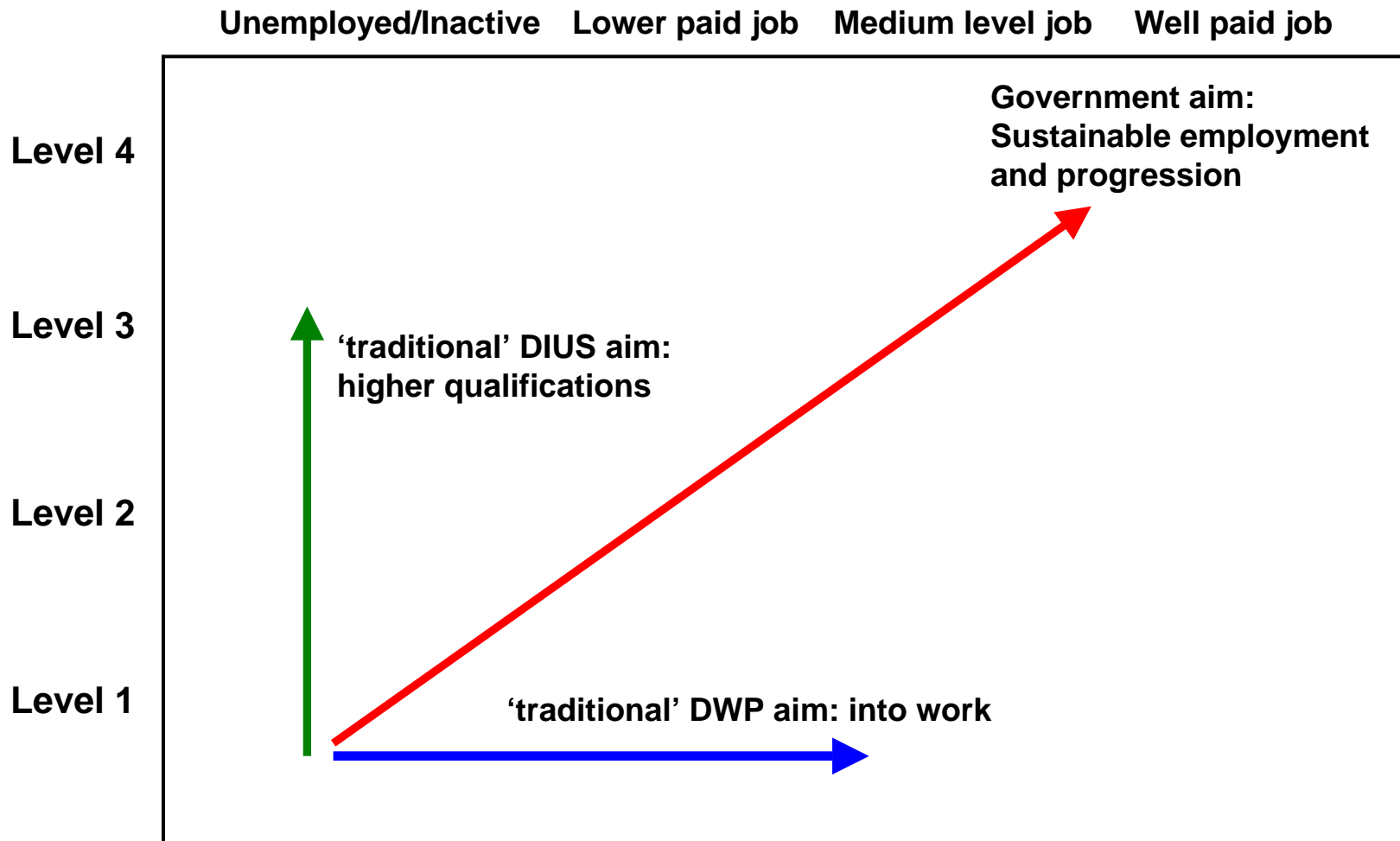


Empowerment – voucher
 Information on funding and courses (self-serving)

High quality careers and skills advice – accessible at any time
 Personalised advice on other aspects of life

Empowerment – bespoke skills package delivered at right time and place

A shared ambition: Sustainable Employment & Progression





Employment rates and economic inactivity : Best Practice- the future workforce

- **Shaping the future workforce - 14-19 diplomas in Portsmouth & South East Hampshire**

The
Diploma

- **The role of Apprenticeships**

Into Work – the Confederation of Shipbuilding and Engineering Unions, Jobcentre Plus and VT Shipbuilding in Portsmouth



- Work Trials
- New Deal
- Mentoring
- Pre-employment training
- Review of recruitment practice



Skills Infrastructure : Best Practice- The creation of an Employment and Skills Board (ESB)

- **The proposition to establish an employer-led Employment and skills board to raise skills levels and improve employment outcomes across Urban South Hampshire. The remit for the Board will include:**
 - Driving forward the integration of employment and skills services
 - Bringing forward the requirements of employers into the heart of planning and commissioning processes
 - Working through business affiliates to raise awareness of, and drive up the use of, employment and skills services (Train to Gain, Apprenticeships, Local employment partnerships)
- **The ESB will constitute a formal partnership between public, private and third sectors**

Skills Infrastructure : Best Practice The creation of an Employment and Skills Board (ESB)

Employment and Skills Board (ESB) – 2 The vision

‘The PUSH Employment and skills Board will work with employers to ensure that employment and skills services meet their needs and, alongside other forms of business support, are contributing to the long term growth aspirations of the economy and labour force. It will effectively articulate local labour market needs, scrutinise service performance and continuously drive forwards integration in service delivery to achieve improved outcomes.’



Skills Infrastructure: Best Practice The creation of a Multi – agency task force

- *A delivery arm for the ESB – it will undertake a programme of activities to drive forward the integration of employment and skills*
- *Has delegated responsibility for the achievement of skills and labour market objectives that are integral to the PUSH MAA*
- *Accountable to the ESB through existing PUSH Governance arrangements*
- *Resourced from across the sub-region’s public sector Unitary/Local Authorities, LSC, SEEDA, JCP.*
- *Members co-located at LSC premises in Fareham*
- *Activities include:*
 - *Monitoring MAA targets for employment and skills*
 - *IES Trial*
 - *Advanced Network pilot trial (see also Slough & Brighton and Hove)*
 - *Apprenticeship trials*
 - *Skills accounts*
 - *Section 106 – role in employability and skills*



Questions ?



The South East Skills challenge

Priority issues for Diamonds



**SOUTH EAST
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The South East Skills challenge

The challenge:

To equip 250,000 people of working age in the South East with new skills.

- Public sector skills challenge
- Skills for growth
- Leading edge skills for sectors
- Business representation
- Skills for priority learners



DISCUSSION

**Delivering sustainable growth in the
South East**

Priority skills issues for Diamonds



Key priorities – Further Discussion/Consideration

- The role of the Diamond LA as an employer – the skills pledge and the public sector skills challenge
- The South East Skills Challenge
- Sector skills development
- Employer engagement and the role of an Employment and Skills Board
- The development of the resident workforce and sustainable communities
- The future role of the Diamonds Skills policy group



Feedback and next steps