

Employment and Skills Board

**Meeting held in the Conference Room, Job Centre plus offices, Daryl House,
Stockton**

at 14.00 on 24 July 2007

ATTENDEES

Chris Roberts	Learning and Skills Council	Chair
Antony Steinberg	Hartlepool BC	
John Collings	Hartlepool BC	
Nick James	Learning and Skills Council	
Malcolm Potter	Tees Valley Engineering Partnership	
Neil Kenley	Tees Valley Regeneration	
Steve Davidson	Jobcentre Plus	
Ann Baxter	Stockton on Tees BC	
Mark Rowell	Stockton on Tees BC	
Pam Hogg	Tees Valley Joint Strategy Unit	
Sarah Tennison	Tees Valley Joint Strategy Unit	
Bob Ward	Durham County Council	
Gillian Collinson	One NorthEast	
Colin Stratton	Federation of Small Businesses	
Bob Morrell	Voluntary Sector	
Mike Lakinski	Business Link North East	
Steve Turner	Tees Valley Joint Strategy Unit	
John Lowther	Tees Valley Joint Strategy Unit	
Joanne Wilson	TRMS Online	
Richard Brine	Corus	
Caroline Taukaulis	Darlington BC	
Chris Livingstone	Jobcentre Plus	
Laura Woods	University of Teesside	
Sandra Cartlidge	Middlesbrough BC	

APOLOGIES

Murray Rose	Darlington BC
Jeff Fowler	TUC
Professor Ray Hudson	University of Durham

David Williams
Stewart Atkinson
Professor Cliff Allan

Durham County Council
Tees Valley Training Providers Forum
University of Teesside

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1 CHAIR'S WELCOME AND INTRODUCTIONS

Chris Roberts began the meeting by explaining that he would be joint Chair of this new Board together with Steve Davidson. Chris felt this was an ideal time for the Board to begin its work. The recent Treasury sub national review of economic development mentioned Tees Valley Unlimited as an emerging Partnership model and it was clear that Tees Valley was now starting to be noticed at national level.

2 APOLOGIES

As noted previously.

3 THE STORY SO FAR

John Lowther updated the Board on the history of the Tees Valley City Region approach and the associated new Tees Valley Unlimited structure. The City Region Business Case and Tees Valley Unlimited governance structure had been well received by Government. A "Peer Review" by senior civil servants in February 2007 had highlighted the need for a "sophisticated skills strategy" and an employability strategy at City Region level. John confirmed to the Board that it would operate in "shadow form" for this year – it would start its formal work as part of the Tees Valley Multi Area Agreement from April 2008 onwards.

John then described the proposed work programme for the Employment and Skills Board, which had been agreed by the Tees Valley Unlimited Board. The main element of this was the development of the required sub regional Skills Strategy and Employability Strategy.

Action

Graham Henderson (University of Teesside) was preparing an input to the Leadership Board on higher level skills. Shared Intelligence were reviewing the current range of actions relating to employability in the sub region and had been asked to come up with a City Region wide approach. The Board also needed to recognise the need for links between deprived communities and regeneration projects/ urban renewal in Tees Valley.

Chris Roberts reminded the Group that a national Employment and Skills Commission was being set up – this would not control sub regional Employment and Skills Boards but would want to ensure employers are properly involved.

4 WHAT THE EMPLOYMENT AND SKILLS BOARD WILL ACHIEVE

Nick James and Chris Livingstone presented proposed initial Terms of Reference to the Board. Chris described the “Regional Employability Framework” and asked the Board for support with nominations for “Task and Finish” Groups. It was also agreed that Chris would arrange a separate, more detailed meeting for partners to discuss the Framework in more depth.

Chris
Livingstone

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Chris Roberts confirmed the importance of the Regional Employability Framework and felt it demonstrated how Tees Valley needed to be integrated into regional thinking but identifiably separate.

Ann Baxter (Stockton on Tees Borough Council) supported the proposed Strategy and Board but stressed the need for the Board to be clear what it is about. Ann asked the Chair if the Board was intended to be a separate group or just a sub-group of the REF.

Chris Roberts responded that the Board are a separate group but the Board needed to be clear that government now requires Learning and Skills Council and Job Centre plus to be much clearer about joint working.

Sandra Cartlidge (Middlesbrough Borough Council) asked whether Employment and Skills Boards were expected to be about employability or higher level skills.

Chris Roberts responded that the Board needed to be about both issues.

John Lowther (Tees Valley Unlimited) stated that as Tees Valley had not been involved in the Regional Employability Framework until very late in it's development, there were concerns that it did not reflect the needs of the Tees Valley. This made it essential that Tees Valley partners were well represented in the REF Task Groups.

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5 UPDATE ON GOVERNMENT STRATEGIES

Chris Roberts explained the recent creation of new government departments: The Department for Children, Schools and Families, who would now have lead responsibility for pre 19 education through local authorities; and the Department for Innovation, Universities and Skills who will have responsibility for adult skills and the implementation of the Leitch Review. He highlighted six aspects of the developing policy for adult skills:

- Expansion of Train to Gain
- Changing role for Sector Skills Councils
- National Commission for Employment and Skills
- Skills Pledge
- Integrating Employment and Skills
- Increasing Apprenticeships to 400,000 in next five years

Steve Davidson described the approach to welfare reform set out in the recent Green Paper “Better Off, In Work”. The Governments Welfare to Work programmes had had some success but a number of issues remained. Three million people of working age have been claiming benefit for more than a year; there are three million households where no-one is working and 1.7 million children live in poverty.

The Government has made a commitment to getting 80% of the working age population into employment. The Green Paper sets out seven areas for further work to achieve this:

- Local Employment Partnerships, including a “Jobs Pledge” where many national retailers have made a pledge to recruit workless people.
- Support for People with Disabilities – in particular extension of the “Pathways to Work” programme.
- Increased conditions on lone parents receiving benefits
- Family focused policies
- Flexible New Deal
- Working with Ethnic Minorities
- Increasing Delivery

Gillian Collinson (One North East) advised the Board that the North East was also hosting a Higher Level Skills Pathfinder, which was testing and developing the responsiveness of the Higher E

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Higher Education sector to work with employers.

John Lowther presented a paper on the sub National Review. The proposals in the Review were very supportive of the Tees Valley City Region/ Multi Area Agreement approach. The proposed Multi Area Agreement for Tees Valley City Region will cover ONE North East regeneration funding, housing market renewal and transport. This will help Tees Valley Unlimited focus capital spend and move money around to meet local needs. In the longer term, skills and employment budgets might also fit into the MAA.

The Review also gives local authorities a statutory duty for neighbourhood renewal, which will now concentrate more on targeting at the more deprived areas.

Finally, the Review requires Regional Development Agencies (One North East) to be more strategic with more delegation to local authorities and sub regional groups. More regional resource to be directed through MAA models, with a local authority led Leaders Forum providing accountability. Both LSC and Job Centre plus are required to inform and contribute to regional strategies.

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6 TEES VALLEY - DEMOGRAPHIC ISSUES

Steve Turner presented a paper on future demographic changes affecting the Tees Valley. Steve highlighted a significant drop in births in the 1990s. Consequently, the number of current and future 4-19 year olds is declining. This will be coupled with a significant number of people born in the post war baby boom now reaching retirement age. It is forecast that by 2021, there will be 2,000 more people leaving the Tees Valley workforce than joining it.

Chris Roberts re-iterated that the impact of demographic change on the workforce and economy of the future is not always fully understood. Chris asked for clarification on the reference in the paper to "inward migration". Steve replied that the Office for National Statistics is carrying out a major national assessment of inward migration numbers. In particular, many inward migrants initially identify that they are living in London or other major cities, but then quickly move to other parts of the country/ regions. This is likely to show increased inward migration to the Tees Valley.

7 UPDATE ON EMPLOYABILITY STRATEGY

Nick James presented an interim report from "Shared Intelligence", a consultancy who have been commissioned to review current employability related activities in the Tees Valley.

Bob Morrell expressed the need for the work to recognise the contribution that can be made to employability and community capacity through social enterprise. This was noted.

John Lowther added that the final report will lead to better knowledge of what is going on in the Tees Valley and alignment of spend/ activity.

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8 EMPLOYER SKILLS UPDATE

Malcolm Potter (Tees Valley Engineering Partnership) presented the findings of a survey of 100 engineering related employers in Tees Valley. Some critical findings include:

Two thirds of employers surveyed do not recruit graduates

Half of employers surveyed do not recruit apprentices

60% of small employers surveyed and 90% of large employers surveyed have recruitment issues;

78% of small employers surveyed and 85% of large employers do not have retention problems.

15% of small employers surveyed and 44% of large employers are concerned about skill shortages.

Generally the survey showed that the engineering sector in the Tees Valley is very buoyant with nearly all of the employers surveyed expecting growth. A particular feature of the sector is its diversity, which is not generally recognised and needs to be nurtured. On the basis of the survey, it is clear that growth of the sector is being constrained by manpower/ skills issues.

Further issues from the survey included concerns about the quality of graduate recruits, an increasingly short supply of experienced engineers, concerns about the cost and quality of Apprentices and the fact that immigrant labour was not being used extensively. The survey recommends:

- Tees Valley Engineering Partnership needs to be more effective.
- More collaboration is needed amongst relevant employer groups.
- The City Region gave the chance for leadership for this sector.

John Lowther responded that the public sector needed to be more effective at helping to overcome barriers and employers needed to be more active in helping to find solutions.

Malcolm Potter responded by saying that the key is being industry led and TVEP can do this for the engineering sector.

Richard Brine (Corus/ Chamber of Commerce) stated that it was extremely difficult for employers to get involved – there were too many pathfinders and various initiatives, with the result that employers found it all too confusing and messages were getting lost in translation.

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9 PROPOSED TERMS OF REFERENCE

The Board returned to discussion of the proposed Terms of Reference originally presented at Item Four. The following points were made:

Neil Kenley (Tees Valley Regeneration) – difficult to assess what some of the statements meant, particularly the scale of proposed activity or change. For example the proposed Objectives refer to “reduce by 10% ...” but not clear what that means in real terms.

Ann Baxter (Stockton on Tees Borough Council) – the Board needs to have a longer term view – objective refer to 2012 targets – this is too short term and will just continue the short term approach.

Chris Livingstone (Job Centre plus) sought the views of the Board on proposed structure and sub Groups.

Richard Brine (Corus/ Chamber of Commerce) – based on earlier discussions, the Board needs to be more innovative in its approach; the meeting had focussed too much on “top down” policies; the Board needs to be more Tees Valley originated and focussed.

John Lowther (Tees Valley Unlimited) suggested that we may need other groups to support the Board but they need to be task based, not general.

Chris Roberts agreed there was a risk of a public sector based approach and not enough innovation. He pointed out that as well as a leadership role, the public sector also had a role to play as a major employer in its own right.

10. SINGLE PROGRAMME FUNDED PROJECTS 2007/2008

Nick James presented a paper setting out a number of proposed skills related projects for use of Single Programme funding in 2007/2008. These were noted and supported by the Board.

11. ANY OTHER BUSINESS

Steve Davidson asked the Board to return to the issue of employer involvement. It was agreed that Richard Brine, Joanne Wilson and Malcolm Potter would work with Chris Livingstone and Nick James to develop ways in which employers can not only be more involved in the Boards work but can lead relevant aspects as well.

Richard
Brine/
Joanne
Wilson/
Malcolm
Potter/
Nick
James/

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Chris Roberts stated that he felt this had been a positive first meeting. Whilst there had been lots of information for the Board to consider, the Board is now well placed to move forward. In particular, the Board needs to consider how we draw private sector/ employers into the Boards work and how we get the priorities delivered.

12 DATE OF NEXT MEETING(S)

Due to the unavailability of either of the joint Chairs, the next full Board meeting has been arranged for 29 October 2007.
