

8 Skills and employability

8.1 Ambitions

Skills and economic participation are central to the region's future economic success. To provide businesses and individuals with the best chances of competing within an increasingly competitive global economy, the East of England must build skills for the jobs of the future and improve the region's capacity to innovate. This will involve increasing the number of technical and highly skilled people within the workforce and addressing skills gaps and shortages. This will enable the region to gain economic advantage from new and growing economic opportunities, such as the transition to a low carbon economy. The region must also maximise the opportunities for everyone in the region to participate in the economy, enhance their career options and move towards higher-level jobs.

The regional economic strategy (RES) has two goals dedicated to Skills for Productivity and Economic Participation. This theme sets out the action plan for delivering these goals. These actions will also be the primary mechanisms for delivering the RES skills, employment rate and earnings targets, and will contribute strongly to the RES productivity targets by improving business efficiency through skills development and addressing skills gaps and shortages. Three programmes of activity have been identified and a number of core principles and themes run throughout these programmes, including:

- improving businesses' and individuals' desire for lifelong skills development
- a significant step-change in the way that skills are delivered by developing a skills system that responds to, and meets, the needs of businesses, individuals and the economy
- improving access to skills development for businesses and individuals
- enhancing opportunities for individuals to progress into and within the labour market, towards higher-level jobs.

The RES provides the key focus for skills and employment interventions in the East of England, but the RSS also includes policy areas that are of relevance to this theme:

- planning for population growth (Policies SS3 and H1)
- the scale of population growth has implications for housing and jobs (Policies H1, H2 and E1)
- special provision should be made for the growth of key high-value clusters
- growth will be concentrated in 21 Key Centres for Development and Change (KCDCs) (Policy SS3), which will have implications in terms of the geography of demand for, and supply of, skills
- the region must respond to continuing deprivation, particularly within Priority Areas for Regeneration (Policy SS5)
- individual sub-regions have identified increased further education (FE)/higher education (HE) provision as a key route to regeneration and economic transformation and as a key priority for investment.

The programmes within the skills and employability theme are also consistent with the policy objectives and delivery arrangements set out in documents released in late 2009 by the Department for Business, Innovation and Skills (BIS): Higher Ambitions; Skills for Growth – the National Skills Strategy; and New Industry, New Jobs.

The region's priority sectors for skills investment must reflect intelligence on likely drivers of current and future economic and employment growth. As such, the programmes emphasise the need to support sectors that will drive sustained economic growth, including those that will generate significant future jobs growth, as set out in Jobs of the Future. As part of New Industry, New Jobs, national government has also identified a number of high-technology sectors with strong potential for growth, which will provide the UK with international competitive advantage and a significant uplift in productivity. All of these sectors have a strong presence within the East of England and there is a need to ensure that the skills are available to support the sub-sectors in which the East of England can develop comparative advantage.

In terms of local priorities, the programmes recognise the strong focus on skills and employment interventions in local areas within the region, as articulated in Local Strategic Partnerships' (LSPs') Sustainable Community Strategies and Local Area Agreements (LAAs). Local authorities have therefore been identified as key delivery partners within the programmes. With local authorities becoming responsible for all education and training up to age 19 from 2010, the programmes aim to foster stronger working relationships between regional bodies and local authorities to strengthen links between young people's education and adult skills development in the East of England.

8.2 Status

Skills have been identified as one of the key constraints on the region's economic prospects.⁽¹⁾ The qualification attainment of the region's population has improved over recent years, but the rate of improvement has been lower than in other regions and the region performs below average in terms of the qualifications held by its residents. At current rates of improvement, additional intervention will be needed to meet the region's ambitions for a higher-skilled economy.

The region also performs below the national average in terms of workplace qualifications and employer-provided training is less likely to occur in the East of England than in other regions, for example, 26.7 per cent of employed working-age residents participated in on-the-job training in 2007⁽²⁾ lower than the national average of 29.3 per cent. The East of England was also second from bottom in terms of the proportion of employers providing either on- or off-the-job training for staff in 2007⁽³⁾

Challenges relating to employment and economic participation have also increased over the past two years, with the recession resulting in reduced labour demand, evidenced by redundancies, lower vacancies and increased unemployment.⁽⁴⁾ Employers have also reduced recruitment, resulting in unemployment amongst new labour market entrants, in particular, young people. The lack of entry level jobs for new labour market entrants has led to significant increases in youth unemployment.

The recession has exacerbated sub-regional differences with unemployment increasing the most in areas that began the recession with higher-than-average levels of unemployment: Peterborough, Harlow, Basildon, Southend, Castle Point, Thurrock, Luton and Stevenage. This is partly explained by the industrial structure of these areas, with unemployment increasing the most amongst lower-skilled occupations. Evidence has suggested that businesses have – where possible – held on to their highest-skilled workers due to the expected cost and difficulty of recruiting skilled workers in the upturn.

Despite signs that the region's economy is emerging from the recession, the downturn is expected to create significant longer-term impacts and challenges. Experience from past recessions has shown that unemployment is likely to continue to grow even after the recession has officially ended, and that high unemployment rates and totals could persist for many years. Some individuals made redundant may also find it difficult to re-enter employment without assistance, particularly if there is not like-for-like replacement of jobs lost and gained. The labour market will also take some time to create sufficient jobs to accommodate those unemployed in the recession, as well as future labour market entrants. Some young people who cannot currently find work could be at risk of long-term unemployment and becoming disaffected from the labour market. Addressing these impacts will be important in terms of setting priorities for intervention.

Demographic changes will also continue to impact on skills and employment needs in the region. The East of England's population is growing faster than in many other UK regions and is also ageing. With the majority of the region's 2020 workforce (ie the horizon for the region's skills targets) having already left compulsory

1 Insight East's 'East of England Innovation Insight' (March 2009) and Insight East's 'International Benchmarking Study' (December 2009).

2 During the 13 weeks prior to being surveyed, Annual Population Survey 2007..

3 National Employers Skills Survey 2007.

4 For more information, see Insight East's 'Recession Impact Study' (September 2009), EEDA's 'Economic Participation Study' (October 2009), and Insight East's Monthly Economic Outlooks, Quarterly Economic Reports and Labour Market Reviews.

education, upskilling the region’s workforce will require increased focus on workplace training. The rising and ageing population will also impact on employment growth and skills needs in sectors that will grow in line with population, such as health, care and retail.

The region’s workforce is also increasingly influenced by migration from other parts of the UK and overseas. The skills and employability programmes reflect the region’s proactive approach to attracting talented people and managing the effects of migration, such as increased demand for English for Speakers of Other Languages (ESOL) training.

8.3 Programmes

The following programmes have been identified as key to delivering the ambitions for this theme.

	Programmes	Programme components
1	Leadership and high-level skills	(1a) Improving access to higher education in areas with low participation rates (1b) Expanding workforce-orientated higher education provision (1c) Developing progression routes to high level skills (1d) Linking students and graduates with local job opportunities (1e) Developing leadership and management skills within small and medium-sized enterprises (SMEs) (business owners/ managers in the private and third sectors) (1f) Strengthening HE provision for science, technology, engineering and maths (STEM) in line with emerging growth sectors in the region
2	Skills for business	(2a) Increasing individual and employer demand for skills (2b) Enhancing the region’s economy-led and responsive skills offer (2c) Developing skills for recovery and competitive advantage (2d) Preparing young people for work
3	Integrated employability offer	(3a) Integrated employment and skills (3b) Developing adults’ and young people’s employability skills (3c) Removing barriers to participation (3d) Influencing employers’ working and recruitment practices

Programmes	Programme components
	(3e) Enhancing redundancy support

Programme 1: Leadership and high-level skills

Description and strategic fit

This programme aims to create the highly skilled workforce that the region needs to fill increasing numbers of high-skilled jobs and enable businesses to improve their profitability, innovative activity, competitiveness and flexibility.

The programme recognises the benefits of enabling individuals to gain higher-level skills to compete in an increasingly highly skilled labour market. Access to higher education in the region has improved in recent years with the creation of new university campuses in the region. However, there are still areas with a lack of access, low participation in higher education and little opportunity for adult participation, which this programme seeks to address.

The programme also has a strong business and workforce-orientated focus. With around three-quarters of the region's 2020 workforce having already left compulsory education, achieving a more highly skilled workforce for the future will require a focus on enhancing the skills of the region's adult population and increasing the region's graduate population. The programme includes initiatives to increase the number of graduates in the region's workforce: improve access to higher education for those in the workforce; strengthen business leadership and management skills; and strengthen higher education provision for STEM in line with emerging growth sectors in the region.

The programme is the region's primary mechanism for delivering the RES high-level skills target and Priority 1 of the RES Skills Goal: 'Increasing the demand for, and supply of, higher-level skills'. The programme will also contribute to other skills priorities and RES productivity targets. It also supports the ambitions of New Industry, New Jobs in terms of improving skills to enable individuals to adapt to the specialist demands of a modern economy and to enable businesses to remain competitive and exercise comparative advantage. This will require those universities that already have strong research and development (R&D) links with key growth sectors to further develop these relationships to include the future demand for skilled graduates and to influence curriculum development.

Implementation

Leadership

The Business, Innovation and Skills Development and Implementation Board (DIB) will oversee programme management and delivery, as well as the development of the forthcoming Regional Skills Strategy. There will need to be appropriate linkages with the 14-19 Planning Group to ensure progression routes and to ensure that the needs of the economy are reflected in 14-19 planning.

Monitoring

The Skills Funding Agency (SFA), East of England Development Agency (EEDA), Jobcentre Plus, local authorities and other local and regional partners will propose appropriate mechanisms for monitoring and reviewing delivery against regional skills priorities. These arrangements will be developed in conjunction with the Business, Innovation and Skills DIB – who will oversee the planning and delivery of skills in the region – and the Department for Business, Innovation and Skills (BIS) to ensure alignment with emerging national monitoring and reviewing structures.

Resources

The main sources of funding will be the Skills Funding Agency (SFA), Young People's Learning Agency (YPLA), Higher Education Funding Council for England (HEFCE) and EEDA. Due to the tighter public funding environment, increased investment will be required from the private sector – for example, to fund/part-fund additional student places at the region's universities – if the regional economic strategy (RES) skills targets and ambitions are to be met. This will require significant changes to the way education and training is delivered, particularly ensuring that the supply of education and training meets individual and employer needs to encourage greater private investment.

Programme components

1a Improving access to higher education in areas with low participation rates		
<p>Increasing the presence of/access to higher education in areas with low participation rates and little opportunity for adult participation, and expand existing HE provision in parts of the region set for growth. This should be achieved with the context of improving progression routes from further to higher education and through a higher education offer that is more closely aligned to local businesses needs.</p>		
Key Delivery Agents	Budget	Results
<p>HEFCE, EEDA, Association of Universities in the East of England (AUUE), Association of Colleges in the Eastern Region (ACER), Aim Higher, local authorities.</p>	<p>Funding from HEFCE, YPLA and the private sector.</p> <p>Despite constraints in traditional funding of student places, and uncertainty about the freedom of higher education institutions on setting fees, the region's universities are well placed to market themselves to businesses and individuals.</p>	<p>Outputs:</p> <ul style="list-style-type: none"> • HE capital investments completed by 2012 • sustaining growth patterns in new HE campuses and securing increased public and private investment in student places. <p>Outcomes:</p> <ul style="list-style-type: none"> • increased participation in higher education in areas with low-participation rates – and increased local gross value added (GVA) over the longer term • higher average wages of people living in these areas • increased business start-up rates in areas with higher education expansion.

1b Expanding workforce-orientated higher education provision
<p>This includes a number of elements:</p> <ul style="list-style-type: none"> • designing flexible and accessible provision for the workforce market, including developing accredited units which lead to full qualifications over time • expanding the offer of non-qualification orientated courses • vocational provision assured by Sector Skills Councils with input from local businesses

1b Expanding workforce-orientated higher education provision

- encouraging new and existing HE sites to expand their offer of workforce provision within business clusters, especially in the growth sectors which will lead the region's economic recovery
- expanding foundation degree provision and take-up by people at work and encouraging employer-led development/use of foundation degrees
- marketing the value of learning for business profitability and individual life chances.

Key Delivery Agents	Budget	Results
HEFCE, EEDA, AUUE, ACER, foundation degree forward (FdF), higher education institutions (HEIs), further education colleges (FECs).	Funding from HEFCE, YPLA and the private sector.	<p>Outputs:</p> <ul style="list-style-type: none"> • new, flexible, business-facing provision targeted at working adults • over 50 per cent of foundation degree provision delivered flexibly by 2013 • increased linkages between universities' R&D activity with business and curriculum development activities. <p>Outcomes:</p> <ul style="list-style-type: none"> • increased number of working people with high-level skills • increased employer investment and adult participation in work-related training.

1c Developing progression routes to high level skills

Increase skills development opportunities that promote progression towards higher-level skills and jobs by improving progression routes from further education and non-traditional/vocational forms of learning – such as apprenticeships – to higher education.

The region's universities all have direct links with further education colleges (FECs), and new higher education campuses are co-located with FECs. The FECs need to place a priority on progression opportunities to HE, including for their apprenticeships offer.

Key Delivery Agents	Budget	Results
EEDA, HEFCE, AUUE, SFA, YPLA, local authorities, Aim Higher.	<p>Little funding required.</p> <p>Funding for the FE capital programme is currently constrained.</p>	<p>Outputs:</p> <ul style="list-style-type: none"> • mapping FE provision against HE offer to identify major gaps (by YPLA/local authorities/SFA) • increased number of students moving from FE to HE within colleges. <p>Outcomes:</p>

1c Developing progression routes to high level skills

- increased percentage of people with high-level qualifications.

1d Linking students and graduates with local job opportunities

Expand information to graduates on job opportunities in the region, as well as housing and key worker schemes, and link students and graduates with local businesses by targeting specific business sectors. This work is currently carried out by the university careers services, who come together as GradsEast, funded by HEIs and EEDA (through AUUE).

Key Delivery Agents	Budget	Results
HEFCE, EEDA, AUUE, Sector Skills Councils.	Funding within HEI Careers Services, linked to EEDA funding for Grads East.	<p>Outputs:</p> <ul style="list-style-type: none"> • increased graduate use of GradsEast, (including via emails/Facebook/Twitter) • growing numbers of businesses using Grads East for recruitment. <p>Outcomes:</p> <ul style="list-style-type: none"> • increased percentage of graduates working in the region (in graduate-level jobs) • reduced higher-level skills shortages reported by businesses.

1e Developing leadership and management skills within SMEs (business owners/managers in the private and third sectors)

Expand, integrate and increase the uptake of leadership and management provision in the region by providing more web-based, bite-sized leadership and management units geared to the needs of SMEs, increasing the financial support to SME managers undertaking continuing professional development (CPD) by promoting and flexing existing programmes, and expanding the region's mentoring offer. EEDA's Beyond 2010 programme is the main tool to reach SMEs and offer leadership and management training without qualifications. This tool will be expanded to include new web-based courses and new HEI offers to local SMEs.

Key Delivery Agents	Budget	Results
EEDA/ESF, HEIs (CPD).	EEDA/ESF funded programme, HEI CPD funded by businesses and individuals.	<p>Outputs:</p> <ul style="list-style-type: none"> • Ask Uni East portal to include leadership and management courses, acting as a virtual portal to training opportunities, led by HEIs

1e Developing leadership and management skills within SMEs (business owners/managers in the private and third sectors)

		<ul style="list-style-type: none"> increased number of SMEs using Beyond 2010 for leadership and management training delivery of leadership and management within HEIs' CPD offer. <p>Outcomes:</p> <ul style="list-style-type: none"> increased business productivity Increased business start-up rates reduced business failures.
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1f Strengthening HE provision for STEM in line with emerging growth sectors in the region

Through the region's increased focus upon growth sectors, there are specific activities which can be encouraged to develop new STEM provision linked to emerging new sciences and technologies. There are a number of centres of excellence where this can be focussed such as medical technologies, bioscience, low carbon and environmental technologies.

It will require strengthening the relationship between existing research-excellent departments in our universities, with their business development teams and curriculum development teams, to ensure that curriculum development is driven by emerging demands of growth sectors.

These links need to connect with the business-facing activities of FECs, which also need to respond to emerging demands for Level 3 and technician skills in new vocational areas.

School provision of STEM subjects needs to be secured, especially where there are opportunities to progress into STEM technical and higher level skills.

Key Delivery Agents	Budget	Results
EEDA, AUUE, ACER, HEIs, FECs, Sector Skills Council, SFA, YPLA, local authorities, National Apprenticeship Service (NAS).	STEM University Enterprise Network, universities' R&D and CPD income, and private sector.	<p>Outputs:</p> <ul style="list-style-type: none"> new HE STEM provision led by growth sector demand new Level 3 vocational courses and advanced apprenticeships for growth sectors. <p>Outcomes:</p> <ul style="list-style-type: none"> reduction in skills shortages reported by growth businesses increased clusters of globally leading businesses.

Programme 2: Skills for business

Description and strategic fit

This programme aims to boost regional productivity by linking businesses' improvement and expansion plans to skills development (increasing the demand for skills) and by providing the skills that businesses need to succeed and grow (improving the supply of skills and training provision). Mechanisms will be enhanced to ensure that businesses across all sectors can identify, articulate and access the training that they need as well as ensuring that provision is available, which is influenced by, and meets the needs of businesses.

The programme also promotes the personal benefits of workforce-related skills development for individuals and will work to ensure that workforce-related skills development is transferable between workplaces. Career progression is central within the programme, with career development routes being developed and clearly communicated. This will encourage and enable employees to progress towards higher-level jobs. The programme also seeks to improve access to training for all learners currently in the workforce and encourage the presence of tutors/providers in areas of poor access.

In light of limited funding opportunities, it is recognised that there will be a need to prioritise the intensity of skills support towards certain sectors and levels of skills. There will need to be a balance between targeting high employment sectors and those set out in national, regional and local policy aimed at improving economic growth, particularly in sub-sectors in which the region has existing capacities and capabilities.

The programme also aims to develop the skills of the region's future workforce by recognising the importance of preparing young people for the world of work by driving up demand for skills and ensuring that compulsory education is responsive to the needs of the economy. There will be a particular focus on influencing schools, colleges and other providers to support and promote STEM subjects and ensuring that they have the knowledge and capacity to teach these subjects to international standards.

The programme recognises the value of apprenticeships, which are a key vehicle for businesses to train and develop new and existing staff and will deliver skills to meet business needs. The intention is for one in five young people to be undertaking an apprenticeship by 2020, with an increase in advanced apprenticeships at Level 3.

The programme will contribute to the RES skills targets and is the region's primary mechanism for delivering Priority 4 of the RES Skills Goal: Providing education and training that meets the needs of individuals, employers and the economy. The programme will also contribute to other skills priorities and the RES productivity targets. It supports the ambitions of New Industry, New Jobs in terms of enabling individuals to adapt to the specialist demands of a modern, low carbon, economy and enabling businesses to remain competitive and exercise comparative advantage.

Implementation

Leadership

The 'Business, Innovation and Skills' DIB will oversee programme management and delivery, as well as the development of the forthcoming Regional Skills Strategy. There will need to be appropriate linkages with the 14-19 Planning Group to ensure progression routes and to ensure that the needs of the economy are reflected in 14-19 planning.

Monitoring

The SFA, EEDA, Jobcentre Plus, local authorities and other local and regional partners will propose appropriate mechanisms for monitoring and reviewing delivery against regional skills priorities. These arrangements will be developed in conjunction with the Business, Innovation and Skills DIB – who will oversee the planning and delivery of skills in the region – and with BIS to ensure alignment with emerging national monitoring and reviewing structures.

Resources

The main sources of funding will be the SFA, YPLA, HEFCE and EEDA. Due to the tighter public funding environment, increased investment will be required from the private sector – for example, to fund/part-fund additional student places at the region’s universities – if the RES skills targets and ambitions are to be met. This will require significant changes to the way education and training is delivered, particularly ensuring that the supply of education and training meets individual and employer needs to encourage greater private investment.

Programme components

2a Increasing individual and employer demand for skills		
Articulate the economic value and benefits to individuals and business of expenditure on different training types (vocational, apprenticeships, work-based learning, qualifications). This would include using the public sector as an exemplar within organisations and through procurement via supply chains.		
Key Delivery Agents	Budget	Results
Brokers, providers, industry bodies and champions (such as trade unions/unionlearn), National Apprenticeship Service (NAS), local authorities.	EEDA funding for skills brokerage (£4.1 million 2010/11, uncertain after this). SFA funding.	<p>Outputs:</p> <ul style="list-style-type: none"> • increased referrals for skills development services through a more tightly integrated brokerage service (Business Link, FE brokerage, HEI business development teams), improved web content and signposting (eg Bizmapeast, Talentmap), other forms of marketing (eg case studies demonstrating positive returns on skills investment) and increased sign-up to the ‘Skills Pledge’ • integrated intervention, with funding for skills delivered alongside other interventions, eg those associated with innovation and low carbon • public sector procurement designed to influence skills development by suppliers. <p>Outcomes:</p>

2a Increasing individual and employer demand for skills

		<ul style="list-style-type: none"> increased individual and employer investment in economically valuable skills development reduction in skills gaps and shortages.
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2b Enhancing the region’s economy-led and responsive skills offer

This includes a number of elements:

- developing a **Regional Skills Strategy** that articulates the skills requirements of the region’s economy and skills investment plans that direct SFA funding and skills commissioning
- developing the means to enable employers to articulate their skills needs and influence the design, continuous improvement and assurance of training (within schools, colleges, universities and other training providers) directly or via Sector Skills Councils or industry organisations at regional and local level
- improving accessibility of learning opportunities by encouraging providers to develop flexible learning solutions within the workplace and within business clusters (this will also include apprenticeships, foundation degrees, basic skills, ESOL and migrant worker support)
- ensuring that skills development opportunities promote career progression, as set out within the Leadership and High-Level Skills programme (developing progression routes to high level skills)
- widening access to tutors/providers in coldspots, including through information and communications technologies (ICT).

Key Delivery Agents	Budget	Results
EEDA, SSCs, Skills Alliance, industry bodies and champions (such as trade unions/unionlearn), providers, SFA, HEFCE, ACER, AUUE, JobcentrePlus, local authorities, NAS.	Main funding sources are SFA and HEFCE.	<p>Outputs:</p> <ul style="list-style-type: none"> Regional Skills Strategy and Investment Plan developed in 2010 with annual delivery of regional skills priorities statements to BIS improved mechanisms for employers and employer representative groups to articulate business needs delivery of regional sector-focused training programmes, such as LandSkills East (2009-12, 17,000 training days, 3,500 learners) increased number of employer accredited courses at FE and HE institutions increased delivery of skills development outside providers’ premises increased skills assessment based on portfolios of work developed within the workplace.

2b Enhancing the region’s economy-led and responsive skills offer

		<p>Outcomes:</p> <ul style="list-style-type: none"> • increased funding for career change towards skills shortage occupations • increased individual and employer investment in economically valuable skills development • employee progression to higher-level jobs • reduction in skills gaps and shortages.
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2c Developing skills for recovery and competitive advantage

Ensure that skills sets required by employers exploiting rapidly developing new technologies are developed into training to meet skills gaps and shortages. The focus will be on sectors identified in New Industries, New Jobs, specifically the sub-sectors in which the region has existing capacities and capabilities. This will require influencing curricula with an increased focus on STEM subjects in schools, further education and higher education, as set out in the leadership and high level skills programme.

Key Delivery Agents	Budget	Results
EEDA, Technology Strategy Board, Science and Industry Council, Enterprise Hubs, AUUE, ACER, YPLA, local authorities, employers, industry bodies, providers, NAS.	SFA, SSCs, EEDA, HEFCE.	<p>Outputs:</p> <ul style="list-style-type: none"> • funding routed towards growth sectors and STEM subjects • increased numbers of people trained in growth sectors and STEM subjects. <p>Outcomes:</p> <ul style="list-style-type: none"> • fewer skills gaps and shortages in growth sectors.

2d Preparing young people for work

Ensure permanent links between young people’s education and adult skills development, including the need to ensure schools, colleges, higher education and other training providers develop young people’s employability skills and skills for enterprise development. The programme will develop progression routes for economically valuable skills throughout the education system (schools, FE Colleges, higher education and other provision including apprenticeships), particularly for STEM subjects.

Key Delivery Agents	Budget	Results
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2d Preparing young people for work		
YPLA, local authorities, EEDA, SFA, ACER, AUEE, NAS.	Funding will come through the YPLA to local authorities on agreement of a commissioning plan that meets the entitlement for young people and reflects the economic needs of the region.	<p>Outputs:</p> <ul style="list-style-type: none"> • mapping learning and career progression pathways • access to high quality information, advice and guidance which reflects economic need and opportunity and promotes the need for higher level and technical skills • access to employability skills through work experience and vocational learning • a range and breadth of appropriate training opportunities for 16–18 year olds when the compulsory training age is increased (2013). <p>Outcomes:</p> <ul style="list-style-type: none"> • increased percentage of young people progressing to higher skills levels • increased percentage of young people studying STEM subjects.

Programme 3: Integrated employability offer

Description and strategic fit

This programme aims to maximise the contribution of the whole working-age population to the economy, evidenced by higher employment rates in the region, reduced inequalities in employment and increased aspirations among the region’s residents.

The ‘Integrated Employment and Skills’ initiative will be vital to achieving these aims. This involves delivering integrated provision of employment support and skills development that responds to employer and individual needs. This provision must also include high-quality information, advice and careers guidance that signposts people to specialist support to address personal barriers to employment and progression, is linked to local labour market opportunities and career pathways, and promotes self-employment.

A number of people currently out of work face barriers – often multiple barriers – to economic participation. This is particularly prevalent among certain groups of people and places in the region. This programme aims to remove barriers to economic participation through effective engagement and holistic support for people with multiple barriers (such as caring responsibilities, low confidence, health or disability, language or culture, offender history, financial barriers), development of employability and economically valuable skills, promoting diversity and challenging individual and employer perceptions (for example, age, ethnicity, mental health).

Once in work, many also require support to remain in employment and progress. This programme will improve employment retention and progression through in-work support (for example, mentoring and promoting health in the workplace), raising employer demand for and utilisation of skills and influencing employer practices, such as flexible working.

In response to the economic downturn, providing support for those made redundant and unemployed young people to remain close to the labour market has become imperative. The programme will provide redundancy support that is focussed on employment growth sectors, signposts individuals to debt/financial and health advice and is aimed at delivering sustainable employment outcomes and uplifting skills and productivity in the workforce. The programme will also provide 18 to 24 year olds with a coherent offer of pre- and post-employment support, including work placements, apprenticeships and volunteering opportunities.

It is important that employability skills are considered as part of local economic strategies, particularly for those parts of the region that have been most affected by the recession and where unemployment is likely to remain a persistent problem. Regional and local authorities need to work together to develop a strategic economic response and to put in place effective interventions through joined-up public investment, which would include Integrated development programmes (IDPs), Single Conversation and developing the Total Place agenda.

This programme is the region's primary mechanism for delivering the RES employment target and Economic Participation goal. It contributes directly to Community Strategies and Local Area Agreements, in relation to worklessness, inclusion and regeneration.

Implementation

Leadership

The Business, Innovation and Skills DIB will oversee programme management and delivery, as well as the development of the forthcoming Regional Skills Strategy. There will need to be appropriate linkages with the 14-19 Planning Group to ensure progression routes and to ensure that the needs of the economy are reflected in 14-19 planning.

Monitoring

Monitoring and evaluation data will come from the key delivery agencies (Jobcentre Plus, SFA, EEDA, local authorities, YPLA) and will be used to monitor trends across places and for particular groups of people. EEDA will also produce baseline data and updates to enable progress to be monitored against the future Regional Skills Strategy and its implementation plan.

Resources

The main sources of funding will be Jobcentre Plus SFA, YPLA, European Social Fund, local authorities and EEDA. Improved coordination will be essential to align, maximise and better target the funding available within the region.

Programme components

3a Integrated employment and skills

Ensuring that the skills needs of those seeking work are more effectively addressed by implementing and evaluating the region's integrated employment and skills offer. This will join up the current Learning and Skills council (LSC) and Jobcentre Plus offer and include the Adult Advancement and Careers Service. It will be important to ensure that there are effective links to labour market information, spatial and sector needs and future job markets.

Key Delivery Agents	Budget	Results
SFA, Jobcentre Plus, EEDA, FE colleges, local authorities.	Key sources of funding include SFA, Jobcentre Plus and ESF.	Outputs:

3a Integrated employment and skills		
		<ul style="list-style-type: none"> • Integrated employment and skills offer rolled out across the region and Adult Advancement and Careers Service by August 2010 • evidence-based Information Advice and Guidance (IAG) offer available to all young people. <p>Outcomes:</p> <ul style="list-style-type: none"> • previously unemployed/ inactive people entering and progressing in employment, leading to reduced unemployment and inactivity and higher employment.

3b Developing adults' and young people's employability skills		
<p>Pre- and post- employment skills training and support for adults and young people – including those not in employment, education or training (NEETs). This could include work placements, volunteering, apprenticeships, basic/entry-level skills, and ESOL. Support and training must be guided by labour market information, spatial and sector needs and future job markets. Young people's employability and enterprise skills are also addressed within the Skills for Business programme as well as through the Young Person's Guarantee.</p>		
Key Delivery Agents	Budget	Results
SFA, YPLA, local authorities, Jobcentre Plus, EEDA, FE colleges, NAS, the third sector.	Key sources of funding include SFA, YPLA, Jobcentre Plus and ESF.	<p>Outputs:</p> <ul style="list-style-type: none"> • Regional Skills Strategy and Investment Plan in place by 2010 • measures for effective training to include job outcomes • improved job outcomes for people undertaking employability training. <p>Outcomes:</p> <ul style="list-style-type: none"> • achievement of RES skills targets, including basic skills • reduction in NEETs • reduced unemployment and inactivity and higher employment.

3c Removing barriers to participation

Joined-up local approaches to engagement to reduce worklessness, tackling barriers to participation in a holistic way. Regional agencies will work with local authorities, local strategic partnerships and the third sector to provide an enhanced service with a focus on disadvantaged groups and places. Support services for key target groups will need to be better co-ordinated and co-located. Interventions will be underpinned by strong evidence, evaluation and sharing of good practice.

Key Delivery Agents	Budget	Results
Local authorities, LSPs, third sector, Citizen Advice Bureaux (CABx), EEDA, Jobcentre Plus, Primary Care Trusts (PCTs).	Key sources of funding include SFA, Jobcentre Plus, ESF and local authorities.	<p>Outputs:</p> <ul style="list-style-type: none"> agree priority places for providing enhanced services to tackle local employability issues plans in place for providing enhanced services in priority places. <p>Outcomes:</p> <ul style="list-style-type: none"> increased employment rates for particular groups (black minority ethnic (BME), lone parents, people with work limiting illnesses/disabilities, homeless, 50+ and 18-24s) reduced unemployment and inactivity and higher employment in priority places.

3d Influencing employers' working and recruitment practices

A more co-ordinated approach to engagement with businesses to influence practices with regard to recruitment, retention, flexible working, health in the workplace, etc – with links to Business Link brokers and Solutions for Business.

Key Delivery Agents	Budget	Results
EEDA, Jobcentre Plus, Business Link East, Strategic Health Authority.	Within existing resources.	<p>Outputs:</p> <ul style="list-style-type: none"> coherent public sector offer through single route for employers increased employer sign-up to Local Employment Partnerships. <p>Outcomes:</p>

3d Influencing employers' working and recruitment practices

- a more diverse workforce, with reduced inequalities in employment rates for priority groups, particularly for those with disabilities or health problems.

3e Enhancing redundancy support

A simplified redundancy offer that supports businesses considering redundancies and helps individuals who are facing redundancy or have recently been made redundant, with easy access for employers and individuals. The offer will be more comprehensive and will signpost to other support, including health and money management.

Support and training must be guided by labour market information, spatial and sector needs and future job markets with a focus on providing re-training in areas of employment growth.

EEDA, Jobcentre Plus, SFA.

Key sources of funding are EEDA, ESF, Jobcentre Plus and SFA.

Outputs:

- a joint approach to redundancy support through a single access point for businesses within agreed framework and transparent service standards
- minimum offer to individuals includes skills assessment, training offer and signposting to other support (eg health and money management).

Outcomes:

- faster transition into sustainable employment for those affected by redundancy.

8.4 Key milestones and phasing

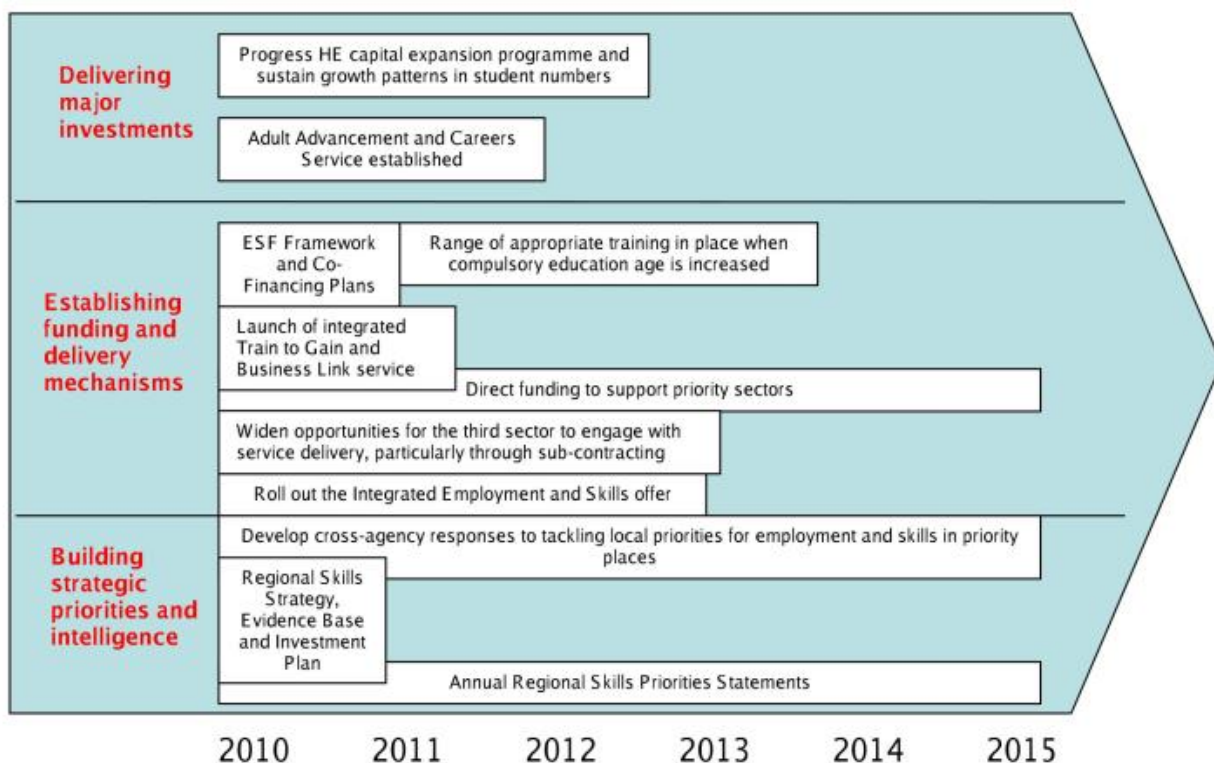
Immediate priorities for skills and employability in the region include:

- responding to the impacts of the economic downturn by supporting people into employment
- capitalising on opportunities created by current changes to the delivery landscape by improving the responsiveness of the skills delivery system to the needs of the economy (via the Regional Skills Strategy and Investment Plan)
- developing priorities for European Social Fund investment
- completing the planned programme of investment to improve access to higher education in the region's coldspots and sustaining growth patterns in student numbers.

In terms of medium-term priorities, the region must start to plan for economic recovery by directing funding towards priority sectors; respond to the skills and employment needs of the region’s most deprived places; and roll out the integrated approach to employment and skills support across the region.

Figure 11 sets out the sequencing of key interventions that are anticipated to be made in the first five years of the Implementation Plan.

Figure 11: Phasing of key milestones



8.5 Synergies

The delivery of the skills and employability programmes underpin the achievement of the aims and ambitions of other themes within the Implementation Plan:

- activities within the theme must be closely aligned with the business support and innovation programmes, ensuring holistic delivery of the range of business support services, including skills development and promoting initiatives such as Local Employment Partnerships, and ensuring that the skills are available to support innovative activity, international trade and growth in key sectors and clusters. To improve outcomes for interventions associated with enterprise and innovation, it is essential that funding for skills is considered and delivered alongside these interventions.

A number of other themes include skills interventions to enable the delivery of their respective programmes:

- promoting the development of ICT skills is fundamental to business change, innovation, creativity and entrepreneurship. It is important to enable businesses and residents to take advantage of and exploit the opportunities available from ICT, as set out in the enterprise theme (ICT in the workplace)

- the skills capacity within the region has been identified as one of the most critical issues affecting the delivery of sustainable growth, including provision of infrastructure, creating sustainable communities, and moving towards low energy and environmental technologies. The delivery of skills programmes is therefore fundamental to the delivery of the housing, enterprise/innovation and utilities themes, alongside the overall shift to a low carbon, well adapting society summarised by the cross cutting theme of climate change
- improving opportunities for industry-led skills development will support the growth of the creative and cultural industries, as set out within the culture, creativity and visitor economy theme. Improving the skills in the tourism, hospitality and leisure sector will also be essential in providing high standards when hosting visitors and events in the region at the 2012 Games.

The achievement of programmes in other themes will also affect the delivery of the skills and employability programmes:

- activities to support the success of the cultural sector are imperative to the delivery of the integrated employability programme. The sector includes a number of third sector organisations offering volunteering opportunities as a route into employment and to help improve outcomes for disadvantaged groups. Many arts organisations offer exemplary arts activities which target specific groups
- delivery of appropriate transport and ICT interventions in small market towns, rural and coastal areas will be important in terms of providing access to services – such as education and training – and employment opportunities
- delivery of housing (particularly affordable housing), maintaining and improving the region's natural environment and improving the cultural offer will be important factors in retaining and attracting students, graduates and workers to the East of England.

8.6 Delivery and capacity

The supply and delivery of education, vocational learning, higher education and workforce development is a complex network of national, regional and local funders and providers. A number of changes to the system are currently planned to reduce the complexity of the system and ensure that it is more responsive to the needs of its customers and the economy.

From April 2010, responsibility for securing sufficient education and training provision for all young people, up to age 19, will pass from the LSC to local authorities. A YPLA will be established, with a small number of staff in each region, to provide regional planning and commissioning support, information, advice, analysis and specialist expertise.

The SFA will also be established as the single funding provider for adult skills outside higher education. The SFA will take an activist approach to deliver the skills that employers and individuals need now and in the future, supporting skills development in areas of strategic importance to the economy. HEFCE will continue to be responsible for funding higher education in the region and widening higher education participation. AUÉE brings together the region's HEFCE-funded higher education institutions to engage in developing and responding to regional skills priorities.

EEDA has been given greater responsibilities within the skills system, recognising that skills delivery must be effectively aligned with economic need. From April 2009, the EEDA-funded Business Link East service has delivered an integrated brokerage service, combining the Train to Gain skills brokerage service previously delivered by the LSC with Business Link East's business support brokerage service to ensure that customers have access to a single service which supports the identification and fulfilment of their training needs.

Skills for Growth – the National Skills Strategy (November 2009) also set out important new strategy-setting roles for Regional Development Agencies. EEDA, working in partnership with the Sector Skills Councils, local authority leaders and sub-regional bodies, will take responsibility for producing a Regional Skills Strategy, as an element of the Single Regional Strategy.

The Regional Skills Strategy will articulate the region's economic and social requirements with respect to skills and will include matters relating to the employability of the region's residents in so far as they relate to skills development and barriers to skills development. EEDA will develop an annual regional skills investment plan, which will articulate the types and levels of qualifications and skills that should be funded and delivered in the region in relation to economic need. This will direct the element of SFA expenditure associated with economic development. The SFA will contract with colleges and providers to deliver the skills priorities in the strategy.

EEDA will also take on responsibility for skills advocacy, partnership building and spearheading multi-agency action in support of employers to identify and resolve mismatches in the supply of skills to meet new employer demand. Closer working with Sector Skills Councils (SSCs) is increasingly important. SSCs will have a lead role in determining the qualifications which deliver skills that add economic value and should be eligible for public funding. There is still some way to go to ensure regional representation and engagement from all relevant SSCs and from the private sector. While employers have been given a pivotal role within the new skills system, there remains a need for partners to broker and facilitate greater engagement.

Jobcentre Plus will continue to be responsible for delivering services to people that are out of work. Of increasing importance is delivering an integrated employment and skills system – joining up the current Jobcentre Plus and LSC offer alongside the new Adult Advancement and Careers Service – and developing solutions for learners and employers, such as links between pre- and post-employment training.

Increasingly, the third sector is making an important contribution to supporting and delivering services to excluded groups to increase levels of economic participation in the region's economy. To support the delivery of this theme – particularly the integrated employability offer – there is a need to:

- engage with the third sector on strategic issues (as part of the Business, Innovation and Skills Development and Implementation Board)
- work effectively with the third sector in delivering services
- widen opportunities for the third sector to engage with service delivery, particularly through sub-contracting
- ensure that social enterprises and voluntary organisations can access mainstream business support and workforce training
- improve leadership and management in third sector organisations (as part of the Leadership and High-Level Skills programme).

In terms of local delivery, the delivery mechanisms for skills, economic participation and employability are – for the most part – local in focus. Skills and employment are of crucial importance to LSPs and Sustainable Community Strategies, while LAAs increasingly constitute a key part of the delivery infrastructure. EEDA's support for economic participation is now delivered through sub-regional partnerships which feed into the work of the LSPs. One role of the SFA will be to ensure that skills are prioritised in LAAs and Multi Area Agreements (MAAs). Many of the interventions set out within the programmes – particularly the Integrated Employability Offer – outline regional scale activities to increase the effectiveness of local interventions and ensure that regional-scale ambitions are achieved.

Skills partners in the region are working to simplify and align funding and activities to address skills and employability priorities. EESCP brings together regional skills partners to facilitate closer collaboration among the public, private and voluntary organisations responsible for skills, employment and economic growth to and more effectively align the supply-side delivery of skills and employment with RES priorities. To promote businesses' skills priorities and discuss a regional response, EESCP partners have been working with business groups and SSCs. EESCP is also working closely with regional partners to ensure greater local influence and buy-in to regional policy and provide a clearer mechanism for prioritising and identifying regional needs and a regional dialogue with Government. This will mean greater involvement by local authorities and businesses

in EESCP and greater influence over regional funding bodies. Over the coming year, EESCP will be adapted to fit in with new Sub National Review (SNR) transition arrangements, which will see Development and Implementation Boards (DIBs) set up to manage and deliver theme-based work.