

REPORT TO EXECUTIVE

Date of Meeting: Tuesday 9 March 2021

Report of: Skills and Business Manager

Title: Skills Strategy Annual Update

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

This report gives an update on the progress of the delivery of the Skills Strategy since its approval in April 2021, and the action plan for the period January 2021- March 2022.

2. Recommendations:

1. That a piece of research is commissioned to refresh the Skills Strategy evidence base, with a particular focus on the impact of the pandemic on the skills base and labour market in Exeter. This will be done using existing financial resources.
2. That Executive approves the Exeter Skills Action Plan for January 2021 – March 2022, Appendix 1. This has been developed to address the immediate known impacts of the pandemic on businesses and residents. It demonstrates that all proposed actions link clearly to an area of the Building Exeter Back Better Recovery Plan and also the contribution to the Clean Growth agenda.

3. Reasons for the recommendation:

The ensure the City Council have the most up to date evidence base available, to determine a medium to longer term skills action plan.

4. What are the resource implications including non financial resources?

There are no financial implications linked to this report, all of the financial resources required for the delivery of the plan will come from the existing budget, and identified grant funding available.

The non-financial resources required will be predominantly fulfilled by the Skills and Business Manager.

5. Section 151 Officer comments:

There are no financial implications for Council to consider arising from this report.

6. What are the legal aspects?

None identified.

7. Monitoring Officer's comments:

This report raises no issues for the Monitoring officer

8. Report details:

Background

8.1 The Skills Strategy for Exeter was approved by Executive and subsequently by Council in April 2020. It is important to acknowledge that the supporting evidence base and subsequent recommendations were gathered and made prior to the pandemic, and that there is a need to more fully understand the impact that the national restrictions will have had on our labour market and skills base in Exeter.

8.2 Whilst recent reports from Centre for Cities and Tech Nation have identified that Exeter has been able to demonstrate a significantly resilient economy throughout the pandemic, some of the effects are not yet being fully felt. In particular, we do not fully know the extent of redundancy situations as the furlough scheme is still in operation.

8.3 Initial evidence indicates that some of the impacts of the pandemic on the labour market and skills base of Exeter are as follows;

- The unemployment rate has risen from 1.5% in December 2019 to 4% in December 2020;
- Our youth (16-24) unemployment rate rose by 146% between March and September 2020 (775 young people);
- At 30 November 2020, 12% of the workforce was furloughed. This has been as high as 30% during the period of the pandemic; and
- Vacancies fell dramatically during the first period of national lockdown, in line with the national picture – when vacancies were fewer than after the 2008 / 09 recession.

A refresh of the evidence base will provide more detailed information on the impact of the pandemic of skills base and the labour market, as per the recommendation.

Progress

8.4 Unfortunately, the timing in relation to the approval of the strategy and national restrictions has not enabled the progress anticipated in relation to this area of work to take place.

8.5 At approval stage, there was to be a clear focus on supporting a growing economy and the requirements for a workforce that was highly-skilled to meet the demand of our businesses. There was also evidence to suggest that there were particular sectors of the economy that were experiencing difficulty in filling some of their vacancies. Both of these areas will require a thorough review in light of the current circumstances.

8.6 Skills has been a central pillar in the recovery plans for the city, with an impact across many of the theme areas, in particular; Business Support, Education and Construction. With Digital Skills identified as a priority area with impact on all areas of recovery. The updated action plan for 2021-22 has taken this in to account.

8.7 There have also been developments from Government, in particular the 'Plan for Jobs' that have given some focus to the work we have undertaken and prioritised in recent months. For example the Kickstart Scheme was launched, to support young people (16-24) in to 6 month work placements. We are undertaking a role in this scheme to support businesses to develop placements and support the young people of Exeter.

2021-22 Action Plan

8.8 The Exeter Skills Action Plan for January 2021 – March 2022 (Appendix 1) has been produced to streamline the actions required from the strategic priorities, in line with the current position.

8.9 Actions have been identified against each of the priorities within the strategy, to provide focus and clarity for the work plan in the next 12 months. There will be a significant emphasis on the Exeter Works project, and initiatives associated with it, such as the Kickstart Scheme. There is also a need to review some areas of the evidence base to assess the impact on some priorities – for example; Growth in Highly skilled jobs and Vacancy and Recruitment Issues. This evidence base refresh will then inform further iterations of the plan throughout the year.

8.10 The action plan also identifies the contribution that will be made to the Recovery Plan and to Clean Growth / Net Zero.

Exeter Works

8.11 In the early stages of the recovery planning process, the Exeter Skills Advisory Group reviewed the priorities in the Skills Strategy, and quickly identified that the most important area of work for the immediate future would be to support people being made redundant as a result of the pandemic.

8.12 The concept of 'Exeter Works' was developed, working in partnership with Exeter Chamber, and engaging with a wide range of organisations across the city that are providing services to support people through the redundancy process, helping them to develop their skills and ultimately, gain employment.

8.13 Exeter Works currently exists in the form of an online resource (www.exeterworks.org) that brings together a comprehensive range of information, and provides appropriate signposting. This was launched in October 2020, and continues to be developed on an ongoing basis.

8.14 The next stage of Exeter Works is to provide a physical space in the city centre that can act as a hub for people seeking advice and guidance in relation to

employment, skills and training. A building has been identified, and work is underway to make the required improvements. This will be developed working in partnership with Devon County Council who are in the process of applying for funds to specifically support Young People.

Exeter Skills Advisory Group

8.15 The Skills Advisory Group is fully formed, and meeting on a quarterly basis. It has key representation from growth potential sectors, business and support organisations and education.

8.16 The chair of the group also represents Exeter on the LEP Skills Advisory Panel with support from the Skills and Business Manager.

9. How does the decision contribute to the Council's Corporate Plan?

The table below sets out how the Skills Strategy contributes to the priorities in the Corporate Plan

CORPORATE PLAN 2019 - 2021	
PRIORITY	Contribution of Skills Strategy
Tackling Congestion and Accessibility	Linked to the priority of attracting and retaining the right workforce. Supporting businesses to address these challenges with flexible and agile working.
Building Great Communities	Supporting inclusion – economically and socially. Primarily through the Exeter Works initiative. Access to the labour market, utilising programmes such as Building Greater Exeter. Supporting skills development and lifelong learning.
Promoting Healthy and Active Lifestyles	Supporting the link between physical health, mental wellbeing and being economically active, enabling inclusion.
Providing Value for Money Services	Maximising partnership working opportunities, funding streams, supporting collaboration to address the priorities within the strategy.
Leading a Well-Run council	Taking a role of leadership and influence to address the priorities in the strategy.

10. What risks are there and how can they be reduced?

The identified risks are highlighted in the table below.

Risk	Likelihood	Mitigation
Identified priorities need significant budget (more than available) to deliver	Medium	The City Council needs to be aware of this, and be prepared to support bids and applications to external funding streams in order to meet the needs of the strategy. Engagement and support to partners may also secure funding and delivery of priorities.
Lack of partner support / engagement	Low	A range of organisations / partners / stakeholders have already been engaged in the process, and thus far have been very supportive.
Unable to deliver against the priorities identified	Low	Currently, it is considered that the priorities that have been identified and the resulting actions are achievable in terms of delivery, This will be monitored on an ongoing basis by the Skills Advisory Group.
New priorities and opportunities are identified not currently in the Strategy – potential to detract from existing work plan	Medium	The Skills Advisory Group will take responsibility for supporting and guiding on changes to the agreed strategy and action plan, taking account of the impact on existing work programmes. There will be some requirement to be flexible in line with an ongoing review of the evidence and subsequent priorities that arise.

11. Equality Act 2010 (The Act)

11.1 This update report is for information only. The EQIA that identifies the potential impact on people with protected characteristics as determined by the Act and an Equalities Impact Assessment was completed in March 2020, and has been included in the background papers for Member's attention.

12. Carbon Footprint (Environmental) Implications:

12.1 The contribution to Carbon Neutral by 2030 has been considered as part of this update report. The revised action plan clearly considers and states the contribution that each action will make towards to Net Zero ambition.

13. Are there any other options?

Not applicable.

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

Strategic Scrutiny 21 January 2021 City Centre Recovery Update

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