

**OVERVIEW AND SCRUTINY COMMISSION
17 November 2016**

**ECONOMIC AND SKILLS DEVELOPMENT PARTNERSHIP UPDATE
Assistant Chief Executive**

1 PURPOSE OF REPORT

- 1.1 The Overview and Scrutiny Commission is invited to consider the performance of the Economic and Skills Development Partnership (ESDP) in 2015 / 2016 and the priorities for 2016 – 2017.

2 RECOMMENDATION

That the Overview and Scrutiny Commission:

- 2.1 Note the report on the performance of the Economic and Skills Development Partnership and its sub-groups in 2015-16 and the priorities for 2016-17.**

3 SUPPORTING INFORMATION

Reduction in resources:

- 3.1 During 2015/16, the partnership worked on a revised economic development strategy to replace the previous plan (which the Commission contributed towards), running from 2011-14. The work to revise the strategy focused on identifying key issues for local economic prosperity, as well as reflecting the Thames Valley Berkshire Local Enterprise Partnership's Strategic Economic Plan. The review was business-led and involved, inter alia, research into infrastructure and skills needs of local firms. A draft replacement economic development strategy was being developed but work had to stop because of the need to reduce the council's economic development team, a consequence of the significant budget reductions last year. These reductions resulted in the Business and Enterprise Team being reduced from four to one FTE on the establishment.
- 3.2 The reduction in resource led to a refocusing of the council's work programme and a reduction in the support available for the ESDP. The ESDP has retained its key purpose but has revised its priorities as set out below:

Purpose of the ESDP:

- To support, sustain and promote Bracknell Forest's thriving economy through various activities including partnership working
- Work with surrounding areas to sustain the local and wider Thames Valley Berkshire economy including the TVB LEP
- Facilitate and promote the continued economic development of the borough through attracting jobs, investment and supporting and creating a conducive environment for the businesses (wealth creators) – small, medium and large

3.3 Partly to offset the reduction in the council's support, there has been significant increase in the contribution from businesses to the work of the partnership. New partners have been attracted from the Knowledge Academy, Hitachi, and KPI. In addition, new areas of work have been led by partners from business, such as the development of a proposed Business Improvement District (see below).

3.4 *ESDP structure and priorities:*

Following a review of the partnership, the number of sub groups was reduced to:

- Employment and Skills
- Infrastructure
- Business Development

3.5 These subgroups were developed from the ESDP's priorities which are:

- Helping the Borough's businesses to survive and grow
- Attracting more businesses
- Growing business
- Skills for business
- Infrastructure for business

3.6 *ESDP progress over the year:*

3.6.1 Superfast Broadband. The borough has now achieved 96.2% of premises covered by superfast broadband.

3.6.2 Business Liaison. This represents the core of our economic development activity, working with the borough's top firms, providing a contact in the council to resolve any local issues. The borough is extremely fortunate to boast so many of the most successful companies in the world. The business liaison programme started in August 2015. Since then, there have been over 40 meetings with 24 different companies. These meetings have addressed issues such as car parking, volunteering/corporate social responsibility, staff retention and recruitment, hotel and accommodation. The visits have gained valuable intelligence to help keep Bracknell Forest an excellent place for business.

This year, the liaison work and the partnership connection with local property agents has helped two local companies to remain in the borough (Cadence and Maximizer)

3.6.3 Hundreds of young people have been helped through the Careers events and Elevate programme

- Over 900 students and over 300 afternoon visitors attended the careers event in 2015
- 57 young people started an apprenticeship as part of the Elevate programme (between April 2014 and September 2016), 35 of them were sustained for over 6 months

- 296 young people started a new job as part of the Elevate programme (between April 2014 and September 2016), 176 jobs were sustained for over 6 months

3.6.4 Elevate Berkshire secured ESF funding of which £340K have been secured for Bracknell Forest. The funding will be matched by an additional £340K of local authority funding and will go towards supporting NEET and unemployed young people into employment, education or training

3.6.5 Produced a business directory and an investment guide to Bracknell Forest

3.6.6 Key events:

- Careers event October 2015 and October 2016 with over 900 students and over 300 afternoon visitors at the 2015 event¹
- Chinese Delegation from Liuzhou in June 2016 discussing the UK planning system and Bracknell as a great place for business
- Chinese Delegation from Green City in April 2016 discussing highway planning cycles and visiting the town centre regeneration site
- Business Improvement District event planned for November 2016 aimed at all businesses within the southern and western industrial areas to discuss the concept of a BID and generate interest in the project

3.7 ESDP – Critical Issues and priorities for 2016 - 2017

3.7.1 Harnessing greater resources from local businesses to support the work of the partnership, mirroring the greater business-led direction for the ESDP.

3.7.2 Concerns about the lack of available talent and skills in the area to match the businesses' needs, especially with regards to the "young and bright" executives and future leaders.

The Bracknell Forest Business Skills survey conducted in 2015 and the TVB LEP skills priority statement for Berkshire highlighted some areas of concerns with regards to skills in Bracknell and the wider area. These are mirrored by almost all major companies in Bracknell Forest who have been approached via the Business Liaison programme.

Significant skills gaps have been identified predominantly in the ICT sector, life science sector and construction.

In addition businesses have pointed out that work-related soft skills are another large barrier to finding high quality staff. Especially school leavers and graduates are perceived as lacking soft employability skills such as dedication, proactiveness and communication skills. At the same time the majority of businesses (particularly SME's) are not offering work experience placements, traineeships, apprenticeships or internships, denying young people the opportunity to gain the necessary skills to succeed in a workplace environment.

¹ Numbers for the 2016 event have not yet been published

Unrestricted

Another factor contributing to the skills gap in Bracknell Forest is housing that is affordable for young executives and graduates as well as lower paid staff of all ages. The rental market in Bracknell Forest is small and very competitive. House prices are very high and prove to be a major barrier for companies to attract talent to the area.

For more information on the local labour market profile please see Appendix 1 – “NOMIS Labour Market Profile – Bracknell Forest”

Current and planned work:

- The LEP is producing quarterly Labour Market Intelligence reports as well as a regularly updated skills priority statement to inform and direct education and training providers as well as careers adviser about local skills gaps and the importance of independent careers advice and guidance.

Whilst employability and soft-skills are not part of the curriculum schools are beginning to recognise the importance of making students more work ready. This also includes informing making options other than the academic route (e.g. apprenticeships) more transparent to both young people and their parents

- Targeted material about skills needs in the area has been produced by the LEP and is being disseminated to education & training providers and their use encouraged via the partnership
- Elevate in Bracknell Forest is working with local education and training providers to ensure skills needs are communicated effectively across organisations and incorporated in independent careers advice and guidance
- Programmes to encourage more young people into areas with skills needs (e.g. construction) are carried out by Elevate via s.106 agreements where possible
- The careers event as well as two additional apprenticeship events planned for the end of 2016 / beginning of 2017 aim to educate students and parents about different career paths, including apprenticeships, with focus on sectors experiencing skills shortages
- The local Chamber of Commerce as well as the Federation of small businesses (both partners of the ESDP) have started to educate their members about the importance of offering work experience and apprenticeships as ways to “grow their own” and prepare the talent of the future for the world of work
- The partnership is lobbying local developers to increase the availability of housing affordable for young executives and graduates

3.7.3 Working with and supporting local companies to address uncertainties related to the EU referendum vote.

Current and planned work:

- Strong liaison with the Thames Valley Berkshire LEP and to be the voice of Bracknell Business in lobbying activities to the LEP and government

3.7.4 Job pressures in the new town centre

Current and planned work:

- BRP are launching an employment strategy in November; the strategy will be implemented by Learning to Work through a variety of projects aiming to fill the jobs coming up in 2017 by getting local people skilled up and interested in working in the Lexicon

3.8 Sub-Group priorities

3.8.1 *Infrastructure sub-group*

- Champion local road improvements
- Lead on a Business Improvement District scoping exercise
- Champion and report back to ESDP on infrastructure related projects funded by the LEP in Bracknell Forest
- Provide direction and input to the Local Plan and associated policy documents on the Bracknell Forest business community's infrastructure needs.
- Working with the LEP, provide business-led advice to Train Operating Companies and Network Rail on delivering improved rail services to and from Bracknell.
- Provide business-led advice on future development needs for Superfast Broadband in Bracknell.
- Provide advice and direction on improving the availability of rented and graduate accommodation to meet increasing demand from Bracknell's business employers.

3.8.2 *Employment and Skills sub-group*

- Set a relevant work programme related to employability skills, work experience and apprenticeships, including:
 - Elevate Bracknell Forest
 - The Lexicon Employment Strategy
 - Promotion of apprenticeships and work experience to young people, parents and businesses
 - Encouraging education and training providers to address local skills gaps and lack of employability skills in young people
- Champion and report back to ESDP on employment related projects funded by the LEP in Bracknell Forest

3.8.3 *Business Development sub-group*

- Promote the ESDP and its work to Bracknell Forest businesses
- Support the retention of large businesses within Bracknell Forest
- Support activities to promote Bracknell Forest as a business locations, to achieve inward investment successes

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