

“Nottinghamshire – Working & Skilled”

**The Strategic Plan for the
Nottinghamshire: City & County
Employment and Skills Board
2010 to 2015**



June 2010

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Chairperson's Foreword



“Employment and skills will play a key role in the future development of the Nottingham and Nottinghamshire economy.”

As the Chairperson for the Nottinghamshire: City & County Employment and Skills Board I present our new strategy: “Nottinghamshire - Working and Skilled”.

The last two years have been tough economically for local businesses and people across Nottingham and Nottinghamshire. Though to an extent we have benefited from the diversity of our local economy, enabling us to weather the storm relatively well; new and ongoing challenges remain. Unemployment for young adults has increased, the level of skills and qualifications across some of Nottingham and Nottinghamshire is low and we experience deep rooted unemployment in some of the more deprived parts of our area.

As we emerge from recession and into recovery we must ensure that we introduce practical measures aimed at tackling these challenges and getting the very best value from our local employment and skills services. Measures that will in particular aim to deliver the employment and skills outcomes we wish to see. These include ensuring that local people have the skills that meet the needs of local industry now. Furthermore, that we are able to develop a workforce that meets the needs of skills demands in the future. In addition, we must develop the accessibility and effectiveness of local services to ensure we can promote economic inclusion across our area.

As Chairperson for the Board I am keen to develop the leadership role local employers can play, working alongside our other partners, to address these challenges we now face.

I look forward to working with you to achieve our aims and priorities.

A handwritten signature in black ink that reads "Caroline Maley". The signature is written in a cursive, flowing style.

Caroline Maley
Chief Operating Officer of the National College &
Independent Chair- Nottinghamshire: City and County
Employment and Skills Board

Introduction

Employment and Skills are widely regarded as being of critical importance to our economic recovery and future. It is also one of the most complex and demanding aspects of local economic development, with employment and education services undergoing significant reform as the Coalition Government implements significant reforms and reductions in public sector expenditure. Local action is critical to make services more efficient; maximise growth and link people to job opportunities.

This document provides a summary of the agreed Strategy of the Nottinghamshire: City and County Employment and Skills Board in response to local challenges, but operating within the new political and economic context.

“Our vision is for Nottinghamshire – both its city and its county – to achieve long term sustainable employment and business growth, supported by a first class skilled workforce.”

Nottinghamshire- Working & Skilled

The Employment & Skills Board exists to:

- Provide strong employer leadership to the delivery of employment & skills support across Nottinghamshire;
- Challenge each other to develop a coherent, collective understanding of employment and skills issues;
- Influence funding from both national and local budgets so that it delivers on these agreed priorities for Nottingham and Nottinghamshire and thus contributes to national competitiveness; and
- Ensure that together we are more than the sum of our parts and deliver a multiplier effect for businesses and individuals.

For businesses this will contribute to higher productivity, increased innovation and faster growth, as well as greater resilience to the effects of future economic shocks. For individuals, including our young adults, having the right skills acts as a ladder into employment and a route to greater achievement.

The Nottinghamshire ESB's membership includes:

1. Key local businesses such as Experian, Capital One, Laing O'Rourke and Alliance Boots;
2. Strong representation from the small business sector and business representative organisations such as the Chamber of Commerce and the Federation of Small Businesses;
3. Public Sector funders & employers, including Nottingham City Council, Nottinghamshire County Council, the NHS, Jobcentre Plus & the Skills Funding Agency;
4. Key local providers of further and higher education and employment support.

Our strategic priorities are:

1 - Employer Leadership *“Putting employers at the core of what we do; championing Our Vision, Our Aims and Our Priorities”*

2 - Economic Recovery and Growth *“Accelerating the potential in existing industry and supporting the emergence of sunrise industries”*

3 - Higher Skills for Nottinghamshire *“Focusing on high quality vocational training to grow and attract a more knowledge intensive economy and developing enterprise skills across the workforce.”*

4 - Employment for All *“Supporting young adults and other potentially vulnerable groups to succeed.”*

These priorities are described in more detail in this document. This strategy forms a central thrust of local efforts to not only promote a competitive local economy but to combat poverty and deprivation in a significant number of local communities.

Role of the Nottinghamshire: City & County Employment and Skills Board

The purpose of the ESB is to provide employer leadership in a forum whereby partners meet to discuss issues in order to: inform each other's strategies and plans, to develop a collective understanding and seek to ensure that funding is targeted to meet identified priorities. Central to this is listening to employers in order to deliver to their needs. By maintaining strong employer leadership we are able to add real value to local decision making. This Board is currently non statutory¹ and does not have direct powers to fund or commission but aims to influence those who do control and direct resources by evidence based policy proposals. As such, we are not seeking to influence choices on only discretionary funding at the margins but how all mainstream funding is deployed to reflect local needs. If this is successful, for businesses it will contribute to higher productivity, increased innovation and faster growth, as well as greater resilience to the effects of future economic shocks. For individuals, having the right skills acts as a ladder into employment and a route to greater achievement.

We organise our business across two main roles:

- **Leading change** - by challenging current thinking and resolving issues- in order to improve opportunities for finding, staying and succeeding in work and for employers to benefit from better skilled workers. Our membership includes a significant number of local employers, who help shape local services that are responsive to local labour market needs.
- **Developing collective priorities** - to improve employment levels, particularly amongst groups who find it hardest to find or stay in work. At the same time we will influence activity aimed at giving local people the opportunity to develop skills and access opportunities at a higher level, which match the needs of local employers. This will ensure that the Nottinghamshire economy benefits from the improved productivity of businesses, which are able to compete more effectively in national and international markets. We develop our priorities by having a balanced representation from employers, funders of employment and skills services, and providers of those services. In addition the ESB Partnership focuses on regular opportunities to consult with employers, individuals and agencies who bring expertise and advice.

For both roles we have developed valuable relationships at national, intermediate and local levels; ensuring the priorities we establish work well with employment and skills plans elsewhere.

For Nottinghamshire - we have harnessed a five-year progression in partnership development, borne out of the original Greater Nottingham ESB and the more recent Alliance area ESB. This progression reflects the change in policy nationally and locally - across employment and skills areas where service delivery has become more integrated but over larger operational areas. Our sub regional geography is large enough to be investable, and small enough to recognise differing needs of our local

¹ London, Manchester and Leeds ESB's have statutory powers delegated over adult skills funding.

areas. We have aspirations that complement the objectives of a number of Government departments for localisation of priorities and devolution of decision making, including statutory powers over adult skills funding and Local Enterprise Partnerships.

ESB Operating Principles

Business led - *putting employers at the core of what we do*

Partnership Focussed – *sharing expertise and knowledge to promote more joined up action and achieve a greater impact for clients and customers,*

Adding Value and avoiding wasteful duplication – *we will not re-invent the wheel. Where groups, organisations or initiatives exist, we will work with and alongside them, not in competition*

Action oriented - *promoting a culture where partners continuously seek to improve what they do in partnership, building collective capacity that adds value for all parties and achieves results*

Evidence based – *a commitment to using the best data and adding intelligence as to what it means in Nottingham and Nottinghamshire*

Transparency and openness – *we will work in a way that is inclusive and provides equality of opportunity and involvement from all partners and we will communicate effectively and clearly*

Respect for agencies governance and responsibilities – *we will fully support all we can and occasionally challenge if needed, but not seek to usurp agencies own lines of accountability*

Accountability – *we will set out clearly what we seek to achieve and be accountable to all stakeholders for the outcomes that result*

Monitor and evaluate progress – *we will scrutinise activities through regular monitoring and evaluation of work and track what is being achieved in a way that is meaningful to a variety of audiences*

We will influence, and be influenced by, forums or organisations that are responsible for issues that relate to employment and skills such as Enterprise, Business Support, Worklessness and the provision for those aged 14-19. In particular, we will seek to have strong supportive arrangements with Local Enterprise Partnerships and the partnerships implementing Sustainable Community Strategies (SCS) for Nottingham City and for the Nottinghamshire County area. These are developed by the Local Strategic Partnerships (LSP), One Nottingham and the Nottinghamshire Partnership respectively. The SCS sets out a long-term vision for the area to tackle local needs and also identifies the key tasks that the partners in the area need to achieve to improve its

well being. District LSP's also prepare SCS for their areas, highlighting District and sub District issues.

The City and County SCS's provide a framework for future development of existing Local Area Agreements (LAA). Through these negotiated agreements, areas can channel public resources towards the priorities of their own areas, to achieve targets set within the National Indicator framework. Locally, these include progress on tackling worklessness, raising skills and enterprise levels and improving employment rates. Partners' targets in the two LAA's provide an important framework for this strategy although this deals with a wider range of issues.

The One Nottingham SCS was approved in July 2009 and focuses action across six main themes which all interact with each other. "Working Nottingham" seeks to connect people with the world of work and help keep them in work, as a key means of tackling poverty. Skills mismatches remain a key issue for the city. The gap between the number of people claiming JSA and the number of vacancies in elementary occupations in Nottingham remains large. The Working Nottingham Partnership has been established to focus on the challenges faced by Nottingham and to ensure that resources deployed achieve greater impact. It will have a strong community focus, targeting priority groups and geographical areas so that getting more people into work can tackle poverty and deprivation. The ESB will fully support Working Nottingham in achieving its aims both in tackling worklessness through the Nottingham Jobs Plan and in raising skills through influence on co-commissioning.

The Nottinghamshire SCS is now being finalised. A theme that is of particular concern is education, skills and training - this is one area in which the county performs badly and skill levels and qualifications clearly impact upon future employment, productivity and wage rates. Again, we will be active in helping finalise the SCS and to assist in implementation. The labour market is, however, not restricted to administrative areas and there are significant flows across boundaries. We will therefore need to fully understand travel to work patterns and how the needs of businesses can be met within this context.

Background and National Policy Context

In 2006 the Leitch Review of Skills² recommended that ESB's, led by employers, would be used to engage local employers, commissioners and providers, to:- articulate labour market needs, scrutinise local services and recommend improvements in integrating labour market and training support. This was followed by a series of Government reports which gave further policy support for the implementation of employment and skills boards from the Department for Work and Pensions (DWP), Department for Innovation, Universities and Skills (DIUS), Business Enterprise and Regulatory Reform (BERR) and the UK Commission for Employment and Skills (UKCES).

More recently the "Houghton Review of Worklessness"³ published in 2009 recommended that areas "should ensure they have robust governance arrangements by establishing employer-led Employment and Skills Boards, where these do not currently exist". The report states that ESB's would play a key role in shaping a local review of worklessness and inform planning on economic assessment. The government's response to the review described sub-regional ESB's and their potential in terms of devolution of both skills and employment funding. This remains as an aspiration that we will seek to explore.

National policies will provide an important context for developing strategy, although early signs from the Coalition Government are that Localism may mean greater freedom from national prescription. Many of the aspirations for our area are contained within the two Sustainable Community Strategies for Nottingham and Nottinghamshire, which together provide important local insights on the vision, aspirations and priorities over the next 10 years. Both strategies highlight the importance of employment and skills in developing a prosperous economy, and we are optimistic that these areas will be prominent in any Local Enterprise Partnership(s) for the area.

It is important that we capture the learning from elsewhere, including expert advice from the UK Commission for Employment and Skills⁴ which sets a vision in which:

- *Employers work collaboratively in sectors to identify future skills requirements and priorities, and ensure that UK employment and skills providers understand and rapidly respond to those needs;*
- *Public funding is prioritised towards (i) basic skills, employability, lower level skills and those facing significant disadvantage in the labour market; and (ii) stimulating greater co-investment with employers and individuals in higher level and strategic skills*

² "Prosperity for all in the global economy- world class skills", HMT, December 2006.

³ "Tackling Worklessness: a review of the contribution and role of local authorities and partnerships- Final Report", DCLG, March 2009.

⁴ Towards Ambition 2020: Skills, jobs, growth. October 2009

The Commission also stated the need to maximise individual motivation and opportunity for skills and sustainable employment by:

1. *Raising individual aspiration, confidence and commitment to lifelong learning and skills through promotion, evidence, high quality provision and progression.*
2. *Transforming the quality and availability of information, advice and guidance on career and learning opportunities, through high quality labour market intelligence and modern consumer technologies.*
3. *Empowering learners with real customer choice, support to access skills and learning when they need them, and the capacity to drive quality improvement in provision, through a system of full Personal Learning Accounts.*

We need to raise employer ambition and innovation, and their engagement and investment in skills by:

4. *Enhancing the capacity of more UK firms to be high growth, high skill, high value added businesses through the stimulation of new industries, greater innovation and better leadership and management.*
5. *Developing and deploying high quality labour market intelligence, enhanced by foresight on emerging strategic skills requirements, to inform industrial investment priorities, anticipate and better match the supply of skills to emerging demand, and thus enhance economic competitiveness.*
6. *Stimulate greater employer networking, collaboration and collective action on skills, within sectors, labour markets, and/or supply chains, to create more high skill, high performance workplaces and increase UK competitive advantage.*

We need to build a more strategic, agile and labour-market led employment and skills system by:

7. *Increasing the trust in, and authority to, learning providers, through the use of an outcome-based public quality and performance framework of course labelling and institutional scorecards, which empower customers and communities to drive provider responsiveness, quality and continuous improvement.*
8. *Simplifying and prioritising public funding (through Personal Learning Accounts for individuals) towards developing economically valuable skills, increasing employer and individual co-investment and improving value for money.*

Our Economy- Past, Present & Future

The City and County economy has gradually been changing from a low value reliance on traditional industries to a more 'knowledge intensive' economy, which is better able to compete in global economic markets. Part of this challenge is to develop **Higher Skills for Nottinghamshire** so that our knowledge based industries will bring wealth to the sub region. Our economy also has a strong service sector base capable of providing **Employment for All**.

After a decade of economic growth and growth in labour market demand, the UK has been part of a deep global recession. Unemployment has risen, particularly amongst young adults. Some parts of the county, particularly in the north have been hit harder than others and some sectors of the economy have experienced a more severe impact.

Businesses see improving the local skills base as a priority, both in the short and long term. At 'Nottinghamshire Thinks', a business engagement event held in January 2009 and follow up workshops, the following themes emerged as priorities for attention:

- The value of partnerships between business and schools, and the importance of schools in raising aspirations and producing job-ready young adults. A previous business survey for the Nottinghamshire LSC in 2006 identified difficulties in filling jobs due to the 'attitude' of applicants and a lack of interest in the work on offer.
- In the short to medium term, retaining skills at risk of being lost in the recession, whilst also building skills for future industries and modernisation of existing industries.
- The complexity of defining and meeting demands because of the breadth and variety of requirements, from basic literacy to high end engineering. The January 2009 regional Federation of Small Businesses survey illustrates this – a third of skills shortages identified were 'sector specific'.
- The need to grow or attract high skills/high pay jobs to attract and retain a highly qualified workforce and graduates. Analysis by emda to inform the Regional Economic Strategy concluded that a 'low pay low skills' equilibrium persists in the East Midlands.

Subsequent work on the Joint Headline Economic Assessment by the City and County Councils points out:

- Past recessions indicate unemployment continues to rise even when economic recovery begins and may remain high for several years. This experience however, was in a different policy context and greater flexibility within the workforce with part time working and reduced hours may well have limited the impact on unemployment in the present recession.

- There are big challenges for the economy ahead. Whilst diverse, there are important sectors at risk and the growing science and leisure sectors are still relatively small.
- The public sector is highly significant across Nottinghamshire as a source of jobs, but will also face major challenges as finances are reduced.
- Skills is a critical challenge. A large proportion of working age residents have no qualifications and the unskilled make up a large and growing proportion of the unemployed.
- Raising demand for skills from existing businesses is essential, but this must be matched by developing a more extensive business base with higher quality jobs.

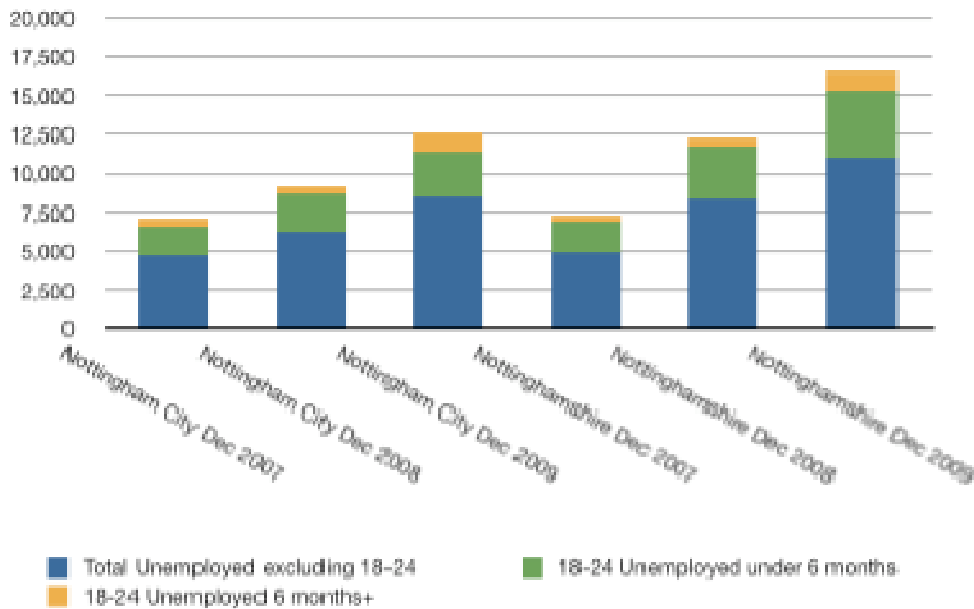
We commissioned Experian to provide the background context for our Working and Skilled Convention in January 2010.⁵

They found that the Nottinghamshire economy performed in line with the East Midlands showing steady growth, and around 34,000 jobs were created in the County between 1998-2008. The recession has however impacted different businesses and individuals in different ways, and hence some areas have proved more resilient than others. This has meant over 12,000 jobs lost from Nottinghamshire's labour market, concentrated in distribution, hotels and catering; manufacturing; financial and business services and construction. Unemployment has risen to 29,000, equivalent to a rate of 4.3% which is higher than both the region (4.0%) and UK (4.1%) in December 2009. Nationally, we know young adults and those with low skills have been disproportionately affected and recent evidence supports this locally.

The chart overleaf shows that the proportion of the total unemployed which is made up of young adults, and particularly those claiming for more than 6 months, has increased significantly over the last two years. Whilst it is encouraging that youth unemployment in Nottingham City has fallen twice, both in November and December, the number of longer term 18-24 year old claimants has continued to rise and, in Nottinghamshire, this has been quite sharply. This suggests that it is those hardest to reach young adults who continue to be without work.

⁵ Driving Nottinghamshire's future: Prioritising Sectors; Final Report Nottinghamshire City & County ESB; January 2010

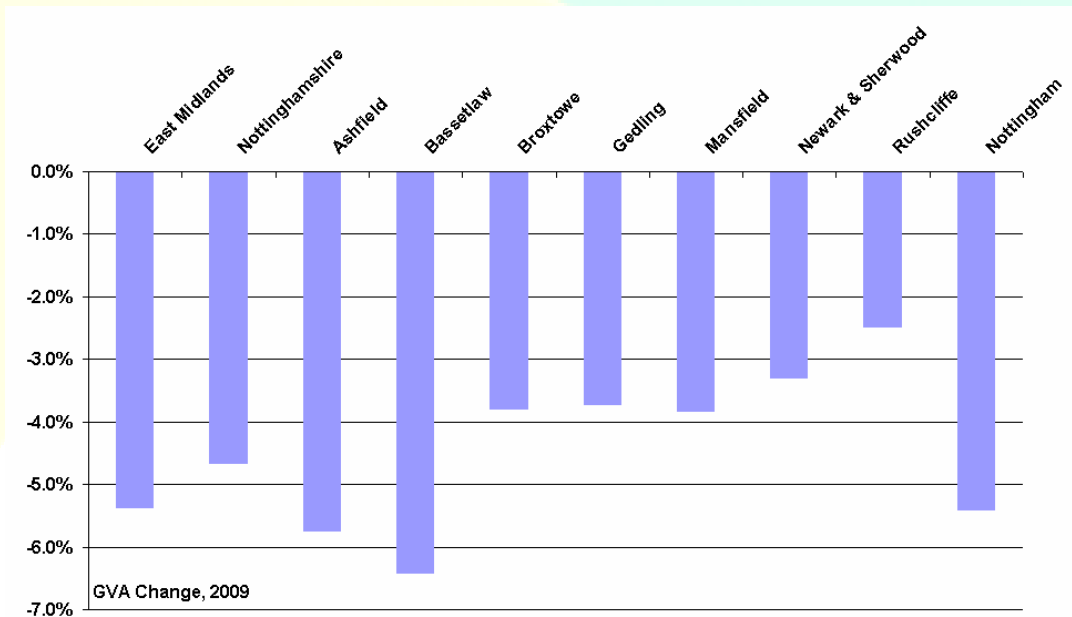
At a national level recent research by the Institute for Public Policy Research (ippr), using the Labour Force Survey, has shown that young adults from ethnic minorities have been particularly affected, with 48% of black young adults now unemployed



compared to 20% of white young adults (based on national rates). Mixed ethnic groups have seen the biggest rise in youth unemployment with a change from 21% in March 2008 to 25% in November 2009. The above evidence points to the importance of prioritising action on vulnerable groups in the later theme of **Employment for All**.

While the regional economy has been badly hit; Nottinghamshire has performed broadly in line with the UK, but the impact has been more localised. As the table overleaf indicates, Bassetlaw, Ashfield, and Nottingham have been worst affected. In Bassetlaw and Ashfield this is probably due to having a greater share of firms in traditional manufacturing industries and Nottingham by contrast, which has a more modern economy, but is more exposed to the global recession that has hit financial services hard. Rushcliffe and Newark & Sherwood appear to be more resilient although in Rushcliffe's case, from a much smaller base. Indeed in Greater Nottingham, the city and the city centre provide an important source of jobs for surrounding districts: 40% of all City based jobs are filled by residents from outside their boundary. Work commissioned from Experian by the Nottingham Resilience Forum indicates Nottingham also has a high concentration of high growth knowledge sectors compared to other core cities. These sectors are expected to prove particularly resilient to the economic downturn and thrive in the upturn. Only Bristol has a higher proportion of such sectors. All the above indicates the importance of developing policies that are sensitive to the needs of contrasting geographies and highlights that a one size fits all approach will not be successful.

Estimated GVA Change in Nottingham and Nottinghamshire Districts 2009



Source: Experian Regional Planning Service, Autumn

Looking ahead, there is now considerable interest in the way that the sectoral mix creates an adaptable economy and contributes to resilience and reducing vulnerability. This will be a key feature of our work in the months and years ahead. Nottinghamshire is expected to recover broadly in line with the UK, with the recovery likely to be gradual rather than rapid. Experian expects that the claimant count is likely to increase further to over 31,000 before falling back in 2011.

There is a significant challenge to meet the needs of existing employers and connect up local people to the opportunities created. At the same time, there is a need to find ways to develop a more adaptable and resilient economy and plan for the skills that will be needed to drive this growth. Policies and action on Employment and Skills are central to meeting this challenge and will need to be closely integrated with other agencies developing physical provision and providing business support.

Strategic Priority 1- Employer Leadership

“Putting employers at the core of what we do; championing Our Vision, Our Aims and Our Priorities.”

We set out to help employers get the best out of the employment and skills system because meeting the needs of employers is one of the key elements to achieving sustainable economic growth and helping disadvantaged people succeed in the workplace.

We need employers to work with our education and skills providers to ensure that provision is tailored to their needs and improves productivity. As key customers they have an important role to challenge how we work and what we deliver. They know from their own experiences that business models that don't work need to be changed – we need to ensure that the employment and skills approach is working in Nottingham and Nottinghamshire. Our employers' direct engagement through support for the Skills Pledge and Jobs Pledge is a direct contribution to building the recovery in Nottinghamshire.

Up to date intelligence from employers will be an important driver of our activity. Evidence needs to be robust and beyond the merely anecdotal, but the immediacy of direct feedback can be invaluable at a time of major economic change. We will explore a variety of ways of seeking this intelligence; from direct input to us and our associated activities to working closely with representative bodies. Where needed, we will also consider commissioning specific surveys as part of development of the Labour Market Intelligence

Sector Skills Councils are employer-led bodies, established to enable employers to exert influence on the UK's education and skills systems to ensure they meet their needs. This work is overseen and managed by the UK Commission for Employment and Skills and they are in the process of being reorganised into a smaller number of bodies to reduce confusion and add focus. Given the limitations Sector Skills Councils have with resources, we will consider how to engage more effectively through our relationship with emda.

Integration of support to employers is a key theme and critical to success - to provide advice to those commissioning support about the perspectives and priorities of employers with regard to skills, employment and support for business development;

We have developed as a countywide ESB so that we can provide leadership structures that are co-terminus with our jointly commissioned Jobcentre Plus support activity and with Jobcentre Plus boundaries. This strategy is truly business led and provides a robust framework for rebuilding our labour market as Nottinghamshire recovers from the recession. The partnership will develop different relationships with providers, Local Strategic Partnerships and local authorities. Success will be measured by a range of soft performance indicators as outlined in Delivery, Review & Evaluation.

It is also critical that work on Employment and Skills is fully integrated with parallel work to develop the local economy through physical regeneration, business support and inward investment. Work is underway in Nottingham and Nottinghamshire to develop new inclusive governance structures for economic development providing strategic direction through a Joint Leadership Board and a Joint Core City Board.

The Coalition Government has also described plans for Local Enterprise Partnerships which may complement existing arrangements. It will be vital for us to both inform and be informed by this activity. Draft proposals indicate that our Chair or nominee will be a member of the Joint Leadership Board and Joint Core City Board and our support staff will support the Joint Strategy Group.

In order to facilitate Employer Leadership, we will:

- **Strengthen employer leadership at the ESB and strengthen the employer voice in the work of the ESB's partnership;**
- **Strengthen the role of the ESB in economic development governance both nationally and sub regionally;**
- **Advocate for statutory powers and devolved resources where they add value for employment and skills across Nottinghamshire.**

Strategic Priority 2 - Economic Recovery and Growth

“Accelerating the potential in existing industry and supporting the emergence of sunrise industries”

In the Economic Downturn, our task and finish activity ensured that all partners involved in supporting local people and businesses have been working to join up priorities and provision. We will continue to coordinate a partnership response according to changing economic circumstances (this activity also links heavily into our sector developments highlighted below). We are keen to support both lead Local Authorities in the overall response to economic resilience. Initial success will be measured by reduction in the benefit caseload and an increase in the employment rate.

In order to improve skill levels and job outcomes and progression in our priority sectors we intend to continue to develop a business led approach towards encouraging economic growth. Current priorities include construction, retail and science and technology. In future, success will be measured through efforts to train people in advanced vocational skills at Level 3 & 4, alongside higher education and increases in the employment rate.

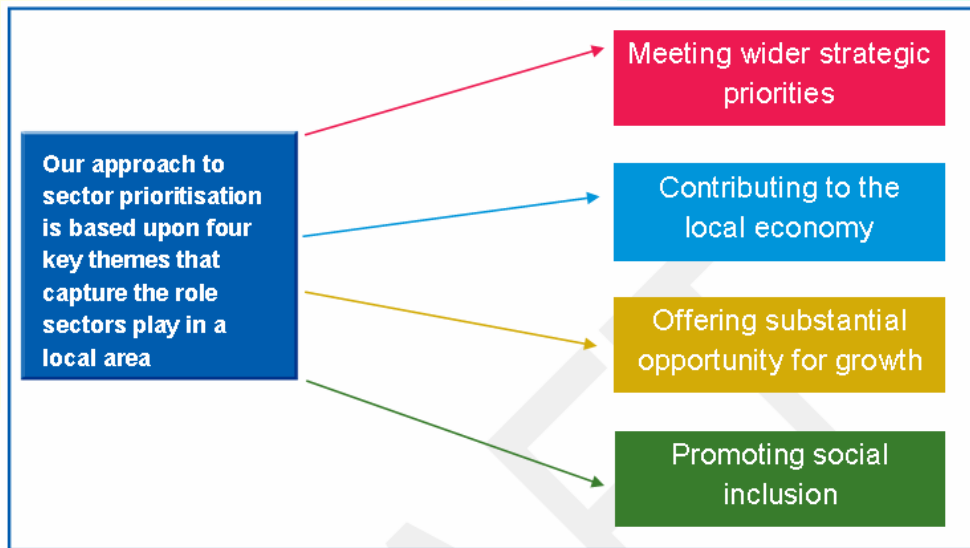
Our challenge, as an ESB working alongside local authorities, economic development and business support agencies and key partners such as Jobcentre Plus, is to make sure that the full economic potential is realised and that Nottinghamshire residents are connected to the jobs created. Specifically, there is a task to support those most in need – both the individual and the companies – to achieve **Economic Recovery and Growth**.

To this end, we have commissioned analysis of the sectors from Experian to follow on from that developed by Integra Strategic Consultants. We are conscious that in a diverse and complex economy such as Nottingham and Nottinghamshire it would be all too easy to identify a very long list of potential priorities. This then becomes more of a catalogue of what exists rather than an attempt at prioritisation.

We will also take account of the priorities set out in District level aspects of Local Area Agreements. This will enable a more focused methodology rather than a thinly spread ‘one size fits all’ approach. For example, some sectors may be more important to economic growth in some Districts rather than others.

Understanding and supporting the sectors that will drive growth is a key priority for local policy makers. The Regional Economic Strategy has already identified sectors important for regional growth and nationally the Government has indicated the scope to promote “New Industries and New Jobs” (NINJ) as part of an active industrial policy. Research that is underway for the Regional Development Agency network points out that there is considerable variation in both the size of global markets and the development of associated technologies.

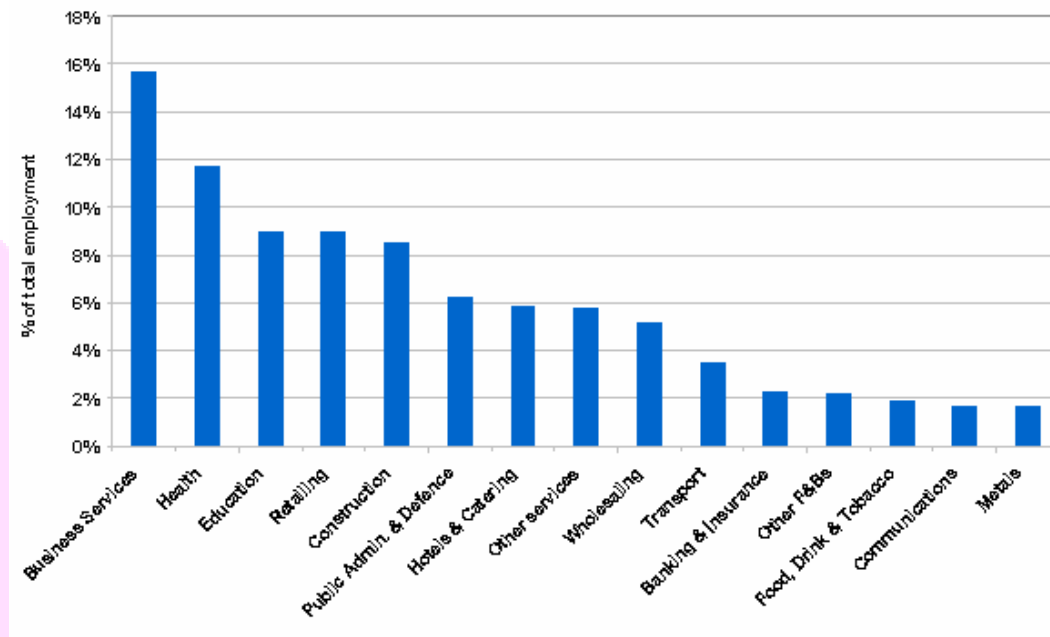
Experian Matrix for Sector Prioritisation



It is important to consider sectors identified in national and sub regional objectives:

- Recent national publications such as '*Building Britain's Future: New Industry, New Jobs & Jobs of the Future*' noted above
- The Regional Economy Strategy '*A Flourishing Region*'
- '*Integra Strategic Consultancy*' work for ESB

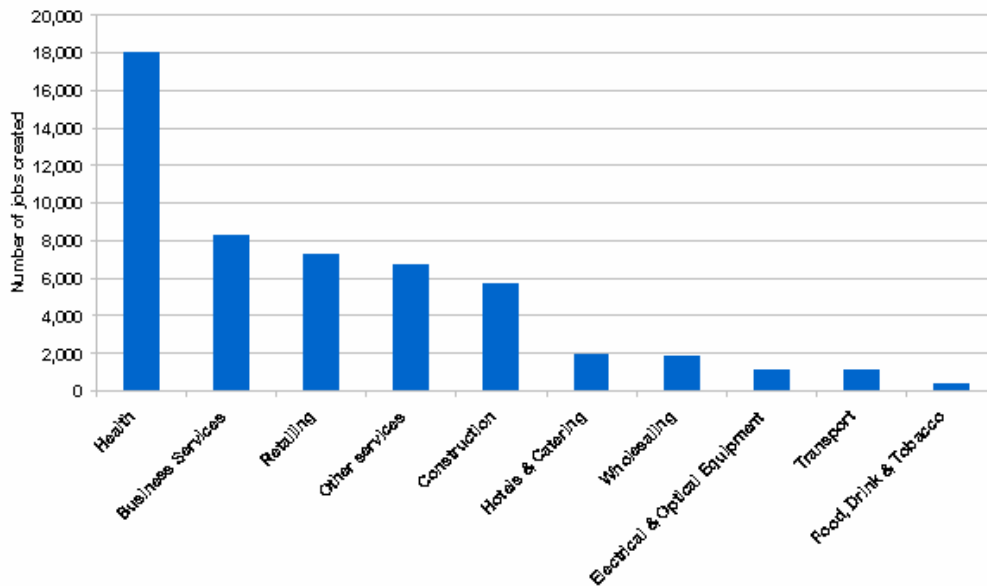
The largest ten sectors in Nottinghamshire by employment contribute 69% of total GVA.



These same sectors account for 73% of employment in Nottingham and Nottinghamshire. These larger sectors have the best capacity to drive growth through employment and output. Construction; business services; and education also have strong ‘multiplier effects’ on the sub regional economy.

In the short-term job creation is likely to be muted across all sectors, as the economy recovers from the recession. Over the longer-term, the health sector is set to create the most jobs – 18,000 over the next decade. This is followed by business services, retail, other services and construction. There are also niche sectors such as the green sector; creative industries; and science and technology that are forecast to grow rapidly, which Nottinghamshire could capitalise upon

Job Creation in Nottinghamshire 2009-19 – Experian Forecasts



Experian forecasts are compatible with those used by emda, BUT not all of these jobs will be accessible to all segments of the population, particularly as growth is driven by high value sectors. Those sectors that create high volumes of jobs generally will naturally be well placed to increase employment among low skilled groups – retail; business services; construction; and health.

Experience in sector working varies across Nottinghamshire. The City Council has developed an approach to Economic Development based on understanding key sectors. The former Alliance ESB has left a legacy of some important sector studies, not least in identifying the issues relating to the future of employment and skills in healthcare. The views of local partners have been taken account of in developing future priorities.

The following table summarises the outcomes of the policy analysis developed by Experian which enables the identification of priority sectors.

Sectors to be considered	
Construction	✓
Business Services	✓
Health	✓
Creative and Cultural	✓
Green Technologies	✓
Science and Technology	✓
Advanced (other) manufacturing	✓

This intelligence has been combined with employer insights which have helped us prioritise sectors. This **Employer Leadership** is central to our strategy. The Sector Skills Councils also provide skill needs forecasts as part of their Sector Skills Assessments. Each year, Sector Skills Councils produce reports highlighting the key issues affecting their sector and the skills implications for their employers (<http://www.sscalliance.org/home/SSAandClusterReports.aspx>).

This collective analysis has helped to illustrate that the mix of sectors is important to the future economic health of Nottingham and Nottinghamshire. Adaptability is having a mix of sectors which are likely to cope well with external pressures and have the resilience to grow quickly once overall economic conditions improve. The above table demonstrates that different sectors can be important for different purposes. National and sub regional priorities will reflect the “New Industry and New Job” policy priorities and therefore need to be reflected in local action.

The priority sectors *for promoting economic growth* in future will be:

- Business services and finance;
- Advanced manufacturing.
- Science and technology;
- Green technology;
- Creative and digital;

At the same time a number of existing sectors with less demanding entry standards remain critically important *for providing employment opportunities and connecting disadvantaged to the world of work* – these are:

- Retail and distribution,
- Health
- Construction.

It will be important to consider more local efforts where there may be other sectors with a particular significance within specific Districts. Examples would include Logistics along the M1 corridor, which is particularly important to Ashfield and Mansfield. Work is already underway on a number of these sectors. We have now adopted a “task and finish” group approach to sector development following a pilot with the construction sector. This involves identifying the most pressing issues within

each sector, setting up groups comprising those with an ability to make a difference and undertaking focussed and specific pieces of work. We will provide an overview and review of progress on a regular basis.

Where sectors are newly identified, it will be important to accurately define their scope, fully understand the Nottingham and Nottinghamshire context and the issues and challenges faced for that particular sector. This will include skill levels, occupational groupings and the balance between replacement demand and future growth. There will be an opportunity to identify specific requirements for apprenticeships. It will also be important to understand where drivers for employment will come from and how needs for training can be anticipated and met. For example, in the development of the strategy, Experian forecasts suggest the sector most likely to show significant growth is health. Discussions with sector representatives locally indicate that many of these will not be in traditional NHS provision but could be created as a response to the personalisation agenda that will increase customer choice and are likely to be filled by a range of independent employers and those from the third sector.

We will:

- Ensure the ESB has a clear understanding of the Nottinghamshire Economy and develop a robust Labour Market Intelligence framework;
- Promote economic growth through a sector based approach including sectors which will provide employment opportunities and connect disadvantaged people to world of work.

Strategic Priority 3 - Higher Skills for Nottinghamshire

“Focusing on high quality vocational training to grow and attract a more knowledge intensive economy and developing enterprise skills across the workforce.”

The term “knowledge economy” has featured strongly in both UK and European policy documents for over a decade, yet there is considerable confusion as to what the term means and how it can be developed. At its simplest level, factors such as land, raw materials and cheap labour are no longer enough to produce goods and services that others want to buy. In a globalised economy, these are more cheaply available elsewhere. So, we need to use the capabilities that others can't match - the **knowledge, skills and creativity** found within businesses.

The East Midland's Regional Economic Strategy describes the regional labour market as being in a low-skill equilibrium. In other words, low levels of skill and business value-added mutually reinforce one another with the result that any move towards a high value-added product strategy is constrained by the availability of skills. A number of sectors are now recognised as being “knowledge intensive” and Nottingham and Nottinghamshire's share of these has been steadily growing, albeit focused on Greater Nottingham. They are an important component of the local economy as in general, whilst the evidence has some significant gaps, it suggests that skill levels are related to productivity: more highly skilled people produce more high value goods and services more efficiently and can offer higher wages as a result.⁶ Higher pay can then support other local jobs in services through consumption spending.

The availability of high skilled jobs places a number of demands on local employment and skills provision;

- Retaining and providing the talent required to fill those jobs;
- Attracting graduates to work in Nottingham and Nottinghamshire;
- Providing the necessary skills support and training suited to the job opportunities available, including support to raise the skills of those already in employment

The economies in the City and County areas will need to increase their productivity over the medium term to ensure they can compete in the market. This is likely to be relevant for both high and low value sectors in the economy. Many jobs will be subject to technical and organisational change. Creating sustainable employment is dependent upon ensuring that there is a mix of employment by industrial sector which is able to keep pace with change in the UK and international economy. Productivity or efficiency gains are important in ensuring that this mix can be achieved. Productivity gains, in turn, depend upon ensuring people have the skills to bring about these gains. Skills cannot drive this alone. There needs to be integration

⁶ Exploring the links between skills and productivity; Institute for Employment Research, University of Warwick, August 2009

of all policies that have a bearing upon productivity: management capability, innovation in products and processes, entrepreneurship, etc. In other words, if the aim is to understand the contribution skills can make to increasing productivity there is a need to address this in a broad context.

The knowledge economy is a concept that isn't based upon the talents of a highly educated elite or a small number of technological firms making ICT products or "dot.com" trading. It applies across the industrial structure and entire workforce. Knowledge is created when people's skills are used in a work situation and the experiences develop a practical application. In today's competitive world, the new economy demands improvement across the workforce – this includes basic skills and literacy, employability, enterprise, intermediate and vocational skills as well as high level qualifications. It is essential to improve skills across the board. The upskilling of the whole labour force is needed to grow the productivity of the most highly skilled. This is reflected in Skills for Growth aspiration to produce a "technician class".

Science City provides a useful example of how to address creating demand for higher skills. It provides an opportunity to help to shape the future prosperity of Nottingham and the surrounding area by supporting the growth of firms in science and technology activity where there is already a strong knowledge base. This raises major issues concerning the future supply of skills in the workforce, particularly in intermediate skills levels. Partners in Nottingham have been keen to take a holistic view of Science City designation giving emphasis to engagement with the wider workforce as well as promoting scientific developments and promoting knowledge transfer.

Education, training and research are fundamental to the science and technology sector, with the supply of a skilled workforce critical to its ongoing success. A Science City survey in 2007 found that nearly three quarters of locally-based science companies had a workforce comprising in excess of 80% graduates – with Nottingham graduates strongly represented. At both the University of Nottingham and Nottingham Trent University, there are in excess of 11,000 Science, Technology, Engineering and Maths (STEM) undergraduates, with the most popular subjects being biological sciences, medicine and related fields and engineering and technology. In further education there were some 38,000 enrolments in Nottinghamshire colleges across engineering and manufacturing technology; health, public services and care; science and mathematics in 2007.

The STEM footprint brings an enormous range of potential education and training routes and ultimately employment paths into scope.

Employment and Skill needs for supporting Science City have been tackled by developing a clear strategy either by closing gaps or initiating skill development programmes. A number of themes have been explored included getting young adults engaged in science, also encouraging adults interest; support for teaching and tutors; promoting science careers and progression paths and matching provision to how the economy might develop.

The key outcomes have been:

- An agreed delivery plan for Skills and Employment
- A directory of relevant existing initiatives in relation to education, employment and skills as a basis for a mapping exercise to identify gaps in provision and areas of potential overlap
- Development of key projects within the Delivery Plan
- A component of the Science City website developed to disseminate information on activities and events in relation to education, employment and skills

Learning from Science City will be an important dimension of addressing Higher Skills across the Nottingham and Nottinghamshire economy. It will also be an important feature of work on growth sectors outlines in priority 2 earlier.

In addition, two broad action themes may continue to be of value from the Skills for Growth White Paper.

Promoting skills for economic prosperity

- Added emphasis will be given to train people in advanced vocational skills at Level 3 & 4, alongside higher education.
- A national scorecard to measure the impact of the skills system will be adopted that includes employment and other outcomes, not just qualifications. (UKCES)

Expanding Apprenticeships to build a technician class

- Doubling advanced apprenticeships places for young adults over the next two years.
- Build stronger pathways into higher education for apprentices, through mechanisms such as New University Technical Colleges and an Apprenticeship Scholarship Fund.

Promoting Enterprise

Developing a more enterprising culture is a significant element of building a more adaptable economy, particularly where there is legacy of an employment base dominated by large firms in traditional industries. This is important both to use enterprise as a tool to create new jobs but also to encourage more enterprising behaviour across the workforce.

There are a number of important programmes now underway that seek to tap into latent enterprise in disadvantaged communities. The Local Enterprise Organisation (LEO) is a programme in operation across Mansfield and Ashfield developing approaches to get aspiration and enterprise into employability programmes. This has enabled a very flexible approach to delivering enterprise activity in local areas, and this flexibility has created a real sense of innovation. Hard statistics show that

programmes such as LEO have achieved successes and rates of enterprise growth above that of other areas. The real change needed in local communities however, is a cultural one, and this is much more difficult to evidence. 'Social capital' is a key softer outcome of the programme, and business coaches take a tailored approach to working with different client groups.

Alongside this, Ashfield School won the regional round of the Enterprising Britain competition in 2009. In 2003 the Ashfield Skills Centre project was launched to respond to the needs of the local area; bringing together young adults, employers, enterprise agencies and the wider community. This £7million project at Ashfield School provides a bridge between education and enterprise linking learning with the real world through partnerships with local industries.

In Nottingham City, enterprise is being developed in disadvantaged communities through the enterprise ecologies programme. The central thrust of the ecologies approach is that areas are likely to experience different combinations of deprivation, thus different types of support should be applied rather than one standard approach. This could enable specific themes to be given an emphasis over others as being more relevant and have a greater chance of success. Inner City areas, Social Housing Areas and Industrial Areas in Transition are all being examined to find out in practice what package of action works best. Initial results are very encouraging and the approach is likely to be transferable to other areas of the County.

Enterprise in Higher Education features prominently in both Universities. The University of Nottingham was named 'Entrepreneurial University of the Year' at the prestigious Times Higher Education Awards 2008. The judges praised the 'breadth and depth' of its entrepreneurial activity and said the University was 'committed to nurturing the most enterprising and globally-minded graduates in British higher education'. The award citation notes that under the auspices of the University's Institute of Enterprise and Innovation (UNIEI), Nottingham offers 'one of the largest and most highly developed entrepreneurship education programmes in Europe'.

The Hive is Nottingham Trent University's purpose-built enterprise development centre. It supports the creation of new businesses as well as fostering the delivery of entrepreneurship education into the curriculum across the University. The Hive@Mansfield is The Hive's outreach project to the north of the county linking with the I-Centre, part of a network of Innovation Centres which now has EU accreditation. We have supported a team of students from Nottingham Business School and the School of Art, Design, and the Built Environment at NTU to participate in the FLUX National Student Enterprising Competition, an annual inter-university competition.

The Enterprise Academy approach will be evaluated and learning captured so that it can potentially be mainstreamed in the future. The sustainability of programmes like this is vital to turning around the longer-term aspirations of our communities. There are potentially missed opportunities in programmes where self-employment is not offered as an option, and in diploma delivery. Young adult's aspirations should also be on becoming employers themselves, rather than just employees.

We will

- **Promote a focus on high quality vocational training to grow and attract a more knowledge intensive economy and ensure it is served by a skilled workforce;**
- **Support Nottinghamshire as a net importer of graduates;**
- **Encourage the development of enterprise skills and capability across the workforce and an innovative Nottinghamshire economy.**

Strategic Priority 4 – Employment for All

“Supporting young adults and other potentially vulnerable groups to succeed.”

In order for us to achieve our vision of delivering long term sustainable employment and business growth driven by a first class skilled workforce, we recognise the need to address the inequalities around employment and income levels across Nottinghamshire. Employment and economic inclusion has been a key priority for us since our inception. This activity has dominated the agenda and we now aim to balance the drive for Employment for All against other strategic priorities. Nevertheless, the scale of the challenge and its importance to developing economic and social well being is still extremely important.

We have delivered the Department for Work and Pension’s City Strategy Programme since 2006. This programme represents a new partnership between the Government and sub-regional areas, which aims to articulate local priorities concerning higher levels of employment and lower levels of economic inactivity. Our first phase focused on our development and on our Making the Connection programme; as well as developing our understanding of the needs of the most vulnerable groups.

Our Making the Connection programme was seen as an early success, as it effectively connected the needs of employers to the employment of disadvantaged groups- in an easy to understand manner. The partnership between Jobcentre Plus, the Learning and Skills Council and the Local Authorities pre-dated and provided a firm foundation for integrating the employment and skills offer. Community engagement and pre-employment skills development continues through other services funded by the partners, and is located in priority communities.

The second stage of our City Strategy programme involves building on previous success and developing new activity across three strategic elements:

- Expansion of geographical coverage so that good practice can be embedded across appropriate areas of the County;
- Maintaining a focus on vulnerable groups; and
- Developing our relationship with central government by jointly commissioning services that aim to support more people to find and stay in employment.

Expansion of Geographical Coverage

Geographical pockets of extreme disadvantage exist in many areas of the City and also parts of the County. To address these issues we will work with, and support, locally responsive activities which add value, as determined through dialogue with all local stakeholders and through Nottingham City and Nottinghamshire County Council’s Sustainable Community Strategies. We will advocate for local flexibilities in the sub-regional investment plan for economic development, the regional skills priority statement and with national government. In consultation, Gedling Borough Council pointed out the need to address sub district geographies such as Killisick

ward which had the second highest unemployment rate within Nottinghamshire at 7.8%, (March 2010) almost twice the regional and national average. Rushcliffe, with generally high levels of educational attainment and employment levels has some pockets of disadvantage which need addressing as well a significant level of youth unemployment which is twice the national average.

Maintaining a Focus on Vulnerable Groups

If the headline statistics regarding economic inactivity for Nottinghamshire are analysed a number of key groups emerge, which reflect the nature of disadvantage across the county. These are:

People with Health Problems

There are more than 50,000 people of a working age in Nottinghamshire who are in receipt of health related benefits. Jobcentre Plus statistics show that 46% of those claiming Employment and Support Allowance (formerly Incapacity Benefit) cite mental health problems as the primary cause. Further analysis shows a large number of claimants also have secondary mental health problems. Tackling health inequality is the top priority for our local NHS trusts and it is well recognised that health inequalities correlate highly with poverty and unemployment. At its most severe this means that people living in areas of high benefit levels are likely to have significantly shorter life expectancy. Partners from the NHS are working closely with us to design holistic services to help people with health problems find and sustain employment.

We recognise that early intervention in the workplace is also a key element in tackling the issues of health and work. We will implement a Nottinghamshire Fit for Work Service, which will take a dual approach towards retaining people in employment by working with individuals and employers. For individuals it will focus not just on sickness absentees but also with those identified as having a health problem, which impacts on their performance at work. The model includes a support service, targeted at small to medium sized businesses, which raises awareness of health and wellbeing at work. This is seen as a business engagement function to refer on to more comprehensive business support.

Young Adults

During 2009 there has been growing concern regarding the number of young adults claiming Jobseeker's Allowance. Approximately 33% of adults claiming unemployment benefit in Nottinghamshire are aged 18-24. Analysing the youth unemployment figures highlights both a high proportion who have low skills and at the same time, a growing number of graduates without work. The national response, known as "The Young Persons' Guarantee", has been implemented across Nottinghamshire and includes large Future Jobs Fund projects sponsored by ONE Nottingham (the Local Strategic Partnership for Nottingham) and the Nottinghamshire Partnership.

We recognise unemployment amongst young adults who have a range of skills as being of critical importance. It supports the short term actions taken through the Young Persons' Guarantee and Future Job Fund implementation to lessen the impact of the recession on young adults. We will build on the investment made by looking at

longer term measures to achieve sustainable employment. We see the role that employers can take in shaping the future skills of young adults as key and will seek to maximise this impact through dialogue with the emerging planning arrangements for 14-19 training.

By working with our partners, we have the potential to develop co-ordinated campaigns to motivate young adults and facilitate better informed career choices linked to opportunities presented by the local economy.

Black and Minority Ethnic Groups

There is a considerable gap in employment rates between the Black and Minority Ethnic (BME) and white working age population in Nottingham City: the white employment rate is 67.8% per cent compared to the BME employment rate of 52.4% per cent, which creates an overall employment gap of 14%. The BME employment gap nationally is 15.8%.

Our research for the City Strategy evidence base identified the need for a twin track approach that looks at the barriers to employment and training for BME communities against a series of pro-active employer-led measures, which could increase the opportunities available. The elements of our focus on BME employment are:

- Promoting an active outreach approach that engages individuals within their community, which should be truly peripatetic rather than office based. The voluntary and community sector have a strong role to play in developing innovative approaches;
- Providing high quality information, advice and guidance; including bi-lingual advice. This can improve access to publicly funded training and employment services e.g. increasing the take up of apprenticeship programmes by young adults and promoting entrepreneurial behaviour, including self-employment;
- Increasing the availability of English as a Second Language (ESOL) lessons, including for those in low skill and low paid employment that does not reflect their true abilities. We will promote ESOL which has a particular focus on the language of the workplace. We will also support a drive to increase the literacy and numeracy levels of our local ethnic communities;

We will support employers to improve their recruitment and retention of minority ethnic workers and will help companies to recognise the business case for diversity. We will expect public sector partners to show leadership by using procurement as a lever to increase the ethnic minority employment rate. We also expect public sector partners to provide appropriate training to their frontline staff in order to improve the perception of those agencies and the outcomes for BME customers;

Low Skills

According to the latest available figures, the Nottinghamshire area has the poorest level 2 outcomes in the country both at age 16 (45.9% in 2004/5) and at age 19 (57.8% in 2003/4). Although there has been an increase in post 16 participation, retention rates remain poor leaving city employers to recruit extensively from outside the city. Action to address these issues features in other plans, and needs to make a

significant impact on the flow of new talent which is required if we are to meet the skills needs of the future and progress Nottingham's economic prosperity. These factors further compound the issues facing the partners as they attempt to raise skill levels to meet labour market demand.

Nottingham has a large number of adult residents with low skills and no qualifications, particularly in the inner city and outer-estates: 40.9% of Nottingham's population hold below level 2 qualifications. Indeed there are more people with level 2 qualifications leaving the workforce than joining it, according to local LSC research. National statistics show that outcomes for those with low skill levels have not improved, unlike other priority groups, from the overall increase in the numbers in employment. For this reason people with low skill levels will be a priority of the Nottingham strategy. The Working Nottingham Plan has identified the importance which low skills has in contributing to significant deprivation and is a critical contributor to child poverty.

We have developed a significant relationship with the Department for Work and Pensions (DWP) during the implementation of the national City Strategy programme. The Government, via DWP, is keen to test a devolved approach towards tackling unemployment and via co-commissioning, we are engaging in the second of three levels of their 'localisation strategy' and investing £900,000 in the Nottinghamshire Jobcentre Plus Support Contract. This is a major element of our partnership's response to trying to reduce the overall amount of Long Term Unemployment and mitigating the effects of the recession. Success will be measured by reductions in the Job Seekers Allowance caseload.

There is now a very extensive range of new and existing mainstream provision available from nationally funded programmes for tackling worklessness and raising skills. The Skills Funding Agency and Jobcentre Plus have worked hard to describe a "Customer Journey" showing what support is available to individuals at different stages of unemployment. Discussions with providers indicates that partners can make most impact by adding value to this provision, filling gaps where identified but above all providing local market intelligence about where opportunities to make an impact are available and how programmes can be joined together. Simplified funding streams and reduced levels of funding should make it easier to map what exists and eliminate wasteful and confusing duplication.

We will

- **Ensure the right support is in place for young adults aged 18-24 to contribute to the Nottinghamshire economy;**
- **Tackle the cause and effect health has on employment and economic inactivity across Nottinghamshire;**
- **Ensure access to employment and skills opportunities for vulnerable adults including black and minority ethnic groups;**
- **Increase the competitive advantage of local industry by encouraging businesses to recruit local people and develop their workforce.**

Delivery, Review & Evaluation

We are not a statutory organisation. We seek to develop collective priorities by a balanced representation from employers, funders and providers of employment and skills services and through listening to what employers are saying about their needs. Effective partnership working is key to our success. We seek to bring our influence to bear on all the resources devoted to employment and skills across the full range of agencies. In doing so, we will try to ensure that these meets the needs of Nottingham and Nottinghamshire businesses and individuals.

An **Advisory Board** consisting of a senior group of officers now advises us on its strategic priorities, supports us in our role and coordinates the delivery of the priorities identified from our activity. The Advisory Board acts as a senior secretariat and its role includes accountability for managing formal relationships that we have identified nationally, sub regionally and locally - particularly on the commitment of resources and the overview of performance.

A series of measures are proposed to assess how successfully Nottingham and Nottinghamshire is “**Working and Skilled**”. These measures describe a healthy labour market that will enable us to achieve our vision. Individual partners have their own lines of accountability and have targets for some of these measures. We will support their achievement but we will monitor these indicators to ensure our collective impact is achieving its full potential and **challenge** where it will add value.

A two year rolling **Implementation Plan** will be monitored, which highlights the key areas of action in order to deliver our four strategic priorities. We will measure the progress made on a routine basis and update our activity accordingly. Regular progress reports will be presented to us reviewing progress on key activities.

We will

- Draw up a work plan with performance targets and milestones
- Establish a review process and calendar.
- Formally consider the policy landscape as it emerges from the new Coalition Government.

Appendix 1- Terms of Reference

1. Introduction

- 1.1. The Greater Nottingham Employment and Skills Partnership was formed in September 2004. In May 2009, after a request from the Alliance Employment and Skills Board for the GNESEB to consider a merger, the new Nottinghamshire: City & County Employment and Skills Partnership was formed.
- 1.2. The partnership brings together a range of private, public and third sector organisations, for the common purpose of improving the skills and employment opportunities of people across Nottinghamshire; helping to reduce local poverty and raise aspirations. The partnership also aims to coordinate effective support to businesses and develop a local workforce whose skills meet the requirements of employers locally. Finally, the Employment and Skills Partnership supports a vision of creating a highly competitive local economy.
- 1.3. The partnership is led by the Nottinghamshire: City & County Employment and Skills Board.

2. Purpose of the Nottinghamshire: City & County Employment & Skills Board (ESB)

- 2.1. The purpose of the ESB is to provide a forum whereby partners meet to discuss issues in order to: inform each other's strategies and plans, develop a collective understanding and seek to ensure that funding is targeted to meet identified priorities.
- 2.2. The ESB organises its business across two main roles:
 - **Leading change** - by challenging current thinking and resolving issues in order to improve opportunities for finding, staying and succeeding in work and for employers to benefit from better skilled workers. The ESB includes a significant representation from local employers, who help shape local services that are responsive to local labour market needs.
 - **Developing collective priorities** - to improve employment levels, particularly amongst groups who find it hardest to find or stay in work. At the same time the ESB directs activity aimed at giving local people the opportunity to develop skills and access opportunities at a higher level, which match the needs of local employers. This will ensure that the Nottinghamshire economy benefits from the improved productivity of businesses, which are able to compete more effectively in national and international markets. The ESB develops its priorities by having a balanced representation from employers, funders of employment and skills services, and providers of

those services. In addition the ESB Partnership focuses on regular opportunities to consult with employers, individuals and agencies who bring expertise and advice.

- 2.3. For both roles the ESB has developed *valuable* relationships at national, intermediate and local levels; ensuring the priorities that are established by the ESB work well with employment and skills plans elsewhere. The ESB reviews the effectiveness of its relationships on a regular basis and encourages representatives from other areas to bring positive challenge and expert contribution. This helps the ESB evaluate its position and improve its plans (see section 3.1).
- 2.4. The ESB acts as the key forum for the employment and skills partnership it leads, by demonstrating trust, creative thinking, flexibility and cooperation. It maintains an open door for anyone who feels they can contribute to ESB's two main roles.
- 2.5. The ESB will influence, and be influenced by, forums or organisations that are responsible for issues that relate to employment and skills such as Enterprise, Business Support and the provision for those aged 14-19.

Accountabilities

- 3.1. Ultimately the ESB is accountable to itself. It sets its own areas of responsibility to- through its leadership and position- achieve its aims successfully. In order for the ESB to evaluate whether its responsibility is being carried out successfully it has several formal relationships with key organisations:
 - **Nationally** (for example with **the Government** to get the best support for local employment and skills activities from national employment and skills priorities and to influence national policy- particularly through the **DWP City Strategy** programme);
 - **Regionally** (for example with the Regional Development Agency –**EMDA** to get the best support for local employment and skills activities from regional employment and skills priorities); and
 - **Locally** (for example with **ONE Nottingham (the Nottingham City Local Strategic Partnership)** and other partnerships who have established employment and skills as a priority (i.e. **Nottingham City's** Local Area Agreement), which the ESB can work with cooperatively.

Appendix 2- Glossary of Key Terms

An A-Z glossary of terms, abbreviations and acronyms.

CLG

Communities and Local Government is a Government Department working to create thriving, sustainable, vibrant communities that improve everyone's quality of life.

Connexions

Connexions targets young adults 13 -19, living in England seeking advice and guidance. It also provides support up to the age of 25 for young adults who have learning difficulties or disabilities (or both).

Community and Neighbourhood Renewal Strategy

Community and Neighbourhood Renewal Strategies are produced by Local Strategic Partnerships in areas in receipt of regeneration funding such as Working Neighbourhoods Fund. These strategies provide the strategic aims and targets for tackling deprivation.

DAF

Deprived Area Fund – a Department for Work and Pensions funding stream which has now ended.

DIUS

Department for Universities Innovation and Skills is now part of the Department of Business, Innovation & Skills (BIS).

emda

East Midlands Development Agency

ESB

Employment and Skills Board

ESF

The **European Social Fund** was set up to improve employment opportunities in the European Union and so help raise standards of living. It aims to help people fulfil their potential by giving them better skills and better job prospects.

ESA

The **Employment and Support Allowance** is a new benefit replacing Income Support (paid on incapacity grounds) and Incapacity Benefit. It is a new way of helping people with an illness or disability move into work, rather than stay on benefits. Employment and Support Allowance was introduced in October 2008.

FSB

Federation of Small Businesses

GOEM

Government Office East Midlands

GNP

Greater Nottingham Partnership

IAG

Information Advice and Guidance

IB

Incapacity Benefit

JCP

Jobcentre Plus

ISLP

Income Support Lone Parents

LAA

Local Area Agreements are a government initiative to encourage greater partnership working and delivery at a local level. Both Nottingham City and Nottinghamshire have an LAA.

LFS

The Labour Force Survey is a quarterly sample survey of households living at private addresses in Great Britain. Its purpose is to provide information on the UK labour market that can then be used to develop, manage, evaluate and report on labour market policies.

Leitch Review of Skills

Published in 2006 by Lord Sandy Leitch - UK Skills: Prosperity for all in the global economy -world class skills. Leitch recommends that the UK should aim to be a world leader on skills by 2020, in the upper quartile of OECD countries. Lord Leitch also made a number of recommendations for how that vision should be delivered.

LEP

Local Enterprise Partnerships have been proposed by the Coalition Government to drive economic development.

Local Public Service Agreements

Local Public Service Agreements were designed as voluntary agreements between upper-tier local authorities and government. The overall aim of LPSAs was to improve the delivery of local public services by focusing on targeted outcomes with support from Government.

LSP

Local Strategic Partnerships are non-statutory, multi agency partnerships, which match local authority boundaries. LSPs bring together at a local level the different parts of the public, private, community and voluntary sectors; allowing different initiatives and services to support one another so that they can work together more effectively.

MTC

Making the Connection is a long-term partnership programme, designed by the ESB, which aims to support local people into sustainable jobs. The programme has already attracted a high level of support from key partners across the city aiming to better connect our learning, skills and employability services.

NCCESB

Nottinghamshire: City & County Employment and Skills Board

NI

These are **national indicators** and means of measuring national priorities. There are 198 indicators in total which form part of the Local Area Agreement.

SFA

Skills Funding Agency – replaced Learning and Skills Council from 2010.

STEM

Science, Technology, Engineering and Maths subjects

Train to Gain

Train to gain is a **Skills Funding Agency** programme which helps business train their staff and create a more skilled workforce.

UKCES

The **UK Commission for Employment and Skills** aims to raise UK prosperity and opportunity by improving employment and skills. Its ambition is to benefit employers, individuals and government by advising how improved employment and skills systems can help the UK become a world-class leader in productivity, in employment and in having a fair and inclusive society.

WNF

The **Working Neighbourhood Fund** is a dedicated fund for Local Strategic Partnerships, local councils and communities to develop more concentrated, concerted, community-led approaches to getting people in the most deprived areas of England back to work.

VCS

Voluntary and Community Sector

Appendix 3 - Summary of the City Strategy

The City Strategy programme is a Department for Work and Pension's initiative aimed at tackling high levels of unemployment across 15 sub-regional areas. The strategy aims to test how effectively local partners can share priorities with the Government and align the delivery of local services aiming to support people sustain employment. The programme began in 2006 initially to run until 2009. The Department's subsequent enthusiasm on its Localisation Agenda was confirmed when an extension to the programme was announced, taking it up to March 2011. Many of the City Strategy Pathfinders are developing into Multi Area Agreements and others are testing new approaches to devolution.

Key aims and objectives of our Pathfinder

- To develop a countywide employment and skills framework via the Nottinghamshire ESB;
- To develop and deliver a business led strategy that can provide a robust framework for rebuilding the labour market as Nottinghamshire recovers from the recession. This includes particular focus on reducing worklessness (including disparities amongst key groups and communities), raising aspirations, raising skill levels and stimulating a more knowledge intensive higher skilled economy;
- To develop our health and work strategy (inc. proposals to support employers and their workforce- therefore contributing to the reduction of overall benefit levels);
- To continue to develop an investible proposition for Government in line with our aspirations in relation to both Employment & Skills.

Priorities 2009-11, including geographical coverage, target wards/ SOA, customer groups and rationale for these priorities

City Strategy coverage will be based on Nottingham plus a phased approach to wider influence across Nottinghamshire; with an aim of embedding successful activity piloted during the first phase in mainstream delivery across countywide target areas.

The ESB covers Nottinghamshire; however the main emphasis for City Strategy focus involves the economic area of **Greater Nottingham**, covering the local authority areas of: Nottingham City UA, Gedling DC, Broxtowe DC and parts of Ashfield DC and Rushcliffe DC. Coverage will also encompass parts of Mansfield, Bassetlaw and Newark and Sherwood District Councils.

Target locations, based on the indices of multiple deprivation cover:

We will maintain continuity with the target WARDS selected in Phase One of the CSP. These were identified as those areas with the highest concentrations of worklessness. They are:

- | | | |
|--------------------|--------------------|--------------------|
| - St. Ann's | - Dales | - Bridge |
| - Arboretum | - Bestwood | - Basford |
| - Aspley | - Bilborough | - Bulwell |
| - Radford and Park | - Berridge | - Bulwell Forest |
| - Mapperley | - Clifton North | - Clifton South |
| - Chilwell West | - Stapleford North | - Hucknall Central |
| - Hucknall East | | |

(These cover the Local Authority areas of Nottingham City, Ashfield and Broxtowe).

In addition- the next phase of the CSP will look to support mainstream activity covering the following priority areas in Nottinghamshire, which have been chosen to reflect the high levels of worklessness (a benchmark of 8.7% for IB/ESA has been used- based on the Nottingham City IB/ESA rate) and accessibility to the Greater Nottingham travel to work area:

- | | |
|---|------------------------------|
| - Mansfield (exc Leeming, Forest Town West, Berry Hill, Birklands, Meden) | |
| - Kirkby in Ashfield East | - Sutton in Ashfield Central |
| - Sutton in Ashfield East | - Kirkby in Ashfield Central |
| - Kirkby in Ashfield West | - Sutton in Ashfield North |
| - Worksop South East | - Eastwood South |
| - Killisick | - Daybrook |
| - Devon | - Castle |

Target customer groups:

IB/ESA claimants - The IB/ESA rate for Nottinghamshire is 7.3% (for Nottingham City it is 8.7%) compared to the national rate of 7.0%

Low Skills, NVQ Level 2 (and equivalent) skills - Nottinghamshire has 64.3% Level 2 and above (Nottingham City has 56.9%) compared to 65.2% nationally. Both Nottingham and Nottinghamshire have established targets for LAA NI 163- working age populations qualified to level 2 or higher. The CSP target will align with these.

BME not in employment- There is a considerable gap in employment rates between the BME and white working age population in Nottingham City: the white employment rate is 67.8% per cent compared to the BME employment rate of 53.8% per cent, which creates an overall employment gap of 14%. The BME employment nationally is 15.8%.

Local Performance Indicators/ Targets (showing link to key aims and priorities)

IB/ESA- we will aim to reduce the overall IB/ESA rate for Nottinghamshire and Nottingham City by 1%. Taking the Nottingham City IB/ESA rate to 7.7% and the Nottinghamshire IB/ESA rate to 6.3%.

BME employment rate- we will aim to reduce the BME employment gap by 2% by 2011 to 12% for Nottingham City (we will revise this target once national trajectories in the BME employment rate have been established to ensure that the rate of improvement is at least as equal to the national rate)

NVQ Level 2- we will aim to increase the Level 2 baseline by 3% by 2011 for Nottingham City- taking it to 59.9% and by 2% for Nottinghamshire by 2011- taking it to 66.3%.

Health & Work- we will establish a Nottinghamshire (inc Nottingham City) indicator for an overall reduction in sickness absence- by monitoring LAA indicator NI150 Adults in Secondary Care with a Mental Health Condition Achieving Employment and LAA NI119 Self-reported Health and Wellbeing when trend information from the new Places Survey becomes available. In addition the CSP will establish a baseline for LAA NI173 Flows onto IB from Employment, once the outcome of the application for the national Fit for Work Service pilot is known.

Appendix 4 - References

The State of Nottinghamshire 2009; Local Futures (Jan 2009)

www.nottinghamshirepartnership.org.uk

Review of Sector Working arrangements within the Nottinghamshire: City & County Employment & Skills Board; Integra Strategic Consulting (July 2009)

www.nccesb.org.uk

Driving Nottinghamshire's future: prioritising sectors; Experian (Sept 2009)

www.nccesb.org.uk

Membership of Board

As at May 2010, the Board included Members from:

Alliance Boots

Capital One

Experian

Laing O'Rourke

IKANO

Nottingham Trent University

Federation of Small Businesses

Derbyshire and Nottinghamshire Chamber of Commerce

SME representatives (2)

Nottingham City Council

Nottinghamshire County Council

Skills Funding Agency

Jobcentre Plus

Greater Nottingham Partnership

Nottinghamshire Training Network

ENABLE

New College Nottingham

Connexions

NHS Nottinghamshire County – H&SC Community Workforce Team

emda

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