

Shared Intelligence

Local Government Association Place-based employment and skills commissioning

A report from Shared Intelligence

June 2020

Contents

Introduction	2
Project method	4
The selection process.....	4
Challenges to delivering place-based employment and skills commissioning	6
Identified challenges.....	6
Future challenges.....	9
Case studies	10
Bristol: Working closely with local partners to co-produce an innovative employment and skills offer in South Bristol	10
Essex – developing a new approach and Skills Engine.....	12
Haringey – Maximising employment outcomes for Haringey residents facing health barriers to work.....	13
Reading – using data to focus and set a new skills direction.....	15
Surrey – broadening a partnership agenda around ‘hidden talent’	16
South Ribble – Supporting mental health provision in the local business population.....	18
Learning from the project and recommendations for the future	22
Learning from the project.....	24
Learning for the LGA	25
Appendix – Reading materials	26

Introduction

The Local Government Association (LGA) believes a more place-based and integrated approach to employment and skills policy and funding is required to bring together advice and guidance, employment, skills, apprenticeship and business support. This is needed to coordinate the myriad of national and local initiatives and to provide a more coherent offer for both residents and businesses. The COVID-19 pandemic has further emphasised the importance of collaboration and swift approaches for places to respond effectively to changing economic circumstances. This is a goal which sits within the wider aim of the City Regions and People and Places Board to support a more 'integrated and localised approach and for devolution to work for the whole sector', making the current skills and employment system more fit for purpose.

It continues to advocate for the national system to allow flexibility to deliver a more joined up and localised response to need. This was set out in the LGA and Learning and Work Institute's report '[Work Local](#): Our vision for an integrated and devolved employment and skills service.'

Building on this work is the experience of councils and combined authorities (CA) which shows that the current employment and skills system is far too centralised and leaves very little room for local areas to influence priorities, funding and delivery. A fragmentation of funding streams or a top down approach neither benefits the economy nor employers or individuals.

Making Work Local happen remains the LGA's ambition. They continue to call for the government to commit to establishing local pathfinders in each region. Alongside this, they are also focusing on what improvements can be made to the current system, to understand and disseminate best practice on collaboration between local and national partners and stakeholders at a local level. These stakeholders span the public, private and third sector and all have a vital role to play in the employment and skills system. This is made clear in the LGA's 2019 report '[Work Local](#): Making our vision a reality'.

In progressing this work, the LGA commissioned Shared Intelligence to build a programme of support for councils and combined authorities across the country. The primary task of this work was to help the LGA capture local conversations between partners on how they are working to deliver a more place-based and integrated employment and skills offer for residents and local businesses.

It was also intended to:

- Support councils and combined authorities (CAs) to engage relevant partners and identify ways to collaborate more effectively on this agenda while being clear about what is required to make that happen and consider how they could move towards a Work Local approach.
- Share learning and emerging findings with other interested areas and stakeholders so that more joined-up and effective employment and skills services can deliver better outcomes for their communities, residents and businesses.
- Better understand the potential benefits of a Work Local approach, bringing to light invaluable insight and ideas from the local government sector and others.
- Ensure the LGA's future work is more grounded in the ambition of councils, CAs and their local partners, the realities of the challenges they face as well as up to date workable local solutions.

The ultimate purpose of this is to help the LGA, local and combined authorities have constructive dialogue with the government and stakeholders to make the best of the current system and work towards a more locally relevant place-based commissioning approach (aligned with Work Local) in the coming years.

This document brings together a summary of the work delivered across the eight selected parts of the country. It has been written to provide a summary of the support given to each area and to promote learning and stimulate ideas for those not directly involved in the project. This project was conducted before the COVID-19 epidemic, but much of the learning is very much applicable for employment and skills commissioning that supports economic recovery.

The report sets out:

- Brief explanation of methodology;
- Summary of challenges and opportunities faced by the eight areas;
- Case studies for seven of the eight areas¹;
- Learning from the project and recommendations for the future;
- An appendix of key literature and the Work Local programme history to date.

¹ While all eight project areas engaged in the workshops for this project, we were not able to complete the support for Nottinghamshire as a result of the COVID-19 epidemic. This work will be carried out at a later date.

Project method

The primary aim of the project was to facilitate and support the sector to engage relevant partners and collaborate on place-based employment and skills initiatives. It was set up to draw out important themes, share learning and identify what changes need to be made at a local, regional and national level to enable the skills system to work more effectively. This, in turn, supported the understanding of the levers, tools and powers that exist at each level and seek to align ongoing challenges with alternative policy and delivery solutions across government.

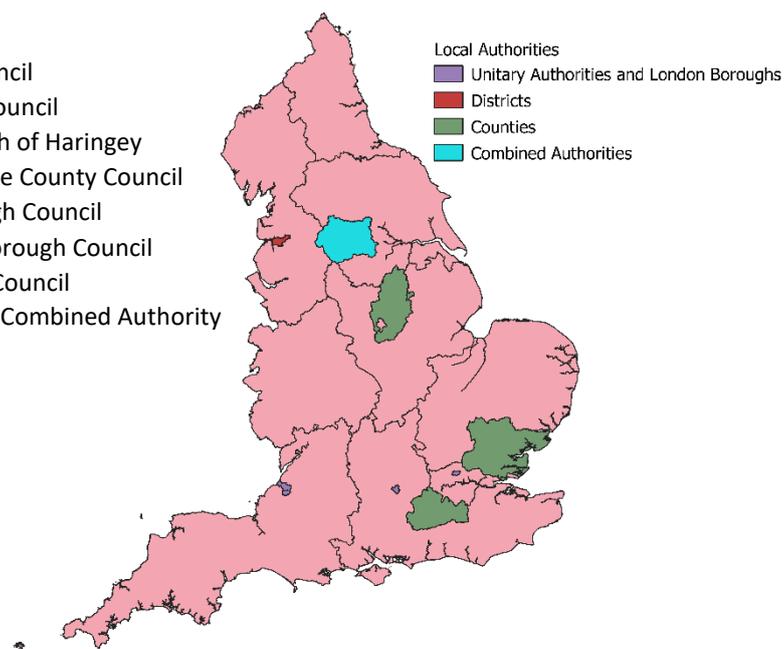
The selection process

The project started with an expression of interest (EOIs) launched through the LGA which formed the basis of a mini competition to select the areas requiring support. This resulted in 19 EOIs which were sifted on a set of criteria which included:

- Read across with Work Local
- Responding to challenges of a functional economic area
- Clear improvement need demonstrated
- Local capacity to progress
- Added value possible within programme
- Analysis available or clearly defined need
- Input or requirement for partner input

The eight council and combined authority areas were :

1. Bristol City Council
2. Essex County Council
3. London Borough of Haringey
4. Nottinghamshire County Council
5. Reading Borough Council
6. South Ribble Borough Council
7. Surrey County Council
8. West Yorkshire Combined Authority



The offer in each place was bespoke to the set of challenges and opportunities requiring support. The individual places, in dialogue with Shared Intelligence defined the support requirements which included:

- Translating national skills policy into actionable activity at a local level.
- Identifying the right governance structures and partners to deliver local outcomes.
- Facilitating conversations which benefited from an independent facilitator in order to test commitment, explore priorities or identify roles and responsibilities of partners.
- Analysing local data based on surveys or interviews with local stakeholders including employers, education providers, district councils and other parts of the public sector.
- Crafting an evidence base which truly addressed the needs of an inclusive economy.

The selected areas were brought together on three separate occasions to contribute to the overall discussion, set out their own particular employment and skills-related challenges and learn from best practice and the approach others were taking.

DRAFT

Challenges to delivering place-based employment and skills commissioning

Over the years the local government sector has experienced significant budgetary cuts, yet many continue to invest in essential skills and employment priorities, linking strategic partners to support inclusive growth agendas. This project identified the many roles played by each respective locality.

These include:

- **An employer**, and often one of the largest employers in a place, along with other parts of the public sector such as the NHS, with knowledge of the local economy and supply-side challenges.
- **A convener** of stakeholders across private, public and third sectors including Further Education (FE), Higher Education (HE) and providers of education and training and employment support. Responsibilities include NEETs and care leavers and the supply of opportunities for Raising the Participation Age which could be planned with 18-24 provision.
- **A 'go to' organisation** for local businesses for advice and support with apprenticeship schemes, connections with local providers and introductions to other businesses to support expansion plans. This is often done in conjunction with Local Enterprise Partnerships.
- **A champion** for residents and communities, many of whom face complex needs, with strong links to disadvantaged groups including through the voluntary and community sector. This often includes operational experience in delivering a successful, and expanding, Troubled Families programme for example, using case workers and co-location and support for parents through the Family Information Service.
- **A commissioner and delivery body** for skills and employment support, with an increasing number of councils offering job match services, programmes through S106 and Community Infrastructure Levy (CIL) contributions. This role extends to procurement expertise that commissions large volumes of services.

During the support offered through the programme, a number of challenges in fulfilling these functions were raised, requiring new and creative approaches by councils and combined authorities to deliver greater outcomes for local residents and business communities. These challenges were explored as part of a collective discussion with the eight places and the LGA as distilled below. New challenges have developed as a result of the COVID-19 epidemic which councils and combined authorities have responded in a variety of ways.

Identified challenges

1. Fragmented funding is leading to a duplication in some areas of support, but a gap in others.

As identified in the LGA's analysis of funding for skills and employment initiatives, the allocation of budgets and sources of funding is fragmented and dispersed. This creates challenges in navigating funding opportunities across different government departments to address local demands and draws on limited resources to bid through competitive processes.

The short-term nature of many of these programmes was also raised as a core concern. Councils work closely with their CA and LEP partners to develop a comprehensive support offer for residents and

employers. This does, however, respond to a somewhat top down set of detailed eligibility criteria and in many examples, causes an imbalance in tackling need.

Good practice demonstrated by West Yorkshire Combined Authority (WYCA) involved working alongside the Department for Work and Pensions (DWP) to map the employment lifecycle and identified where partners, including other government departments, invested funds and resources. This found that there was an abundance of support at the early stage of an employment journey, but this tapered off as residents entered employment and there was less of a focus on sustaining job outcomes. This raised challenges of supporting those individuals with their career journey, reducing the overall impact and positive steps towards social mobility.

2. Employment and skills provision must meet the needs of the local employer base.

Employers engage with different parts of the skills system in different ways with councils, combined authorities, education and training providers and Local Enterprise Partnerships all having a role to play. In times of economic challenges such as a major business closure or the current COVID-19 pandemic, councils are seen as a lifeline for businesses small and large.

Beyond their statutory responsibilities many councils see the need for regular engagement with business in their areas. Increasingly, councils are using their relationship with businesses to move beyond a 'transactional' relationship (payment of business rates, trade waste etc.) towards sharing information on employment and skills needs. This in turn is providing intelligence and local data to better inform the supply of training and qualifications. The challenge is ensuring that a cross section of sectors, business size and geographical spread can inform emerging skills needs for the new workforce.

For example, Essex County Council is taking a skills demand-led approach, concentrating on the opportunity presented in the health, social care and life science sectors to understand the skills needs of employers and to use this intelligence to engage with education providers and LEPs.

3. There remain skills system barriers for learners which prevent access and progression.

The barriers presented by the skills system and the lack of sufficient, locally relevant, careers advice and guidance continue to prove challenging for identifying pathways into employment as well as career progression. Three particular areas were consistently referenced in this project. The first is in progressing between levels two and three qualifications, the associated costs of new qualifications are borne by the learner and act as a financial barrier, prohibiting career progression. The second involves underfunding of English as a Second Language (ESOL). Even where some ESOL funding is available, through schemes such as the MHCLG ESOL for Integration Fund², not all councils are eligible to access it. This is also a significant barrier for individuals unable to gain qualifications, convert qualifications from another country and find jobs which match their skills level. The third is availability and access to up to date and relevant careers advice for all ages which is also considered to be inadequate.

These system challenges need to be tackled at a national, regional and local level to ensure progression and improve productivity. The LGA has called on the government to devolve powers to

² A new fund launched in March 2020 for local authorities to enable individuals with little or no English language skills to increase their participation in their local area.

councils and combined authorities to locally commission an all-age careers advice and guidance service.

4. Detailed local data is required to accurately target interventions and develop outcomes.

There are two main challenges pertaining to data. The first is how to ensure a consistent local view of data and the second is the use of data to develop outcomes and effective reporting against funded projects and programmes.

Firstly, cited by most as a significant challenge was the need for more granular local intelligence to inform what interventions are necessary. Many projects rely on published data but do not take into account the perspective of the communities experiencing that particular set of challenges. The work developed by Bristol City Council saw the council bringing partners together at a local level to design a programme which specifically addressed the unique set of challenges. Informed at a regional level by the CA's Local Industrial Strategy, the council identified localised skills challenges requiring attention. The council in this example is now working closely with their CA to develop a programme of support at a lower super output area.

Secondly, project monitoring naturally requires the provider of the support to track an individual's outcomes through their skills and employment journey. This can be onerous and challenging when a journey requires a 52-week sustained outcome. A partner of WYCA highlighted best practice where Reed in Partnership verified participant data directly with HMRC in order to record sustained outcomes for those entering employment. This specifically targeted those who did not sustain employment or may have had further support requirements.

5. Adult Community Learning is part of a wider skills system and should be geared to support the restructuring of the economy.

Council-run or commissioned Adult Community Learning (ACL) provision is vital in supporting lifelong learning across communities. It has long been overlooked as a building block in the local education and skills system, which could support the restructuring of local economies and provide skills for the future workforce.

ACL is perhaps one of the only tools to support residents in their first step towards entering, or re-entering, education and training. It is often the first step back into semi-formal education for many, which helps individuals build up the skills and competencies needed to gain, and sustain, employment. ACL is therefore a vital building block for a flexible and localised skills system which engages with other parts of the skills ecosystem including the further education sector.

'Adult learning can have indirect health benefits by improving social capital and connectedness, health behaviours, skills, and employment outcomes, each of which affect health. There is also some evidence that adult learning has direct positive effects for mental health.'³

As a route to achieving skills for life, it should be an essential part of addressing the 'productivity puzzle'. Given the reduction in central government funding for adult skills, participation numbers in adult learning have declined. Yet, it has the potential to deliver more with the right approach and level of resource.

³ [Local Action on Health Inequalities](#), Public Health England and UCL Institute for Health Equity

As discussed above, ACL builds basic skills and increases employability. As such, councils have a key part to play in not only delivering against a localised ACL offer but also in working across stakeholders such as FE, HE and business to ensure that a partnership approach to provision can be taken. New Directions College, Reading Borough Council's Adult and Community Learning service has begun to review its offer in relation to emerging skills needs brought about by automation, working alongside partners to reshape this offer. Local areas with devolved budgets have started to bring more coordination to the skills system and make it relevant to 'place'.

Future challenges

Overcoming these challenges will become even more important as the nation begins to understand the extent of the short and long-term unemployment brought about by COVID-19. Work has commenced in many councils and CAs to understand the implications of business closures so that new partnerships can be developed to support business recovery, survival and growth. This in turn will ensure residents have access to training support and jobs, matching skills supply with demand to ensure residents can return to work and local economies can return to greater levels of productivity.

DRAFT

Case studies

The case studies in this next chapter go into further detail on the work delivered through this programme of support, highlighting some of the specific challenges within each place. The case studies cover seven of the eight areas as the eighth area, Nottinghamshire, has yet to receive direct support beyond the group workshops. Each of the case studies cover the background to the particular challenge and opportunity, the approach that was taken and the learning from each area.

1. Bristol City Council
2. Essex County Council
3. London Borough of Haringey
4. Reading - New Directions College
5. South Ribble Borough Council
6. Surrey County Council
7. West Yorkshire Combined Authority

Bristol: Working closely with local partners to co-produce an innovative employment and skills offer in South Bristol

“South Bristol has almost 150,000 residents, including many that experience inter-generational unemployment and low incomes, and 4,000 SMEs that often feel remote from our Local Industrial Strategy. We’ve set out to connect local businesses better with education, skills, employment and business support providers, whilst also giving SMEs a stronger profile, as well empowering them to access new routes to market and peer-to-peer networks and improvements. Place based planning for a stronger community and economy is even more critical as we begin the recovery from the COVID-19 emergency.”

Jane Taylor, Head of Employment, Skills and Learning, Bristol City Council

Background

In 2015, Bristol City Council was successful in applying for UNESCO Learning City status – becoming the first Learning City in England with a strong emphasis on place based partnership and leadership across all education, skills and employment policy areas.

Through the development of a Work Local model, the council wants to improve employment, skills and workforce development opportunities. By engaging with small and medium enterprises (SMEs) to understand their future workforce needs, and working with local partner agencies, the city council is building a support offer for local residents to develop job opportunities and career pathways.

An opportunity has arisen through the West of England Combined Authority’s *Workforce of the Future* team to apply for legacy EU funding. The South Bristol Business, Education & Skills Consortium is applying for funding for a project working with SMEs. The area of focus is South Bristol. The analysis has shown that the number of individuals, aged 16-64, with no qualifications has halved between 2011 and 2018 in South Bristol. While this is welcome, the rate of growth has been slower compared with the City of Bristol as a whole.

The data also showed that while the number of jobs has risen between 2010 and 2019 in South Bristol, the growth in jobs is primarily in occupations requiring lower qualification levels (e.g. elementary occupations and process, plant and machine operatives), whereas growth in jobs generated in Bristol require higher levels of qualifications (managers and directors).

To aid with the exploration of this challenge, Shared Intelligence conducted analysis on the level of employment, qualification level and level of education in South Bristol and supported the delivery of two workshops with key stakeholders.

The approach they are taking

As a means to engage with partners to develop a funding application, Bristol Council hosted two workshops: one with employment and skills strategic planners and commissioners (including the council, West of England Combined Authority and Department for Work and Pensions as well as SME representatives), and one with local training providers serving SMEs and local communities (including anchor institutions such as colleges and universities).

The aim of convening these workshops with key partners was to explore what steps needed to be taken to address high levels of unemployment, low qualification levels and low business engagement in South Bristol. The co-design of a programme of support was the main focus of the events and partners were asked to reflect on what is working well and what could be done differently to strengthen the local economy by improving the eco-system and services for local businesses and local people.

Partners came together to build a consortium and develop a shared commitment to a local way of working on this agenda. This requires strengthening engagement with the local SMEs based in the most deprived communities by helping them access recruitment and workforce development support. This would be delivered through working with SMEs to build area and sector networks, encouraging more inclusive recruitment cultures and practices and targeting work experience, work trials and apprenticeship opportunities. It would also seek to develop a more coordinated, forward looking curriculum offer through high quality open source resources.

This in turn will help build a thriving local economy and community and, in the long-term, improve life chances and outcomes for residents.

Learning

The learning from the work across Bristol City Council and its partners relates to their detailed planning and engagement. By focusing their attention on a hyper-local geography of South Bristol, the council has engaged with partners to explore a granular level of detail around the challenges faced by both the supply and demand-side of skills provision.

By working closely with partners from an early stage, the council has encouraged a high level of understanding amongst partners and is creating an offer which meets the needs of local employers and residents. This has also enabled a 'bottom up' approach to developing the narrative as well as a compelling business case for investment.

Essex – developing a new approach and Skills Engine

Background

Essex County Council has a unique opportunity to develop its skills and employment pipeline through a new partnership approach, capitalising on the Public Health England move to Harlow, a proposed new Princess Alexandra Hospital and the development of a Science Park. This combination of significant regeneration and investment opportunity provides a strong basis to further attract health, care and life science businesses and to support the growth and development of businesses already in these sectors.

Part of the strategy to grow these sectors requires new thinking to develop the skills base and encourage life-long learning to deliver a well-skilled pipeline of local residents that can fuel and grow this part of the economy. Second to this is the need to attract talent from other parts of the country and world to support innovations and learning on a global scale. Delivering both of these outcomes will require a strong partnership approach and long-term strategic vision to promote inclusive growth and economic opportunity. This will need to build on the M11 growth corridor and its business, education and public sector links. Essex also benefits from proximity to international gateways such as Stanstead and Southend Airports and Harwich Port.

The approach they are taking

Essex County Council are exploring the overall ambition of partners across the M11 Growth Corridor, to enable a skills concordat and a long-term vision. Essex is particularly keen to build on the emerging plans across north Essex and Hertfordshire and understand the challenges and opportunities in delivering life-long learning and skills development.

The council is working closely with anchor institutions to identify the plans of large employers, mapping the asset base and developing a 'Skills Engine'. This will support local recruitment and a drive to increase higher skilled and knowledge-intensive employment.

In supporting the council, Shared Intelligence carried out some desk-research and facilitated a partnership meeting. In the desk-based work, examples of partnership structures across devolved and non-devolved administrations were reviewed, setting out the benefits and challenges of these structures and considering the detail of partnership terms of reference.

The partnership meeting itself included representatives from councils, Public Health England, Princess Alexandra Hospital, Harlow College and One Nucleus life science and healthcare partnership. It sought to understand the level of shared ambition across the partners and inform the parameters in which a new partnership structure could be created.

There were several key themes which came from the discussion including:

- Opportunities in the M11 Corridor and the role that partners can play
- Geographical complexities with opportunity to deliver at scale
- Demand-led thinking to enable skills provision to match employer demand
- Governance structures and adopting the right format to enable the vision
- Developing a new narrative for the Skills Engine to capitalise on place
- Joining up working with a shared vision being crucial for the future of the area

Learning

The learning to come from the partnership meeting included the need to capitalise on the health, care and life science opportunities while working closely with education providers to ensure that the barriers to addressing this need can be removed. This will mean that a demand-led approach will need to be adopted in order to meet the needs of employers in the future. This will be even more important as the partners transition into a post-COVID world.

Other learning included the need for anchor institutions, already present and those soon to come to the area, to develop a stronger economic presence in the local community. This was identified as an essential ingredient to develop higher levels of interest in health, care and life science professions through engagement at primary and secondary schools, increased levels of work placements, apprenticeships and internships. In addition, it was identified that there was a need for a far-reaching publicity campaign to inform and encourage investors and inward investment to the area.

Haringey – Maximising employment outcomes for Haringey residents facing health barriers to work

Background

In late 2017, the national Work and Health Programme was launched to provide employment support for people with long-term health conditions and disabilities, as well as for those who were long-term unemployed. In London, devolution of the programme has been piloted with four sub-regional partnerships each commissioning its own localised Work and Health programmes.

Haringey is a participant borough of the Central London Works (CLW) programme, as part of the regional Central London Forward (CLF) partnership. The aim for this devolved, place-based approach to a national programme, was to develop locally commissioned provision that was more aware of local need and demand, and therefore able to provide a more coherent local offer. Through devolution, while local areas have made the best of the programme, they have had to work within certain national parameters, which has impacted the way the programme has been developed.

A year into the programme, Haringey has been reflecting on a number of key challenges that are impacting the number of residents accessing this commissioned provision. These challenges include the wider complexities of the local employment support landscape, complex funding arrangements underpinning the programme (in particular European Social Fund match), and a centralised and an often-unclear referral route that requires processing through the DWP.

To respond to this, the council set up an employment and health working group, which brought together officers from partnership bodies, commissioned provision and employment providers in the borough. From the outset, it was clear that this group could potentially be refreshed to work as a powerful partnership tool to tackle the headline challenges. The understanding was that if this group could work on the immediate challenge to increase referrals into CLW, it could have a lasting impact on coordinating all work where health and employment intersect.

The approach they are taking

Haringey, supported by Shared Intelligence, convened a workshop with an expanded group of local stakeholders, building on the existing members of the employment and health working group, to consider what steps were required to strengthen all pathways towards commissioned provision. This approach would use CLW as a test case for developing a clear employment and offer and customer journey for residents facing health barriers into work.

They identified the following key steps, which will need to be taken over the next 12 months, to deliver their shared objective:

- Create a single pathway for residents to access appropriate provision in a timely manner, where residents can navigate towards the provision based on their individual needs and where benefits of commissioned services are maximised.
- Create a coherent commissioning plan which identifies need and outlines cross-agency interventions to address that need and ensure effective future commissioning and maximise impact of existing provision
- Create more robust collaborative mechanisms which allow for a sense of shared ownership and direction amongst partners in the borough and accountability

To achieve the above key steps, stakeholders recognised the need for an engine room to drive and coordinate strands of work, and to align commissioning budgets centrally. This would ensure that provision was complementary and not duplicated and was delivering against a shared understanding of need and objectives.

The aspiration for more coordinated partnership working locally is also taking place elsewhere with the Health and Wellbeing Board seeking to establish a Borough Partnership, comprised of the main providers of health and care services, residents and the Council. The partnership's aims align well with the objectives agreed through the workshop, and in particular address the priority to have a shared view of our combined health and care resource, in order that it is used to best effect.

Through the workshop, it was noted that one of the emerging Borough Partnership's priority themes was 'Live Well', which has a focus on the role that work and employment can play in improving health outcomes for those at risk of poor health outcomes, in particular people with mental ill-health, learning difficulties, autism and those with long term health conditions.

The group agreed that the above, developing Borough Partnership structure, could provide an appropriate governance framework for the work strands of the working group. This would ensure oversight, accountability and strategic focus identified as necessary to create more coherent overall pathways.

Learning

Some key learning points were identified. These included that fragmentation in the health and work agenda had caused gaps in the overall referral processes for residents into existing provision and to identify gaps in service and priority focus. Key to being able to leverage the power of partnerships is to have the ability to jointly influence funding, commissioning and resource.

With Haringey having few large employers in the borough, the Council and NHS have a key dual role as commissioners and employers, needing to lead by example as employers to provide routes into their organisations for people with health conditions and other identified disadvantaged groups.

Reading – using data to focus and set a new skills direction

Background

In early 2020, the Principal of New Directions College, Reading Borough Council's adult and community learning service, decided to begin building a broad partnership focused on the learning needs of local communities as we enter a decade in which many people who hold Level 2 qualifications will find it ever-harder to find work. This economic upheaval will be brought about largely by the automation of human roles through robotics and artificial intelligence (AI), disproportionately disadvantaging people with low qualifications. The Principal saw this as a 'Level 2 timebomb' which could leave behind a significant proportion of the local population in an economy mostly known for being hi-tech, high value, and high skilled.

The partners identified as having a shared interest in this issue were the Thames Valley Berkshire LEP, the local DWP partnerships team, Reading's independent regeneration company, and local authority economic development and skills specialists from Wokingham, Bracknell Forrest and West Berkshire.

Community Learning and Skills has a long track record of supporting the most vulnerable and disadvantaged members of our communities enabling both positive economic and societal outcomes. Whilst our services are separate, we recognise that we have a collective responsibility to deploy the Adult Education Budget resources effectively to help ensure that the digital divide is not widened by the impact of technology.

Principal, New Directions College, Reading

One of the biggest challenges that needed to be addressed was integrating decision making around adult and community learning, with other local decision-making around policy and delivery within and between local authority areas. This is in part due to the way central government funds adult and community learning which disincentivises collaboration. For instance, an adult and community learning team in one local authority area will often be working with only minimal co-ordination with their peers in other parts of the same economic area (in this case the Thames Valley). This risks missing strategic collaboration opportunities for example, the gathering of insight into the digital skills needs of employers. Locally, they wanted to change this.

In addition, despite having significant socioeconomic inequality, Reading and many other parts of the Thames Valley are often seen locally and nationally as affluent and high-skilled. This lack of a 'two-worlds' narrative, of need alongside relative wealth, (which underpins approaches in many other areas of the South East), is a further hurdle to tackling a low qualification level.

The approach they are taking

In March 2020 as part of LGA's place based employment and skills support programme, the Principal of New Directions convened a roundtable of key partners to consider a detailed evidence base (prepared by Shared Intelligence) detailing the Level 2 challenge in terms of the numbers of human job roles across the Berkshire Thames Valley area which are likely to be lost to automation.

This showed that in Reading alone there are 29,127 at-risk jobs, with the highest numbers among wholesale and retail, and service sector employers. The data also showed that in terms of individual workers, sales and retail assistants were at particular risk, as were all workers for whom GCSE level was their highest qualification.

The roundtable discussion provided time and space for partners to agree on the importance of the Level 2 issue and share details of the extent of the challenge and individual initiatives already underway. All those present agreed far more focused and concerted effort would be needed. As a result of the roundtable the Thames Valley Berkshire LEP are now planning a follow-up discussion to ensure adult and community learning is directly interwoven with the Berkshire Local Industrial Strategy and Skills Priority Statement – key documents which guide investment. Part of this will include creating a stronger narrative about the inequalities that exist in the Thames Valley especially around skills, and the 29,000 jobs at-risk due to automation. DWP also agreed to look at how the National Retraining Scheme will be implemented locally to ensure this too reflects the Level 2 challenge, in particular individuals with complex needs.

Partners began exploring issues around digital skills and whether the adult learning offer is keeping pace with what employers require. For example, one borough knew of an example where someone had taken a job at Ikea but quit soon after because they could not use a tablet device (a key requirement of that role). Partners had begun to question the relevance of a ‘digital skills’ adult learning offer based around Microsoft Office products, in the context of current workplace technology needs.

They also considered the challenge of obtaining sufficiently detailed insight from local employers about their evolving digital needs. Partners were also able to share examples where the skills offer was pre-empting employer needs, e.g. around electric vehicle maintenance and personal social care skills for working in a telehealth environment.

Learning

The key learning from the Reading work has been the power and potential of locally relevant data (as opposed to broad UK data) to create a shared understanding of the challenge and stimulate joint action. Coming together around a particular challenge to discuss local solutions has been central to developing this understanding.

The Reading example also serves to share learning among others about the need to connect sub-regional policy and strategy (in this case those led by the LEP) with locally determined strategies. The two were not contradictory but connecting them will enable strategy to be delivered through a greater number of local levers and agents.

Surrey – broadening a partnership agenda around ‘hidden talent’

Background

One of the priorities of Surrey County Council’s Employment and Skills Board is to develop local solutions to help Surrey employers meet skills gaps by engaging with ‘*hidden talent*’ – workers who can make a valuable contribution but face barriers to employment e.g. care leavers and people with physical and cognitive disabilities. This agenda has been championed by one of the board partners, the CEO of a county-wide youth charity. This charity has undertaken a survey of employer views which has become a key tool for growing this agenda. The survey showed that most firms employing people with learning disabilities believed it was making their business a better place to work and was also good for external relationships with customers and stakeholders.

The approach they are taking

The lead officer supporting the employment and skills board is now seeking to broaden support for the '*hidden talent*' agenda among more of the county's employers and go beyond 'doing their bit' or 'giving back' to a route to business advantage in its own right.

The goal is for more Surrey employers to understand the contribution of *hidden talent* and for that to be reflected in their recruitment and operations.

The employment and skills board therefore decided it would be useful to gather evidence and best practice from beyond the county, of companies proactively recruiting hidden talent to achieve competitive advantage.

The board also decided to narrow the focus specifically to workers with cognitive disabilities and their role in the service and knowledge economy sectors – to fit with a specific area within Surrey's economy which is seeing increasing skills shortages. This part of the agenda – often referred to as 'neurodiversity' – has received increasing attention especially since the publication by UK music publisher Universal Music in early 2020 of "Creative Differences: a handbook for embracing neurodiversity in the creative industries"⁴.

As part of the support provided to Surrey through the LGA support programme, Shared Intelligence undertook a rapid literature review dealing with cognitive disabilities and employment to illustrate the commercial and competitive benefits of building neuro-diverse teams. The research found evidence of the economic potential of *hidden talent* groups from the perspective of employers, in a language which was compelling to employers and focused on the contribution of hidden talent as an asset.

The results of the literature review supported many of the findings from Surrey's original employer survey: that businesses gave performance, productivity, customer satisfaction, attendance and retention as the highest-rated reasons for employing staff with cognitive disabilities, and that they also contributed positively to an organisation's public image. The literature review also found evidence of net savings to the public purse and society, when more people with cognitive disabilities were employed.

Building from this literature review, an accessible slide-deck was created for the Surrey employment and skills board to use to broker new conversations with employers and build support for the hidden talent agenda.

The slide-deck summarises the literature to demonstrate there is depth of evidence underpinning the *hidden talent* agenda, but also highlights practical examples of major firms who have actively sought to build neuro-diverse workforces because of the business advantages this provides.

Learning

Key to Surrey's promotion of this agenda has been the partnership between the Surrey Employment and Skills Board members and a lead officer with a shared view of the potential of *hidden talent*. Between them, they have identified a compelling challenge which can be clearly articulated, and which fits with the specific shape and needs of the Surrey economy.

Although the existing Surrey survey data was a useful tool, the arguments benefited from being broadened out to encompass evidence and examples from beyond Surrey to demonstrate to new

⁴ <https://www.umusic.co.uk/Creative-Differences-Handbook.pdf>

partners the economic benefits of employing hidden talent and that this is not just a local agenda but part of a larger set of issues being recognised and championed globally by both small and large employers.

This particular set of issues around *hidden talent* is an important example which shows how economic inclusivity needs to be considered more widely and beyond opportunities within low-wage roles or those requiring low qualifications.

South Ribble – Supporting mental health provision in the local business population



Background

Mental health is an issue which is becoming increasingly prominent. These conditions can be caused by a variety of systemic issues, including stress, discrimination and financial concerns, among other things. The result is a marked effect on those who suffer, often impacting the ability to attain and maintain employment. For those who do maintain employment, there is often an issue around presenteeism and a resulting reduction in productivity in the workplace. Overall, research has found that mental health conditions have a £35 billion impact on employers per year in the UK⁵. Mental health is an issue in both South Ribble and Lancashire, with around 15 – 16 per cent of those over 16 years of age having a common mental health disorder. This has therefore been identified as a major contributor to the regional productivity gap, and a significant issue to solve.

Both South Ribble and Lancashire are particularly interested in tackling these issues, and have developed partnerships with relevant stakeholders, including local businesses, the Clinical Commissioning Group (CCG), the NHS Innovation Agency and others. These partnerships will be used to feed into a county-wide and South Ribble improvement strategy in mental health awareness and support and will assist in raising awareness of mental health conditions amongst local businesses.

The challenge faced stems from the varied and often confusing nature of mental health support on offer, which can dissuade local businesses from offering appropriate and complete support to their employees. The impact of this is that some businesses, particularly SMEs struggle with finding appropriate provision for their workforce. A further issue is limited awareness of the impact of mental health on the workforce, and the corresponding impact on productivity.

Therefore, the aim is to have a local response to addressing mental health, helping to get people with mental health concerns into employment and ensuring that there is sufficient mental health support provision in workplaces to maintain employment and productivity and to reduce presenteeism.

The approach they are taking

The approach to improving the mental health provision in Lancashire is being carried out over multiple stages. The first stage is the creation of a report on mental health which identifies issues and makes recommendations on how to improve the provision for businesses in Lancashire.

⁵ https://www.centreformentalhealth.org.uk/sites/default/files/2018-09/CentreforMentalHealth_Mental_health_problems_in_the_workplace.pdf

While the final recommendations will be discussed at county level, the report will be focussed on South Ribble as a broadly representative part of Lancashire. The initial work needs to ensure that South Ribble is sufficiently representative of Lancashire in several key areas, including population, labour force projection, employment across sectors and deprivation. This 'insight report' by Lancashire County Council (which can be accessed at <https://www.lancashire.gov.uk/lancashire-insight/>) found that South Ribble was representative of the Lancashire area in all comparators except deprivation, however, this difference was deemed small enough for South Ribble to be broadly representative.

The next step of the process was to map the mental health provision, both public and private, to determine how many schemes are available to employers, and the specific offer of these schemes. This involved grouping the mental health offer by different types to identify where the offer is primarily targeted.

Finally, a survey of businesses was carried out to determine whether businesses had mental health support, what type of support they offered to their workforce and whether they would want to provide more support. This survey showed that, in general, businesses are very receptive to mental health support. While around a third did not have mental health support, many were willing to increase their support if there was an easy and accessible option to do so.

These outputs were then used to develop a report on mental health provision in South Ribble for presentation and discussion at two workshops which the council hopes to hold in the near future. The first workshop is planned for South Ribble Council and the South Ribble Partnership to develop an action plan for further work on mental health provision in the Borough. The second workshop would be at a Lancashire level, working with partners including the LEP, Job Centre, the Clinical Commissioning Group and private businesses.

Taking these discussions further and ensuring that achievable actions are developed and undertaken will be an essential next step in the process, following the recommendations proposed in the paper, including better signposting, the creation of a Lancashire mental health charter, and raising awareness of mental health to ensure those with mental health conditions are not stuck outside of the workforce.

Learning

The collaborative working of the South Ribble partnership and the Lancashire Mental Health to Businesses (MH2B) Building Blocks Partnership has allowed South Ribble to be a representative sample of the wider Lancashire area, meaning that the focus on the development can be on a much smaller area, with recommendations able to be rolled out over a larger area.

Another key piece of learning from this has been the need to engage and collaborate with businesses, public sector organisations and others to identify potential issues in local areas which may not always be reflected in all of the available data. This is particularly relevant for South Ribble as there is comparatively high employment rates which masks systemic issues around mental health and presenteeism.

West Yorkshire Combined Authority – integrating a local approach to skills, employment and health needs

Background

The Future-Ready Skills Commission includes membership from a wide range of leading thinkers from education and business. The independent Commission is supported by the West Yorkshire Combined Authority (Combined Authority) to inform its journey towards a devolution deal. The Commission was established to design a post 16 skills system that addresses the challenges.

“Helping our people to develop new skills relevant to the changing labour market and understand what opportunities are available will be vital as we work to help the region recover from the impact of COVID-19. The Future Ready Skills Commission, which I chair, is creating a blueprint for a devolved skills system for the UK, where people have the information they need to make the right choices about their careers. We look forward to working with the Government to explore its recommendations as part of the West Yorkshire devolution deal signed in March.”

Cllr Susan Hinchcliffe, Chair of The Future Ready Skills Commission

On the journey to securing a devolution deal for West Yorkshire through the work of the Combined Authority and its partners, the Future-Ready Skills Commission (<http://futurereadyskillscommission.com/>) was established to design a skills system that could meet the challenges of the changing economy. It addresses economic shifts such as Artificial Intelligence and Automation, the rise of the gig economy, changing work patterns and a much-needed shift to a low carbon recovery. The Commission’s final report will be published in Autumn 2020 and is considering the post-COVID recovery as one of the place-changing factors.

The Commission defined ten core priority areas in which action is required to support the economy. Looking at regional, national and international evidence, it identified a highly centralised skills system being a barrier to policy development and perpetuating a fragmented funding landscape. Its approach has been to create a ‘Blueprint for a devolved skills system’, making its work and findings relevant at a national level. The Commission considered how this work could inform other places also grappling with a similar set of challenges.

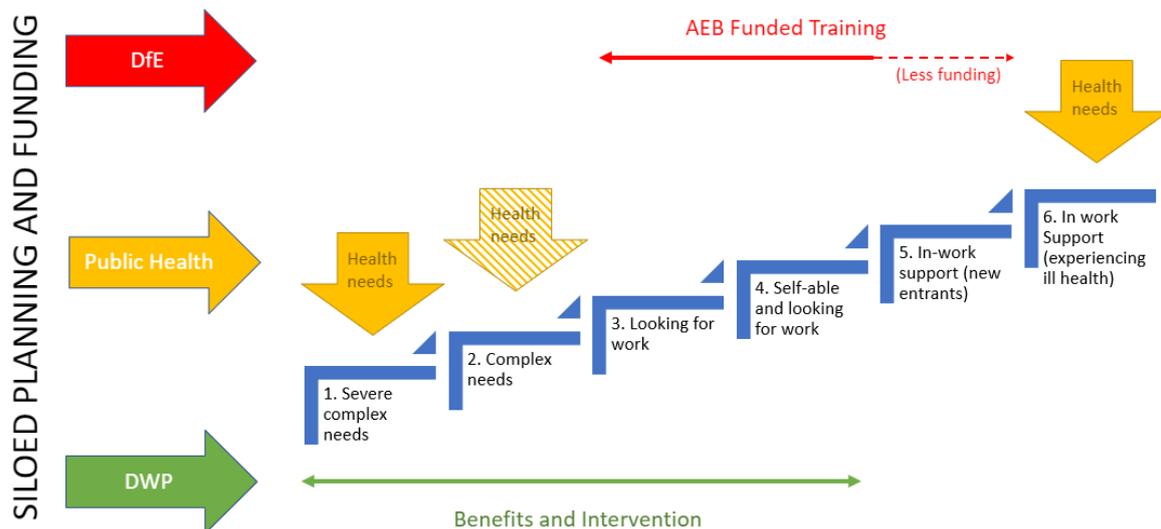
‘10 things’ that need to change have been identified in the work of the Future-Ready Skills Commission. One of these core priorities became the basis of this case study, which relates to the integration of skills, employment and health needs.

The approach they are taking

Since October 2019, West Yorkshire Combined Authority has been engaging with stakeholders on the local approach that needs to be taken to join up skills, employment and health in order to support progression to work and sustained employment. Roundtables, workshops and a series of stakeholder discussions were held over a 6-month period to take forward local thinking and collaboration while engaging with partners to understand roles and responsibilities.

The work explored how skills and employment provision could ensure that better outcomes could be delivered for local residents. This included mapping out the interventions that support individuals returning to and sustaining employment depending on their distance from the labour market and

considering a ‘customer journey’ developed by local Department for Work and Pension’s staff, which comprises of 6 stages: 1. Severe complex needs; 2. Complex needs; 3. Looking for work; 4. Self-able and looking for work; 5. In-work support (new entrants); and 6. In-work support (experiencing ill health).



The support from Shared Intelligence included the facilitation of a workshop with a diverse group of 20 partners to explore what activity needed to happen at a local, regional or national level in order to support devolved funding and responsibility. This workshop brought partners together from government departments, education and training providers as well as council and LEP representatives. All of the participants had active involvement in the skills, health and/or employment space and many supported individuals with health-related needs.

A number of actions were identified at a national, regional and local level using a framework of four core dimensions:

- Governance – considering the roles and responsibilities of each of the parties
- Funding – considering the approach to the current funding perspective
- Data – an essential part of evidence-based decision making
- Coordination – which will yield improved benefits for skills and health

Learning

Bringing together institutions spanning the employment and skills landscape and combining with partners across health enabled a whole-system view of the skills system. It identified commitments from partners to set out what each partner would do differently or in a more joined-up way. This included best practice examples of using, and access to, data as well as data sharing protocols.

Of benefit to the Combined Authority was independent facilitation. This enabled the Combined Authority to be a part of the discussion, as opposed to leading it, thus enabling a more rounded debate on actions required at a national, regional and local level.

Since supporting the Combined Authority through the LGA programme, it has agreed a devolution deal with government which includes supporting local skills needs to improve levels of productivity as well as the inclusivity agenda.

Learning from the project and recommendations for the future

The roles played by councils and CAs in supporting positive employment and skills outcomes comes from their detailed local knowledge of their local communities. While not able to control all of the moving parts, the council or CA is unique in its ability to convene partners across employers (public, private and third sector), training and employability providers, government agencies and the rest of the public sector.

This is likely to become more intense as we begin to understand the full extent of the post-COVID-19 position, the country's path to economic recovery and the role that councils and combined authorities will play to ensure positive outcomes for residents into jobs and new skills pathways.

This section of the report reflects the learning from councils and CAs and identifies actions that can be delivered at a local, regional and national perspective to support place-based employment and skills commissioning.

Flexible place-based funding and more local decisions are required

A consistent challenge identified through the project was that skills and employment programmes are often time-limited, fragmented, inflexible and nationally driven. This disincentivises collaboration. Despite this, this project has shown how councils and combined authorities can work together, and across a wide range of partners such as LEPs, health and employers to find solutions, but it is more time consuming and resource intensive than it needs to be. Councils have a deep knowledge of their locality and CA's are able to bring in perspectives across a wider geographical footprint. By gaining more flexibility in the use of funding and allowing local democratic and accountable decision-making, efficiencies can be gained and need met more appropriately.

Actions:

Councils	<ul style="list-style-type: none">• Map out local provision and cross reference with a detailed evidence base of need to identify gaps.• Continually engage with the local business base to understand need and feed local intelligence into wider partnerships to inform the development of new offers.• Work to identify solutions at local levels and build on the activity of others.
Combined Authorities	<ul style="list-style-type: none">• Engage with both local partners and national agencies to deliver an evidence-based approach to funding requirements.• Seek more freedoms over decision-making on funding.
Government	<ul style="list-style-type: none">• Enable local decision-making and allow flexible approaches to delivering need-based funding.• Remove overlap of funding schemes and differing department objectives to gain efficiencies.• Co-design / devolve skills and labour market policy with local government so it can land well first-time round.

Councils/CAs convening role

Partnership work is challenging and stakeholders working at a local, regional and national level all have a role to play. Strong coordination and collaboration demonstrated in this project brought partners together to identify solutions, working within the parameters set out. An essential part of this is effective systems leadership to understand the unique points of view and benefits delivered by the different roles which stakeholders play in the skills system. Across anchor organisations, most of the solutions exist and it takes ‘anchor people’ to lead partners through the process. Effective partnership working is crucial to all aspects of a council portfolio and this should be no different.

Actions:

Councils	<ul style="list-style-type: none"> • Councils have limited resources and therefore need to work with key local partners and identify their individual and collective contribution. • Councils should work across partners to ensure skills provision matches the needs of the business base or in areas (demographic or geographical) where residents are being left behind.
Combined Authorities	<ul style="list-style-type: none"> • Combined authorities should rightly take a lead in coordination but also consider how they can enable constituent local authorities to support the local skills system, working with councils, employers and training providers. • Work across networks of providers, supporting individual places to identify local challenges through data sets or business engagement.
Government	<ul style="list-style-type: none"> • Enable relationships between councils and combined authorities through devolution mechanisms and local freedoms.

Breaking the problem down

Dividing issues into separate topics and tackling them individually can help to build consensus. This can often be accelerated by identifying a single issue to tackle and developing a blueprint around it. This might be tackled by redefining a problem or tackling it from a different perspective. Focusing on skills and labour market challenges specific to the locality, and ensuring it is underpinned by data is a highly effective way to reinvigorate multi-agency partnerships and give them renewed purpose

Actions:

Councils	<ul style="list-style-type: none"> • Bringing partners together to define a problem before presenting a solution will ensure a greater level of buy-in from partners.
Combined Authorities	<ul style="list-style-type: none"> • Consider how new approaches can be used to review issues at a regional level and draw on best practice to help to support area-based decisions.

Government	<ul style="list-style-type: none"> • Allowing flexibility at a local level will encourage new thinking and develop new approaches.
------------	---

Better mechanisms for data sharing must feature in any new employment and skills system

Evidenced-based decision making is central to all effective planning. Labour Market Intelligence (LMI) is essential to ensuring that funding and resources are used on the right projects and priorities and that this data can be shared in a way which supports all partners. There also needs to be a concerted effort to using data in a way that reduces the administrative burden of employment and skills project and programme monitoring which can take valuable time away from delivering support. As well as this, it should aim to deliver greater impact through quality measures and detailed outcomes.

Actions:

Councils	<ul style="list-style-type: none"> • Ensure local intelligence gained through business engagement is shared to ensure need is defined in real time.
Combined Authorities	<ul style="list-style-type: none"> • Develop regular and consistent LMI in order to inform programme design.
Government	<ul style="list-style-type: none"> • Give consideration to the available data sets which are not publicly available that may help to support evidence-based decision making and reduce monitoring challenges.

Capacity / capability for strategic planning for skills varies greatly

The resource available at a local level for employment and skills is a reflection of the reducing budgets local government has faced over the last decade. The role of combined authorities in commissioning skills programmes through the Adult Education Budget (AEB) and of councils in delivering ACL enables greater impact at a local level. Increasingly, the sector has used s106 developer agreements and Community Infrastructure Funding (CIL) to support additional employment and skills delivery which has contributed to the overall skills and employment pipeline. The challenge now at large is the anticipated impact from a post-COVID-19 spike in unemployment, which is likely to require even greater investment.

Actions:

Councils	<ul style="list-style-type: none"> • Each council needs to consider its role and appetite in supporting the skills and employment agenda and resource appropriately.
Combined Authorities	<ul style="list-style-type: none"> • Resource could be made available to work across a larger geography to identify emerging challenges.
Government	<ul style="list-style-type: none"> • More sharing of successful approaches and case studies are needed in order to promote best practice in the sector.

Learning from the project

The value of the project as a whole included:

- Bringing together leads from selected councils and combined authorities across the country, to help areas identify stakeholders they already work with as well as those they have the potential to work with;
- Delivering an action learning process where local areas were given the chance to identify for themselves the problems which might exist in effective collaboration, the support that they need to tackle the problems and the chance to help tailor a support offer;
- Co-producing shareable activity and actions which are applicable to areas across the country and with stakeholders in all sectors;
- Providing an independent view and facilitating conversations which challenged and tested all parties and their commitments; and
- Illustrating individual and collective challenges of a Work Local approach in the action research areas which, vitally, builds on the work already carried out by the Local Government Association.

Learning for the LGA

- Continue to build on the 'Work Local' programme to assemble the case for more freedoms and flexibilities across policy and funding at local levels.
- Making the case that skills approaches and strategies must reflect differences and inequalities at town and neighbourhood levels – using intelligence which sits within councils, and which larger bodies (CAs, LEPs) may not have access to.

Learning from this project will help councils and CAs overcome future challenges that will emerge as we begin to understand the extent of the short and long-term impact brought about by the COVID-19 epidemic. Councils and CAs have started to understand the implications for local economies and develop new partnerships that can support recovery, survival and growth. This in turn will ensure residents have access to training support and jobs, matching skills supply with demand to ensure residents can return to work and local economies can return to greater levels of productivity.

Appendix – Reading materials

Work Local report, 2017.

The original economic analysis for a Work Local approach was carried out by the Learning and Work Institute, using the methodology described on pages 57-59.

<https://www.local.gov.uk/sites/default/files/documents/WORK%20LOCAL%20FINAL%20REPORT%2005072017.pdf>

Work Local report 2019.

Local communities want better jobs, opportunities to improve their skills and ultimately more prosperous lives. This means that Work Local – the Local Government Association’s (LGA) ambitious but practical programme to improve employment and skills services in England through local public-private collaborations – is needed more than ever. Includes updated policy suggestions and recommends pathfinders are developed to test the place-based approach.

https://www.local.gov.uk/sites/default/files/documents/5.58%20Work%20Local_making%20our%20Ovision%20a%20reality_v07_WEB.pdf

Summary of the Skills Taskforce.

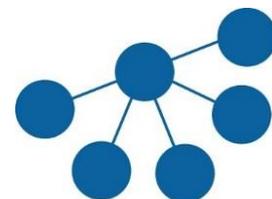
Through three roundtables, the Skills Taskforce will bring together industry experts and sector representatives with an interest in making our skills and employment system as effective as possible, to explore how we can combine efforts nationally and locally. (December 2018 to March 2019)

<https://www.local.gov.uk/topics/employment-and-skills/work-local/lga-skills-taskforce>

Independent panel report.

This relates to the Review of Post-18 Education and Funding, May 2019

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/805127/Review_of_post_18_education_and_funding.pdf



Shared Intelligence

DRAFT

Shared Intelligence Ltd

Three Tuns House
109 Borough High Street
Southwark, London
SE1 1NL

020 7756 7600
solutions@sharedintelligence.net