**Green skills and jobs**

Purpose of report

For direction.

Summary

Following board discussions on the need to link together LGA activity on climate change, the Environment, Economy, Housing and Transport (EEHT) Board asked for a paper on the skills and employment dimension, which is led by the City Regions and People and Places Boards. This paper was discussed with the EEHT Board on 18 November with the aim of facilitating initial discussions and next steps.

Cllr Emily O'Brien, Deputy Chair of the People and Places Board presented this paper. Officers will capture the discussion and feedback to share with both the People and Places and City Regions Boards.

Is this report confidential? Yes [ ]  No [x]

Recommendation/s

For Members to provide a steer on paragraphs 13-22.

Action/s

As directed by Members.

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Green skills and jobs

**Background**

1. This paper aims to facilitate an initial cross board discussion on net zero skills and jobs, the role that councils could play, and suggested next steps for the LGA. The City Regions and People and Places Boards lead on employment and skills while the EEHT board leads on net zero. Councils have shown real appetite to lead this agenda over recent years, and the current focus of COP26 provides a timely backdrop for a conversation about the next steps.

*The skills and employment system*

1. Currently most employment and skills funding and programmes are nationally commissioned, which makes it difficult to meet, and respond to, local need and demand. The LGA’s employment and skills work aims to make the best of the current system and in the longer term develop a partnership between local and national government to design a system that is devolved and consequently far more aligned to local needs and critical to levelling up our communities.
2. Much of our work is guided by our flagship Work Local campaign which outlines the challenges of the current national system and the opportunities presented by a more devolved approach. Given the likelihood of new devolution opportunities for different spatial areas expected through the Government’s Levelling Up White Paper, we are updating Work Local to explore what devolving this provision could mean for different areas.
3. In 2020, the City Regions and People and Places Boards commissioned Ecuity to develop new analysis on [local green jobs](https://www.local.gov.uk/local-green-jobs-accelerating-sustainable-economic-recovery). It predicted that there could be as many as 694,000 direct jobs in the low-carbon and renewable energy economy by 2030 in England, rising to over 1.18 million by 2050, and importantly every local authority has potential to benefit from net zero job creation. These jobs will be crucial to meet the Government’s net zero targets as well as to level up our communities. Our analysis has been cited extensively in national and local media about the need for greater local leadership to tackle green economy. Several councils and combined authorities such as West of England Combined Authority have used this work for more [detailed analysis](https://www.westofengland-ca.gov.uk/what-we-do/employment-skills/green-skills/). Discussions with the People and Places and Economy, Environment, Housing and Transport Boards have highlighted the need for a more nuanced understanding of what constitutes a ‘green job’ in future work on this agenda.
4. It is widely recognised by councils, industry, education and training sectors and the Government that skills continues to be a challenge for moving ahead with net zero ambitions, with a need to create and match skills supply with industry demand through effective local targeting. Following the our green jobs analysis, the LGA has developed a Sector Led Improvement (SLI) offer to support up to 25 councils move forward with their local green economic recovery ambitions and create green jobs.

*The current national debate on green skills and jobs*

1. Net zero is a priority for this Government and a range of national documents have been produced to inform its policy. Currently, the Government see skills and employment as a national preserve, rather than a policy agenda that requires co-designed in partnership with local government.

1. The Green Skills Task Force was announced on 12 November 2020 and forms part of the Ten Point Plan for a Green Industrial Revolution. It was convened by ministers from the Department for Business, Energy and Industrial Strategy (BEIS) and Department for Education (DfE), and is made up of members from industry, trade unions, the skills sector and one Local Enterprise Partnership (LEP). Local government did not have a seat at the table. This limited the taskforce’s ability to understand the potential for local green jobs (LGA / Ecuity analysis) or to have an understanding of the opportunities and challenges local areas face in developing interventions.
2. The Environmental Audit Committee launched a Green Jobs inquiry. The LGA submitted [written evidence](https://committees.parliament.uk/writtenevidence/21383/html/) to the committee and Cllr Kevin Bentley, Chairman of the People and Places Board gave [oral evidence](https://committees.parliament.uk/oralevidence/1820/html/). The Committee’s final report recognises that local government should have a more significant role to play in this agenda but did not report on how fragmented the current skills system is.
3. Both papers highlight that government needs to work with local government on cross-cutting issues to develop clear lines of responsibility and a mechanism for coordination e.g. to ensure regions are not left behind in the transition, that departmental responsibilities should be set out, as well as monitoring and coordinating arrangements.
4. The Government published a Net Zero strategy in October 2021 (discussed elsewhere on this agenda). It outlines the direction of travel that the Government has planned for meeting these targets and recognises that existing and new training programmes need to target the net zero industry. Skills packages and pilots that they intend to use to develop pathways include:
	1. Skills Bootcamps
	2. Public Sector Low Carbon Skills Fund
	3. The Lifetime Skills Guarantee
	4. T- levels
	5. National Skills Fund
	6. Trailblazers for local skills improvement plans
	7. £65 million Development Fund pilots in 2021-2022.
5. The LGA believes that while these are all worthy initiatives, but that they must join up if we are to create pathways for young people and adults into further learning and jobs connected to net zero. This must be done at a national and local level. The strategy does not address the fragmented nature of the current skills system, nor how it will meet local need, but does recognise that skills and employment needs will vary dramatically across the country. Matching skills supply with industry demand through effective local targeting is critical and local government is committed to ensuring residents benefit from new employment opportunities.
6. Many of the sectors seen as ‘green’ or being required to become greener have low levels of diversity and people from disadvantaged backgrounds working in them, such as STEM sectors and construction. All three national documents above mention the need for people from disadvantaged backgrounds to be part of the net zero economy. For instance, the Net Zero Strategy highlights that “[b]y investing in rural infrastructure and skills development we will seek to ensure rural communities and rural businesses, including the most disadvantaged, benefit from net zero.” However, there is no strategy, plan or funding in any of the documents to address how participation can be widened in these sectors so that people with protected characteristics can benefit from these opportunities, although there are some examples of best practice.

**Recommendations and next steps**

1. The strategies and reports set out above provide a framework for our next steps. Subject to members’ views, we propose to explore the following:
2. **Strategic discussions on current and future green skills planning**: Initiate discussions with Government to understand how GSTF recommendations will be taken forward and the role the LGA, councils and combined authorities can play in monitoring the skills and employment support needed to meet the England’s net zero commitments within local areas.
3. **Equality, Diversity and Inclusion:** In order to address these challenges, we propose to explore with BEIS and DfE how the recommendations in the Select Committee’s report regarding diversity and inclusion in the green workforce can be delivered on the ground with support from local authorities. We will draw on councils’ work through their statutory duties for young people, as place leaders, convenors and procurement, planning functions and through social value. The LGA will also explore how we can do more in this space though our policy and productivity work.
4. **Net zero transitions**: The GSTF called for a UK-wide body with national representation to ensure momentum and coherence on workforce transition, including progress in delivery. It will be supported by local transition bodies to ensure effective place-based strategies for the transition. We will initiate discussions with relevant departments - BEIS and DfE – to advocate for the LGA and relevant councils and combined authorities to be involved in these to monitor the skills and employment needed to meet the England’s net zero transition.
5. **A policy piece on the local net zero employment and skills offer**: Over the coming months, the LGA will develop a policy piece, linked to our wider Work Local framework, on how it can be a mechanism to deliver a local employment and skills offer to support the net zero and low carbon economy. Part of this will focus on the pilot the LGA Workforce is undertaking with the Royal Borough of Kensington and Chelsea, to map green jobs across the authority to available apprenticeship standards. This process will be the first step in developing a more comprehensive picture of what green jobs look like within the local government sector and our wider economy.
6. Alongside this, LGA officers have engaged with Shared Intelligence, who have been commissioned by the Friends of the Earth and Ashden to identify what actions local authorities and partners can take to deliver on the green skills and green jobs agenda, and what barriers exist which hold back progress. LGA elected Members and officers have helped to shape this work, and it will produce a tool or set of tools to help elected members as well as council officers across different departments to understand the progress that can be made in this area.
7. Their skills research has just completed its initial phase and the work has focused on the key roles of local government and the system issues they are currently facing. The key roles the research has outlined for local government are in place-shaping, transport, housing and waste.
8. The work has found the barriers and system issues preventing progression are:
	1. Lack of clarity about the respective role and responsibilities of local authorities in net zero.
	2. No clear definition of green skills and green jobs.
	3. Varying levels of capacity and expertise.
	4. Need greater public and employer awareness and knowledge.
	5. Fragmented and competitive funding with restrictive timescales.
	6. Squeezed budgets.
	7. The current curriculum has not yet caught up with the net zero agenda.
	8. A national curriculum survey revealed that less than 1 percent of college. courses available to students are focused on embedding green skills, climate emergence or carbon literacy.
	9. A lack of clear pathways and progression routes and all age career service.
9. The initial findings outline more planning, funding and strategy is need to meet net zero targets. This strengthens the argument for a more devolved approach such as Work Local, giving councils and combined authorities the levers and funding to meet local green and net zero skills need. Officers will keep the Board informed of the project.
10. Members’ views on the proposed actions in the paper plus any further reflections are welcome.

Equalities Implications

1. While developing policy work on the local net zero employment and skills offer, we will seek to outline the challenges and opportunities faced by specific communities.

Implications for Wales

1. While employability is a devolved matter, the LGA and WLGA liaise to share approaches on the level of local / national collaboration.

Financial Implications

1. All activity highlighted falls within existing LGA policy budget for 2021-2022.