

The role of councils in supporting economic inclusion: Unlocking talent to level-up

Purpose of Report

For direction.

Is this report confidential? No

Summary

This paper sets out below an overview of the six guiding principles to realise economic inclusion in employment and skills, and the key role we would like to see local government play.

LGA Plan Theme: **Stronger local economies, thriving local democracy**

Recommendation(s)

That the Board Members

1. Provide comments and a steer on the Economic Inclusion Principles paper (**Appendix 1**).
2. Comment on the proposed next steps to take this work forward (**para 14– 19**).

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Background

1. As part of the LGA's [Work Local](#) and the Government's [Levelling up](#) ambitions we have undertaken to better understand the challenges of employment and skills inequalities that restrict economic inclusion for people and places. The Board agreed to explore how the role of councils in supporting economic inclusion in employment and skills could be advanced to help unlock talent and level up local areas.
2. Our analysis revealed that despite councils having wide-ranging responsibilities to tackle inequalities and promote youth participation, and working hard at the vanguard of this agenda, stark inequalities are prevalent in both people and places; therefore, more remains to be done to address the longstanding and systemic issues.
3. At the last Board meeting an update paper set out our work to date including evidence to illustrate the regional disparities in employment, education participation/outcomes; the key findings from our three roundtable events and recommendations, and potential next steps for this piece of work. It was agreed that 'The Economic Inclusion Principles' paper and a selection of case studies to highlight 'what good looks like' will be shared with the Board for comments and approval.
4. An overview of the Economic Inclusion Principles paper is provided below for discussion and a steer, and a full paper is Appended. To note, this paper will also be presented to the City Regions Board for comments and a steer.

Proposal

5. Economic inclusion is essential for building strong and resilient communities, reducing inequality and poverty, and promoting economic growth. Local government as leaders of place can play a key leadership role in supporting economic inclusion both as employers and enablers of economic growth. This important role includes:
 - supporting everyone regardless of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation, caring responsibilities, or offending background is equipped to achieve their full potential in education and employment;
 - promoting equal access to sustainable employment or skills opportunities;
 - creating job opportunities for all to benefit from;
 - ensuring its workforce better reflects its local communities;
 - assisting businesses to provide training/skills opportunities for everyone; and
 - promoting policies that can create a more inclusive and equitable local economy.
6. Councils have statutory responsibilities to ensure that all young people up to the age of 18 (25 for those with special educational needs and disabilities (SEND) or an

Education, Health and Care (EHC) plan) have access to opportunities that allow them to participate in education, employment and training and thus contribute to the economy. Councils also have Corporate Parent responsibilities for children who are looked after and care leavers. This includes supporting initiatives and programmes that can help these children and young people overcome barriers to economic inclusion.

7. Despite having these wide-ranging responsibilities that demand close working with local providers, partners and employers, councils have very few formal levers over commissioning or co-ordination of national provision to ensure their statutory duties for young people are met, and even less in areas where there are no statutory requirements for services. This also makes it challenging for local government to coordinate, plan, target and join-up provision, or build in the right wider support for those with complex or additional needs. As a consequence, national and regional disparities exist showing stark variations in both people and places. Many of these inequalities exist in employment and skills across many areas – age, disability, ethnicity, gender – and in combinations (intersectionality).
8. Notwithstanding these challenges, local government is leading from the front in terms of supporting participation in education, employment and training through commissioning devolved and local discretionary provision, and by joining-up and adding value to national schemes. However, more remains to be done to address some of the longstanding and systemic issues.
9. Based on our analysis and discussions with local government through a series of roundtable events, the **six guiding principles** to realise economic inclusion in employment and skills and the key role we would like to see local government play are listed below. (**See Appendix 1 for full Principles paper.**) This piece of work aims to share learning across councils and combined authorities to help them build on both national and devolved employment and skills provision to progress this agenda further.

10. Economic Inclusion Principles

- ***Principle 1: Economic inclusion strategies, action plans, and initiatives informed by data on individual needs and local labour market intelligence can be more effective.***
- ***Principle 2: Investment in infrastructure is vital to fully achieve economic inclusion in people and places.***
- ***Principle 3: Local government may want to foster collaborative internal and external partnerships to maximise economic inclusion.***
- ***Principle 4: Local government may want to assist businesses and employers to support good work practices to maximise economic inclusion in local areas.***
- ***Principle 5: Local government may want to promote workforce equality, diversity and economic inclusion as an employer***

- ***Principle 6: Local government may want to monitor and evaluate progress to ensure economic inclusion is achieved for everyone.***

Implications for Wales

11. Employment and skills are largely devolved matters; however, the Local Government Association collaborates closely with Welsh local authorities and the Welsh Local Government Association to share best practice and expertise on our programmes.

Financial Implications

12. Any financial implications arising from this work will be met from the board's core policy budget.

Equalities implications

13. This piece of work focuses on the inequalities in employment and skills faced by specific cohorts and communities. It set out how a more localised and partnership approach can be more effective in supporting economic inclusion within communities.

Next steps

14. A full 'Economic Inclusion Principles' paper is appended with details on how local government can advance economic inclusion in their areas. **Members' comments or suggestions are welcome on the Principles outline in Appendix 1.**
15. As mentioned at the last Board meeting Transport connectivity is a key policy strand that merits further examination.
 - 38.1. We are planning to **collaborate with the transport policy team** and EEHT Board to explore how councils can support individuals with transport challenges better and commission a specific piece of research to illustrate in more detail the different challenges faced by learners and young people in rural and urban areas.
 - 38.2. We could also explore if it is possible to **quantify the economic cost of the lack of transport connectivity to regions/local areas** to make a powerful case to the Government for the need to have local influence over transport decisions and funding.
16. As highlighted above Government departments and agencies need to share detailed data that they hold to enable local government to target specific cohorts and deliver economic inclusion for their communities. So, we will continue to **seek opportunities to make a case for access to detailed data.**
17. A range of activities are planned to promote our economic inclusion work, including:

- 40.1. **First magazine article** showcasing our principles paper and case studies to demonstrate how local government is working hard to advance this agenda, and to share good practice.
 - 40.2. **Webinar in the Autumn** to bring together local government and stakeholders to discuss our economic inclusion work.
18. **Members' comments on the suggested next steps and if there is anything else that should be included in the next steps is welcome.**
19. Officers to take forward actions in accordance with Board Members' steer.