

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

TO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
DATE:	7 July 2022	AGENDA ITEM:	12 13
TITLE:	EMPLOYMENT AND SKILLS PLANS - INFORMATION REPORT ON RECOVERY PROGRAMMES		
LEAD COUNCILLOR:	COUNCILLOR BROCK / PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
SERVICE:	PLANNING, TRANSPORT REGULATORY SERVICES	WARDS:	ALL
LEAD OFFICER:	EMMA GEE / SUE BRACKLEY	TEL:	0118 937 2604/
JOB TITLE:	DEPUTY DIRECTOR / ECONOMIC DEVELOPMENT MANAGER READING UK	E-MAIL:	Emma.gee@reading.gov.uk Sue.brackley@reading.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This information report updates the Committee on progress made by Reading UK with the implementation of policies concerned with delivering Employment and Skills Plans in response to the local economic shocks of the Covid 19 pandemic.
- 1.2 In November 2020 the Committee agreed a programme of delivery funded by S106 financial contributions specifically ringfenced for employment and skills. The programme covered the following two years and included working with developers and the end users of completed developments through S106 agreements. All employment and skills opportunities are created to assist the local economy and Reading residents.
- 1.3 The report outlines Reading UK's delivery over the last 20 months, including during ongoing Pandemic conditions, to specifically address the challenges facing the town's economy following the impacts of multiple lockdowns. This is in line with the Powered by People Strategy adopted by Policy Committee on September 28 2020.

Delivery is shaped through specific employment plans, working mainly with the construction industry, and various employment and business support projects targeted at those unemployed and facing barriers to employment, delivered using financial contributions.

Appendix A - Delivery Supported Under the Economic Recovery Plan agreed November 2020

Appendix B - Employment and Skills Plans - S106 financial contributions by development.

Appendix C - Employment and Skills Plans - Outputs from specific plans by development.

2. RECOMMENDED ACTIONS:

- 2.1 That the Committee notes the report and welcome the delivery of employment and skills outcomes by Reading UK as enabled by Section 106 Employment and Skills Plans. (Appendix A)**
- 2.2 That a report be submitted to the next meeting on 16 November 2022, to cover what is to be delivered between July and November 2022, as outlined in this report, together with a costed plan for a further 18 months of activity.**

3. BACKGROUND

- 3.1 Reading Borough Council adopted the requirement for Employment and Skills Plans (ESP) under a 2013 Supplementary Planning Document that seeks to implement adopted (2008) Core Strategy Policies CS9: Infrastructure, Services, Resources and Amenities, and CS13: Impact of Employment Development. Policy CC9 'Securing Infrastructure' of the recently adopted Local Plan continues the policy basis for the SPD. The original drafting of the SPD relied on detailed discussion between Reading UK and the Borough Council's Planning Service, with Reading UK being identified as the main agent for implementing the policy. The aims of the ESP requirement as part of a planning permission have been clearly defined in working with employers to improve the work and training opportunities of local people. ESP contributions can also support other skills and employment training such as those provided by New Directions or The Real Business Club.**
- 3.2 An ESP requirement is attached to any new development or any regeneration or extension programme where more than 1,000 square metres of new non-residential floor space or 10 dwellings are being created - or development costing more than £1million.**
- 3.3 In simple terms the developer can choose to either enter into a delivery plan, through Reading UK and working with local partners, or to pay a financial contribution towards the delivery of training and employment programmes that**

support local people facing barriers to work, achieving our aim of a more inclusive economy. The financial contribution is based on a simple percentage of the anticipated construction costs, and will usually be confirmed by a S106 legal agreement which is entered into by the developer before planning permission is granted.

4.0 DELIVERY OF PLANS BY INVESTOR DEVELOPERS

- 4.1 From 2014 until July 2022, 35 developers have chosen to pay financial contributions (ranging from £1,311 to £336,598) and a total of 67 plans (both construction and end use) have either been delivered, are in the process of being delivered, or are in pipeline. A full list of applicable current developments appears in Appendix C.
- 4.2 The Economic Development Manager (EDM) at Reading UK advises and assists developers to prepare plans that are deliverable, with clear outcomes and shaped to the needs of the relevant sector. The EDM co-ordinates partners such as schools and DWP JobCentre to help deliver the plans, provides ongoing monitoring of the delivery and outcomes, and feeds back to Reading Borough Council.
- 4.3 Delivery partners supporting this work include DWP JobCentre, New Directions, Activate Learning (Reading College), Reading Business Network, University of Reading, local schools such as John Madejski Academy, Prospect and Blessed Hugh Faringdon, amongst others.

Since summer 2020 the work has been targeted specifically at economic recovery and employment support, as outlined by the Powered by People strategy. Both the S106 funded projects and unfunded delivery plans are aimed at those most likely to be feeling the impact of various economic lockdowns, including job losses, while also recognising the sector skills impacts following Brexit and the Pandemic. The involvement of key partners in the development of the Powered by People Strategy allowed for outreach to as broad a mix of residents as possible.

- 4.4 While some development has been adversely affected by Covid working restrictions and lockdowns, other sites were able to continue using adapted working practise. However, it must be noted that the delivery of certain aspects of employment and skills plans became almost impossible due to lockdown - notable work with schools and colleges. Despite this our ESPs working directly with contractors have delivered the following outcomes in the last 20 months:

	2020/22	2019/20
Work experience opportunities (all age)	35	40
Apprenticeships	18	11
Local Employment	416	226
School visits / projects / careers talks	126	60

This has included working with 16 developers on programmes - including Henry Construction, Watkin Jones, Morgan Lovell, Midgard/JRL and Ash.

5. PROGRAMME OF PROJECTS SUPPORTED BY S106 ESP CONTRIBUTIONS

5.1 Reading UK has a strong track record of delivering benefits to the local community through using S106 developer contributions. Most of these programmes have provided outcomes benefiting local people and the economy (eg Job Fest, Small Business Network events) and in some cases supporting community programmes (eg The Real Business Club).

5.2 In November 2020 this Committee agreed a two year strategy for delivering programmes funded by Section 106 ESP developer contributions. This was part of the Council's Covid Recovery Response and aligned to Thames Valley Berkshire LEP's Berkshire Recovery Plan.

5.3 Programmes were delivered within the framework of Reading's adopted Economic Recovery Strategy Framework, "Powered by People". This Plan was prepared by Reading UK, working with key stakeholders, and adopted by the Policy Committee on September 28 2020. Both short and medium-term responses, to ensure every part of our community was supported, were agreed.

While some of the proposed delivery has been hampered by ongoing economic lockdowns and unexpected economic responses, the programme has adapted to changing demands, both during and beyond the pandemic. The approach has consistently supported more people to find good quality work, develop the skills demanded by employers and continues to support those with multiple barriers to employment. Those facing redundancy were also provided with an on-line information and advice guide with contact details for all the agencies that could assist them with benefits, training and finding work. It was made widely available through our partner agencies including the Job Centre.

5.4 Outputs, though impacted throughout 2020 and 2021, have included job fairs, support for young people, start-up business training, workplace wellbeing events and small business networking. Among our successes:

Recovery Theme	Outcome	Total Supported
RECOVERY NETWORKS (WORKPLACE WELLNESS)	Small businesses and employees given support to provide good mental health in the workplace	150
RECOVERY NETWORKS (SUSTAINABLE ECONOMY)	Local businesses helped to develop sustainable business models "Meet Local, Buy Local"	70
WORLDS OF WORK	Year 10 and 11 Students supported in careers, access to work and life skills	1,071
NEW EMPLOYMENT OPPORTUNITIES	Local people given access to employers with live jobs and agencies	650

	to support them into work. A Redundancy guide made available	
NEW EMPLOYMENT OPPORTUNITIES	Employers given access to candidates through two local job fair events	60
SELF EMPLOYMENT	Local people given the tools and training to start their own business	70
RECOVERY NETWORKS	SMEs provided with a local network to support business recovery within a community	400

5.5 While all direct delivery was virtually halted between March 2020 - Jan 2022 many work programmes successfully shifted to online delivery, including:

- Creation of the Reading Business Network, meeting monthly on-line
- Continued one to one support for start-up business who were then invited to join the Reading Business Network
- Skills and Employment Roundtables
- Business Recovery Network meetings
- Inclusive Recovery Group established with private and public sector partners to shape immediate recovery needs
- Ongoing work with schools to maintain student support into work

5.6 The framework for ESP delivery has responded to the unforeseen impacts of the Covid Pandemic - including sector shortages, an abundance of jobs not matched by available local skills, schools and colleges delaying return to in person teaching. In particular, inequality has become even further entrenched as a cost of living crisis impacts the country and Reading UK continues to support the Council's Financial Crisis and Social Inclusion groups.

5.7 There are three pieces of work from the current programme to be undertaken between now and November (and to be reported at the next Committee):

- Development of a "Green Skills and Jobs" forecast and training needs analysis to inform future targeted delivery to upskill local people
- Working with the Creative, Digital and Film Sectors to ensure we maximise jobs through school projects, work experience and recruitment linked to the development of Cine Valley and Thames Valley Science Park. This could, in particular, benefit south Reading residents by developing opportunities in attractive sectors.
- A local procurement project, working with the Federation for Small Business, to make large organisations' procurement policies more accessible for small to medium size businesses locally.

5.8 Appendix A sets out the programmes that have been delivered, or are outstanding, from November 2020 to November 2022. The adapted delivery programme reflects the changed economic landscape that impacted both demand and delivery, while continuing the work to support local people into self-employment, develop sector skills, and find good quality work.

6.0 NEXT STEPS

- 6.1 All available evidence suggests that the Reading economy is becoming more unequal. We need to plan for a more inclusive economy and local “levelling up”, as identified in the Council’s Corporate Priorities. As the Powered by People Strategy moves from Recovery to Renewal the period between now and November will be used to align the next ESP programme with the Council’s Social Inclusion Board and Social Inequalities Steering Group. This will ensure maximum benefit to local people, effective partnership working and most efficient use of available resources, all of which supports the Council’s, and Reading UK’s, corporate values.

We will focus on providing training that matches local people to the available jobs and enterprise opportunities, engaging employers in supporting the work to develop a truly inclusive local labour-force, which in turn will create a more sustainable way forward for Reading.

- 6.2 Sectors including healthcare, retail, hospitality, digital and creative skills, construction and distribution have all seen significant recruitment issues. Our Economic Strategy has also promoted the development of a more environmentally sustainable economy and to this end will be investing in providing local people with the skills to secure jobs in the emerging ‘green economy’. Matching big spending procurers of goods and services to local small businesses will be a priority. Capital investment in new training facilities accessible to local people will also be factored in.

Specific groups targeted under the current plan have included over 50s, women and young people, and we will continue to include these groups and people with supported employment needs and the longer term unemployed. This will involve working closely with New Directions around adult employment support, sector skills training and utilising new Government guidelines and devolved budgets for adult skills and training provision, and programmes such as UK Shared Prosperity.

- 6.3 While all current programmes are informed by the Board of Reading UK, Reading Business Network, the Tourism Forum and, where appropriate, the two Business Improvement District Committees (representing some 800 businesses in the Central and Abbey BIDs), Reading UK’s board has identified the need for a *Skills for Work and Business* panel. Representing local business, as well as employment and education bodies, this group will shape future delivery to ensure it responds to skills demand as well as local residents needs. It will provide business engagement in the development of local skills plans and funded training provision as well as support for funding bids by the local authority. (Reading UK is currently supporting the Council with the preparation of a Shared Prosperity Fund bid).

7.0 Case Studies

The case studies below were both delivered through the Powered by People recovery strategy and illustrate the programmes of delivery Reading UK will continue to adapt to both online learning and in person learning. Financial contributions made under S106 Employment and Skills agreements have been used for a wide variety of activities, in most cases working with partners to deliver notable benefits for residents. Detailed outcomes from two programmes are provided below

7.1 The Real Business Club

Reading UK has worked regularly with the Real Business Club, delivering programme of start-up training aimed at people who prefer a gentler approach to developing a business idea and learning about self-employment. Typically this has suited people more removed from the job market.

7.2 Three start-up courses and two programmes of 1-2-1 support were delivered in 2021 (Jan-Mar, May-July, Sept-Dec). Although in-person or hybrid training was considered all delivery was finally delivered on-line due to concerns about Covid transmission.

Attendees generally felt on-line delivery made the sessions more accessible. People joined from a wider variety of areas in Reading, and for all it meant less travel time and greater ease of planning in home lives around being online.

People used all levels of internet linked devices and TRBC ensured that Zoom links were sent in email and in text messages every week. For those less confident with IT, TRBC took time to talk people through any aspects of using Zoom.

Where needed handout documents and resources from each session were shared in the chatroom of Zoom and also sent via email for those who wanted this and could not access the chatroom on their devices.

A total of 91 signed up for the training, with each course running for 10 x 1.5 hours weekly. Some 27 start-ups took up the detailed 1-2-1 support, and 95% of attendees had no previous business experience. Referrals came from agencies including DWP, Optalis, Housing Associations and Alana House. The attendants were ethnically diverse, with 61% over 40, 50% female and 30% on UC.

Delivery was free of charge for all participants, fully funded by Employment and Skills funds, and it was noted that some of the participants were taking up training to supplement reduced salaries due to lockdown, while others were changing career direction or facing redundancy.

7.3 Feedback from participants:

“For me there has been a huge growth in understanding of marketing, positioning and pricing what I do. Realising how to use my previous life experience as a USP has been great. How to have confidence in using word of mouth is a revelation”.

“Moving from another country was a huge challenge. The workshops have been a massive leap of understanding of the UK culturally and business practices in particular. I am new from another country and having to build from scratch. The courses were particularly valuable as a great short cut to access information compared with complex Government based advice sources I have tried trying to use!”.

“My self esteem has been really improved by attending. I started from a very low point and the workshops have been great, you have helped me so much. I have made informed decisions about my future and had a change of mindset about women and business and that it is possible to succeed!”.

“I have reached a career change decision, secured contracts and a growing client base”.

7.4 Careers and Work Experience Programme for Young People

7.5 The Economic Recovery Strategy was quick to identify just how disadvantaged young people finishing school and moving into work would be in 2020-2021 due to the Lockdown of schools and Colleges. As in pre-Covid times, this particularly applied to schools where students came from less well-off families with little access to employment opportunities.

7.6 Reading UK was already working with Central Berkshire Education Business Partnership to ensure that every pupil in our targeted schools (JMA, Maiden Erlegh, Prospect, Hugh Faringdon and Highdown) received access to work experience, employment support and skills advice that was not being provided by other agencies. While much of the in-person support was not possible, and much of CBEBP’s work was severely curtailed due to the lack of employers offering work experience, a series of on-line programmes were delivered, and completed in April 2022.

7.7 The targets for pupil engagement were ambitious and mainly focused on Yr 10 and 11 in the schools that had higher numbers of pupils on free school meals and lower exam results. The table shows the actual engagements with Yr 10 and 11 students (on line and in person) unless otherwise indicated :

School	Programmes Completed (Nov 2020 - April 2022)	Student Engagements
JMA	All About Me (Yr 9) Lifeskills Careers Spotlight / Preparing for work	166

Highdown	Spotlight on careers Virtual work experience / Job expo	540
Hugh Faringdon	In School Careers Event Virtual work experience	190
Maiden Erlegh	Work Placements Work Experience	175
Prospect	Preparing for work / Virtual work experience	Prospect left the programme in early 2020

7.8 Evaluation from Blessed Hugh Faringdon students following Interview Skills with local businesses :

- 90% of students increased how confident they felt about having an interview after taking part in the workshop
- 93% of students said they improved their verbal communication skills
- 78% of students said their body language skills had improved
- 78% of students said they felt more confident talking about themselves

Feedback from Highdown teachers:

- “[My favourite element was] the interaction with the professional adult via the Teams call. [Students] were incredibly nervous due to lack of experience and yet were really pleased when they had succeeded.”
- “The vast majority of the students were positive and appreciative of the 1:1. Leon commented that the hints and tips were really valuable and got a further discussion going with the other boys - this makes a teacher very happy!”
- “Our absolute favourite part of the whole process was the live Q&A which worked really well to engage our students. We really liked Aimee [business owner] and her 2 guests - it brought the whole process to life. This was also the easiest part to coordinate so had a double benefit!”

8. CONTRIBUTION TO STRATEGIC AIMS

8.1 The outcomes of the Employment, Skills and Training SPD contributes to achieving the Council’s Corporate Plan 2018 -2021 objectives in particular:

- Securing the economic success of Reading; and
- Promoting great education, leisure and cultural opportunities for people in Reading

The outcomes also respond to the current economic situation following the covid pandemic.

9. COMMUNITY ENGAGEMENT

9.1 Consultation was held on the draft SPD in November and December 2012, and carried out in line with the Council’s adopted Statement of Community

Involvement at the time. Responses received were taken into account in revising the SPD before adoption. Public consultation is not a requirement for developing ESPs, although comments received during the application process may inform those plans.

10. EQUALITY ASSESSMENT

- 10.1 A scoping assessment and Equality Impact Assessment (EqIA) were undertaken with regard to the Draft Employment, Skills and Training SPD (Nov 2012) as considered by Cabinet on 5th November 2012. There have been no issues arising during implementation of the SPD that affect the conclusions of that assessment and none arise from this information report.

11. LEGAL IMPLICATIONS

- 11.1 Employment and Skills Plans are secured through the Section 106 process, which is now governed by the Community Infrastructure Levy Regulations 2010 (as amended). The tests for Section 106 agreements are whether they are

- necessary to make the development acceptable in planning terms,
- directly related to the development, and
- fairly and reasonably related in scale and kind.

Employment and skills plans are not part of the Community Infrastructure Levy regime and will continue to be sought on major sites, where they meet the above tests.

12.0 ENVIRONMENTAL AND CLIMATE IMPLICATIONS

The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers). It will be important for recovery plans to reflect the commitments made in, and the urgency of, this declaration. A new Reading Climate Emergency Strategy for 2020-25, produced by the Reading Climate Change Partnership with the Council's support was approved in November 2020. The Reading 'Powered By People' Strategy aligns with the aims of this strategy in terms of its support for a green recovery as set out in above. Detailed implementation of 'Powered By People' will continue to be informed by both the spirit and the letter of the Climate Emergency Strategy. We are Specifically addressing the development of green skills in our work force to help address environmental and climate issues in the work place, especially in the construction sector and through making local procurement policies more accessible to local SME businesses.

13. FINANCIAL IMPLICATIONS

- 13.1 The majority of ESPs referred to in this report are secured through Section 106 agreements, and are either carried out by the developer in conjunction with Reading UK, sourcing third party funds, or funded by the developer directly.

All programme delivery is funded by ring-fenced S106 Financial Contributions.

VALUE FOR MONEY

- 13.2 The SPD requires developers to prepare or fund ESP's that have a positive effect on employment, skills and training. This has a direct implication for economic development in the Borough, especially at the time of the COVID Pandemic economic recession and cost of living crisis. Meeting the needs and challenges of local people and businesses is important as the community faces the unforeseen challenges of recovery.

The Developer ESP's plans and programme of activity are delivered and managed by the Council's Economic Development Partnership Company, Reading UK CIC ensuring close coordination and alignment with the Council resources and priorities. The programme has been budgeted for and at no cost to the council. The delivery of many programmes are supported by private sector and third sector partners, all of which provides excellent value for money and opportunities to attract further external funding to expand the programme - for example from Thames Valley Berkshire LEP. Government funding programmes for 'Green' skills have also been announced and will be targeted.

RISK ASSESSMENT

- 13.3 There are no direct financial risks associated with this report.