

## READING BOROUGH COUNCIL

### REPORT BY DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

<b>TO:</b>	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
<b>DATE:</b>	9 July 2019		
<b>TITLE:</b>	EMPLOYMENT AND SKILLS PLANS - ANNUAL PROGRESS REPORT		
<b>LEAD COUNCILLOR:</b>	COUNCILLOR PAGE	<b>PORTFOLIO:</b>	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
<b>SERVICE:</b>	PLANNING	<b>WARDS:</b>	ALL
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#### 1. EXECUTIVE SUMMARY

- 1.1 This report updates the Committee on progress with the implementation of planning policies concerned with promoting Employment and Skills Plans.
- 1.2 Through engagement and contributions from developers, and the end users of completed developments, appropriate skills development and employment opportunities have been undertaken to assist the local economy and local residents. The report sets out both the successes gained through the delivery of plans, working mainly with the construction industry, the various employment projects delivered using financial contributions and the schedule for Year 2 of the programme delivery.

#### 2. Recommended Actions

- 2.1 That the Committee note the report and welcome the ongoing delivery of employment and skills outcomes as enabled by Section 106 Employment and Skills Plans.

**2.2 That the Committee note the benefits of this delivery to the local economy and in particular to local residents by assisting residents to find good quality, permanent employment within the Borough.**

### **3. BACKGROUND - DELIVERY OF PLANS BY INVESTOR DEVELOPERS**

- 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. The drafting of the SPD relied on detailed discussion between Reading UK and the Borough Council 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.
- 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 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. The financial contribution is based on a simple percentage of the anticipated construction costs, and will be confirmed by a S106 legal agreement which is entered into by the developer before planning permission is granted.
- 3.4 To date (June 2019) 25 developers have chosen to pay financial contributions (ranging from £1,600 to £178,000) and a total of 45 plans (both construction and end use) have either been delivered, or are in the process of being delivered.
- 3.5 Reading UK, through the Economic Development Manager and other partners, work closely with the developers to create an employment plan that is both deliverable with clear outcomes and shaped to the needs of the relevant sector.
- 3.6 Delivery partners supporting this work include DWP JobCentre, New Directions, Activate Learning (Reading College), Business Biscotti, University of Reading, local schools such as JMA and Reading Girls, amongst others. The project is also linked closely with the work of the Building Better Opportunities Stronger Together partnership, led by New Directions. This BLF/ESF funded programme works with some of the most marginalised residents in the Borough. The use of a range of partners allows for additional funding streams to be drawn down, and outreach to as broad a mix of residents as possible.

- 3.7 Working with the contractors and developers the ESPs have delivered the following outcomes in the last 12 months:

<b>Work experience opportunities (all age)</b>	<b>54</b>
<b>Apprenticeships</b>	<b>23</b>
<b>Local Employment</b>	<b>189</b>
<b>School visits / projects / careers talks</b>	<b>176</b>

This has included working with Ikea, Primark, Kier, Osborne, Wates, Bewley Homes, P & G, University of Reading, BMW Coopers, Audi Sytner, DPD, Segro and Tesco Distribution.

#### 4. PROGRAMME OF PROJECTS SUPPORTED BY S106 CASH CONTRIBUTIONS

##### (a) Current Position

- 4.1 Reading UK has continued its strong track record of delivering benefits to the local community through using S106 cash 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 School). Over the last twelve months support has been given to some 1600 local people, helping them move forward in the jobs market or into self-employment.
- 4.2 Partnership working has been pivotal in ensuring our reach into the community, and providing real value for money. The private sector has provided match funding (Hammersons) or significant support in kind (Green Park, Balfour Beatty, Verizon, Ikea, The Oracle, Malmaison, Hilton Reading, BW Interiors, Ikea et al).
- 4.3. Last year this committee agreed a drawdown of cash contributions to a total cost of £205,000 against a plan of activity covering a two year period. In the first year 2018/19 the fund has been used to deliver the activities shown in **Appendix A (2018/19)**.

Outputs have included job fairs, construction skills certificates, access to work events, ex-offenders work programmes and school outreach. Among our successes:

- 244 people supported into self-employment
- Over 120 people have gone through the Construction Skills Certificate training.
- Over £200,000 per annum saved on benefit payments through self-employment alone
- Over 1,000 local people attending our jobs fairs - with nearly 100 employers with live vacancies attending

- 13 ex-offenders from Reading supported into working for themselves or finding jobs

(b) Ongoing strategy for Delivering Section 106 ESP Cash Contributions 2019 - 2021

- 4.4 Programmes will continue to be delivered within the framework of Reading UK's Economic Development Plan, "Growing Opportunity". This plan is currently under review ahead of the next iteration, a document to cover 2020-2024. This will continue to seek to balance the local economy in a way that benefits every part of the local community, especially those who are struggling to find good quality work, or lack the skills most in demand by our employers.

Although Reading enjoys very high employment levels, and one of the highest levels of productivity in the UK, there are also areas of deprivation, and some residents who are a long way from the job market.

The work aligns with the emerging Berkshire Local Industrial Strategy, supporting the Local Enterprise Partnership's plans for *inclusive growth*.

- 4.5 The focus of ESP delivery is therefore on matching local people to local job and enterprise opportunities (namely in leisure and hospitality, healthcare, IT and digital skills, construction, and distribution). Some of the specific groups targeted include people with supported employment needs, the longer term unemployed, Over 50s and single parents. We continue to work closely with New Directions around adult employment support, especially through our partnership with the New Directions led Stronger Together, West Berkshire's Building Better Opportunities programme.

All programmes are informed by the Business Growth and Skills group (made up of public and private sector representatives) - and where appropriate the two Business Improvement District Committees (representing some 800 businesses in the Central and Abbey BIDs) and the Hospitality Association (representing 23 sector employers).

- 4.6 There are also opportunities for local people to set up small businesses and get into self-employment, a route that works well for many. Programmes going forward will continue to create access to training, through Pop Up Business School and The Real Business Club.

- 4.7 **Appendix B** sets out the details of the programmes to be delivered 2019/20, continuing work to support local people in self-employment, sector skills, and finding good quality work.

(c) Case Studies

- 4.8 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 outcomes. Detailed outcomes from two programmes are provided below.

### Construction Skills Certificate

- 4.9 Reading UK began working with Activate Learning (Reading College) through the Elevate Reading programme for 17-24s. As part of this delivery, employment support to get young people into construction work (a key skills shortage in Reading) was developed.
- 4.10 To maximise uptake of the course and benefit all parts of the community, Reading UK and the College made the decision to open up the Construction Skills Certificate courses to all ages - recognising that construction skills were a useful employment entry point for recent migrants, as well as people looking to re-skill from other sectors. The results are one of the ongoing success stories of the employment and skills funding programme. While Reading College funds the two week employability course which supports the CSCS programme, ESP funds are used to fund the crucial Construction Industry Training Board tests. In addition Reading UK has been able to fund the purchase of the actual CSCS card (£30) in cases of hardship. This has removed a major barrier for many who are unemployed or on low-incomes since the CSCS card is a requirement for anybody wanting work on a construction site, at whatever level.

The courses continue to run on a monthly basis, with 15- 20 people on each 2-week course and referrals from a variety of partners including DWPJobCentre, Adviza, Mencap and Brighter Futures for Children. The mixed age classes are working very well in improving the focus for young attendees.

- 4.11 To date:
- In the last year over 120 people have completed the CSCS application test, of which 78 have passed. This includes 4 women.
  - Reading UK has provided added value by involving contractors we have ESPs in place with, providing talks to the groups and work experience opportunities.
  - In most cases people passing and obtaining their CSCS card have walked straight into employment thanks to the demand for construction labour.
  - The CSCS support has now been extended to include young adults on construction training at the college - 30 completed their tests to obtain the card, giving them opportunities to work over the summer holidays, gain on-site work experience and sign up with agencies.

### The Real Business Club

- 4.12 Reading UK had already worked with the Real Business Club, to deliver a 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 for the job market.

- 4.13 Two start-up courses have taken place over the last year. The first at Reading Business Centre, between 19 September - 21 November 2018, the second at The Pavilion on Oxford Road, starting on 1 May. Typically 13 - 15 people attend each fortnightly session (approx. 90 people per annum). This is free of charge and participants are referred from DWP JobCentre and other partners.
- 4.14 In addition Reading UK used ESP funds to support Real Business Club's work with ex-offenders - providing a bridge to ensure a service for ex-offenders was maintained when TRBC had to step down from the BBO partnership. During this period (October 18 - March 19) a total of 15 men and women were referred from the NPS and CRC. 13 people received regular support, with 1 person finding a job, and 6 still receiving support in working for themselves. Most of these were local residents.
- 4.15 Feedback from participants:
- It's really great attending your workshops, they are very insightful, inclusive, participatory, most of all I really like how you engage all of us and seek to answer all kinds of questions relating to business and start-ups.
  - It has focused my attention on what I need to understand about my business and has given me ways to structure a plan
  - It is giving me structure and frameworks to allow me to sort ideas more effectively.
  - It has made me think so much more about my products from a customer viewpoint. Added to me knowing what to consider to make my website.
  - It has helped to have a clearer focus for how to get started - particularly key pointers eg the importance of market research and what kind of things are involved.
  - Given me many things to think about and consider the target of our customers, given me more awareness of brand.

#### Pop Up Business School

- 4.16 The fourth Pop Up Business School arrived in Reading for one week between 29 October - 2 November 2018. Funded by Reading UK and Hammersons, the school ran in the upstairs event space at The Walkabout.

64 people attended the courses for at least 4.5 days

- 4.17 The demographics:

67% Female

52% White / 44% BAME

37% on some form of benefit

75% had no knowledge of running a business

33% trading by the end of week

- 4.18 Over the last three programmes run by Pop Up it is estimated that for every £1 spent the local economy has seen a return of £44. Benefit savings estimated at £195,822 - and a total of £553,000 contribution to the economy.

#### 4.19 Some of the feedback from participants:

“Thank you so much. I can't believe that such excellent content has been given to us for free. I would never have been able to afford a week-long course yet this has already made such a positive impact on me - I feel so much more confident about my abilities and excited about the future. I met up with lots of other artists that were attending the same course, it's so helpful to people wanting to start out, giving them the knowhow and confidence to move forward.”

“You have all been brilliant. Your delivery, content and overall organisation is commendable. A fabulous concept and long may you operate! I hope one day you can get this type of course in to many schools and colleges -the younger generation need this and it would help, support and encourage young start ups. Fantastic work, well done.”

“Amazing. I think you may have turned my life around. Losing my father a year ago, recovering from a serious illness and turning 50 in 5 weeks I knew I wanted, needed, a new direction. I knew roughly the direction I wanted to take but not really how. I now know the HOW, WHY & I CAN DO IT. I love and thank you all.”

### 5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 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

### 6. COMMUNITY ENGAGEMENT

- 6.1 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.

### 7. EQUALITY ASSESSMENT

- 7.1 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 5<sup>th</sup> 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.

### 8. LEGAL IMPLICATIONS

8.1 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.

## **9. FINANCIAL IMPLICATIONS**

9.1 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.

### VALUE FOR MONEY

9.2 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, meeting local needs at very little cost to the council. The delivery of many programmes are supported by private sector and third sector partners providing excellent value for money.

In addition, delivery of the ESPs provides parallel support for Stronger Together - the Building Better Opportunities programme for Berkshire (west) funded by ESF and BLF. This programme specifically targets employment support for local residents aged over 24 who are furthest from the work place.

### RISK ASSESSMENT

9.3 There are no direct financial risks associated with this report.



## APPENDIX A

### DELIVERY SUPPORTED BY S106 CASH CONTRIBUTIONS 2018/19

Target / Activity	Outcomes	Budget Spent
<b><u>START UP BUSINESS TRAINING</u></b>		
<p><b>Pop Up Business School</b> Co-funded by Hammersons and sponsored by The Walkabout (venue)</p>	<p>Approx 150 signed up with 64 people completing the one week course.</p> <p>Publicity across social media</p> <p>Pop Up stand at Reading Job Fest</p> <p>Marketing material across town venues – pre event talks at DWP Reading</p>	£10,500
<p><b>The Real Business Club</b></p>	<p>TWO courses delivered, each consisting of six sessions fortnightly</p> <p>Approx 90 people attended courses</p> <p>Referrals from DWP, Stronger Together Partners and other agencies</p>	£11,000
<b><u>DEVELOPING STEM SKILLS</u></b>		
<p>Young people and improvers / Support for Tech Business Start UP</p> <p>2018 “Festival of Digital Disruption” at Reading Town Hall</p>	<p>6 major events over 3 days including Digital Gum programme for young people</p> <p>Tech Start up networking sessions</p> <p>Start Up / Equity funders meet up</p> <p>Up to 800 people attended</p>	£13,000
<b><u>RECRUITMENT SUPPORT</u></b>		
<p><b>Job Fest 2018 -</b> Annual job fair at <b>The Hexagon</b> , supported by DWP and Reading Business Improvement District. The region’s largest jobs event</p>	<p>80 employers and agencies attended</p> <p>700+ job seekers attended</p> <p>90% satisfaction rating from employers</p>	£9,000
<p><b>Stronger Together Access to Work event 2019 -</b> Two-part event aimed at encouraging more employers to work with people with supported employment needs, PLUS jobs fair with DWP and BBO partners Part funded by ESF/BLF</p>	<p>4 headline case study talks</p> <p>33 employers and agencies exhibited</p> <p>239 local people attended job fair</p>	£5,000
<p><b><u>Project Admin Charges</u></b></p>	<p>As agreed in Supplementary Planning Document @ 5% of project spend 2018/19</p>	£4,000

<p><b><u>SECTOR SKILLS</u></b></p> <p><b>CSCS Training</b> All-age supported employment course leading to construction skills certification. (Un-funded elements of training and test costs supported in partnership with College)</p> <p><b>Hospitality Works</b> Developed with Hospitality Association, and partnered by DWP. Training event at Hilton Reading hotel.</p> <p><b>Tech skills - upskilling for mature workers</b> Digital Gum / Green meets Grey programme at Festival of Digital Disruption delivered by Connect TVT / Grow, sponsored by Reading UK, including cost of hosting at The Town Hall</p> <p><b>Social Media skills development (youth trainees – 14 months )</b></p>	<p>Total of 11 courses delivered over year</p> <p>120 have completed the course 78 have passed the CSCS test</p> <p>Supported by two ESP contractors</p> <p>Approx 30 young people with supported employment needs attended morning “have a go” sessions. 2 gained further work experience 30 long term unemployed attended afternoon sessions 2 offered interviews</p> <p>Approx 100 students and mature people attended the event within the 3 day Town Hall “Festival of Digital Disruption”</p> <p>Employment of an unemployed Reading young person on a level 3 Apprenticeship working in the Reading UK office and training at Reading College. Preparing that person for full-time work in Reading</p>	<p>£4,000</p> <p>£3,500</p> <p>Within FODD (Developing Stem Skills) Costs</p> <p>£22,000</p>
<p><b><u>Business Support</u></b></p> <p><b>Big Biscotti Event 2018</b> Sponsored by Verizon, a one day event to deliver sales and marketing training to small business</p> <p><b>The Business Hour</b> monthly breakfast network event for small business Supported by Malmaison</p> <p><b>Providing Secretariat Service for Hospitality Association and Business Growth and Skills Groups</b></p>	<p>180 registered attendees 30 workshop events 2 key note speakers Publicised throughout Berkshire region, through Biscotti networks and social media</p> <p>10 events delivered Workshops have included Linked In, Cyber Security, Local Industrial Strategy and Business Improvement Districts 200+ people have attended</p> <p>Meetings and activities with business groups representing 35+ businesses supporting skills and employment</p>	<p>£4,500</p> <p>£2,500</p> <p>£3,000</p>

**Appendix B**  
**Planned Delivery in Year Two 2019/20**

Target / Activity	Outcome targets	Cost
<b><u>Start Up Business Training</u></b>		
<b>Real Business Club</b>	2 more courses over year Up to 80 local start-ups supported (20 per course)	£10,000
<b>Pop Up Business</b>	1 course to be delivered in 2019/20 Target of 80-100 attendees?	£10,500
<b>Digital Gum</b> digital skills for small business, nationally recognised programmes delivered by Connect TVT	Up to 2 programmes supporting 12 businesses per programme	£5,500
<b><u>Small Business Support</u></b>		
<b>Small Business Event</b> with Green Park “Better Business Better You” organised with Business Biscotti	Up to 200 attendees 24 + workshop events Min 2 key note business speakers	£10,000 sponsored by Green Park
<b>The Business Hour</b> – monthly breakfast network event for small business	10 events over 2019/20 Approx 15 businesses per event	£2,500 Sponsored by Malmaison
<b><u>Over 50s</u></b>		
<b>Targeted Job Event 2019/20</b>	Aiming for 30 exhibitors, 12 training and skills seminars, over 200 attendees	£15,000
Follow up to include supported employment course:	Programme offered to c 20 unemployed mature workers	£4,000
<b>Upskilling</b> - mature skills Digital Gum – nationally recognised digital skills programmes delivered by Connect TVT / Grow Anticipated 2 year commitment	20 people supported per session	£16,000 [4 x £4,000]
<b>RE – upskilling courses for mature workers</b> – supported by Reading College, Biscotti and Ikea Project in development, feeding from Mature Workers Job Event	4 courses Target 15 people per course	£4,000
Mature workforce research project – in association with Ikea (tbc).	Target of 200 survey responses	£1,000

<p><b><u>Recruitment Support</u></b></p> <p><b>Job Fest</b> - Annual job fair at <b>The Hexagon</b> , supported by DWP. The region’s largest jobs event</p> <p><b>RE – Jobs and Skills Fair for mature workers In development - Green Park</b></p> <p><b>Stronger Together / Access to Work</b> - Part employer seminars aimed at encouraging more employers to work with people with supported employment needs, PLUS jobs fair with DWP and BBO partners <b>penta hotel</b></p>	<p>Target: 80 business and agency exhibitors per event Over 500 job seekers per event</p> <p>Target 20 exhibitors 10 workshops 100 + attendees</p> <p>30+ exhibitors 150+ attendees 50+ seminar attendees</p>	<p>£7,000</p> <p>£10,000</p> <p>£3,000 ESF/BLF funds used to support delivery</p>
<p><b><u>Sector Skills</u></b> <b>Targeting Upskilling and Wage Growth</b></p> <p><b>Retail</b> - delivered with Reading Business Improvement District and New Directions - service and supervisory skills for retail staff</p> <p><b>Hospitality</b> - personal license, H&amp;S Level 1, First Aid, supervisory skills for hospitality staff. Working with Hospitality Association/New Directions, plus BID businesses.</p> <p><b>Logistics</b> - HGV / Forklift and H&amp;S training. Developing project, requiring industry lead</p> <p><b>Social Media skills development</b> (youth trainees</p>	<p>NOT SET</p> <p>NOT SET</p> <p>NOT SET</p>	<p>£7,000</p> <p>£7,000</p> <p>£7,000</p> <p>£12,000</p>
<p><b><u>Reading Tech Nation and Innovation Hub / STEM Skills – young people and improvers</u></b></p> <p>Support for 2019 Festival of Digital Disruption (within new venue)</p>	<p>6 events over 3 days Over 600 attendees expected, plus major promotional activity on national stage.</p>	<p>£8,000</p>

<p><b><u>Employment Support</u></b></p> <p><b>CSCS Training</b> - ongoing programme with Reading College, providing all-age training and support to gain construction skills certification. RUK supports un-funded elements of training and test costs, otherwise funded by College.</p> <p><b><u>Get That Job programme</u></b></p>	<p>Up to 10 courses per year 12 – 20 participants per course</p> <p>Removed from programme subj to discussions with partners</p>	<p>£3,500</p>
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