

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET
Report of:	Strategic Director, Economy
Date of Decision:	14 February 2017
SUBJECT:	STEP FORWARD: UPSKILLING FOR LIFE
Key Decision: Yes	Relevant Forward Plan Ref: 003028/2017
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s) or Relevant Executive Member for Local Services:	Councillor Brett O'Reilly, Cabinet Member for Jobs and Skills
Relevant O&S Chairman:	Councillor Zafar Iqbal, Economy, Skills and Transport
Wards affected:	Citywide

1. Purpose of report:
<p>1.1 To update Cabinet on Step Forward, a multi-agency promotional campaign raising awareness of the benefits of increased qualifications levels and encouraging the upskilling of the workforce across Birmingham targeted at employers and residents.</p> <p>1.2 Step Forward will contribute significantly to the delivery of the Birmingham Skills Investment Plan, particularly in helping to close the skills gap amongst people in employment between Birmingham and other core cities and thereby enabling employment progression in the local jobs market.</p>

2. Decision(s) recommended:
That Cabinet:
2.1 Notes the delivery of the Step Forward programme to be launched in March 2017.

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3. Consultation

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

Consultation has been undertaken with the Head of Birmingham Adult Education Service, who is supportive of Step Forward, understanding the need for upskilling across the workforce and committing to undertaking workforce development and participating in delivering training. In addition with Human Resources – Assistant Director, Change and Support Services; who supports Step Forward which reinforces the principles of developing and upskilling the workforce, complementing the developing Apprenticeship Strategy to increase the number of people recruited to apprenticeships in BCC and rewarding existing staff through the provision of development opportunities.

3.2 External

Consultation has been undertaken as part of the development of Step Forward including Greater Birmingham and Solihull LEP (GBSLEP) Employment and Skills Board, where upskilling of the workforce is a key priority; with the objective as set out in the Strategic Economic Plan to 'Increase business and workforce productivity and competitiveness – particularly by raising skills levels and stimulating demand-led innovation'. Step Forward was approved at the LEP Employment and Skills Board (Jan 17) to be promoted and implemented across the LEP area and the Growth Hub will be utilized as a central point of information for Step Forward.

3.3 Consultation has also been carried out with Trade Unions Unite and Unison, West Midlands Combined Authority, HS2 Ltd, Birmingham Chamber of Commerce, Further Education colleges and private training providers as well as a number of local businesses and employers where existing relationships already exist.

3.4 The outcome of the consultation was acknowledgement of the need to improve qualifications levels in Birmingham for those in and out of work, and that partners are supportive of the delivery of a co-ordinated strategy to raise awareness of the impact of higher skills levels and their role in delivering this.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The proposal contributes towards the strategic outcomes outlined in the 'Council Business Plan and Budget 2016+ of: A Strong Economy; Thriving Local Communities; and a great future for young people, specifically the sub-outcomes of: an integrated skills system that reduces the skills gap, supports employers to take on people furthest from the labour market and drives down unemployment; no young person is left behind, and education and employment are used to address inequality and introduce fairness. This is enacted through the delivery of a high profile public relations campaign targeted at employers and individuals to increase the number of people with no/or low level qualifications to reengage in training and improve qualifications levels. Through

Improving qualification levels of the workforce, businesses become more competitive, positively impacting the economy and individuals have increased opportunities within the workforce and enhanced earnings potential. Through a targeted approach, Step Forward will support inclusive growth for all Birmingham citizens, creating opportunities for all residents and focusing on those areas with lower skills levels and higher in-work levels of poverty.

- 4.2 The Birmingham Skills Investment Plan (BSIP) was incorporated into the Council's Policy Framework at Full Council in April 2016 and contributes towards meeting the vision: 'we recognise that currently there is a gap in the skills of our citizens and those skills demanded by employers.' There is a need to develop greater economic independence and personal resilience among our citizens through the campaign to raise awareness of the benefits of increasing qualifications and the positive impacts this has for individuals and business. The BSIP identifies that the current skills gap is a challenge for everyone, and the purpose of Step Forward is to encourage individuals and businesses to play a role in addressing the skills gap for the benefits of themselves and the wider economy.

4.3 Financial Implications

(Will decisions be carried out within existing finance and Resources?)

Step Forward will be carried out utilising existing staff resources to develop, facilitate and deliver the programme. Existing business engagement activities will be accessed to promote the programme including engaging with Business Charter for Social Responsibility signatories and looking at options for including Step Forward within the requirements of the Charter; Business Growth Programme; Employment and Skills employer engagement activity and cog – a newly launched digital matching platform to promote jobs and training and match employers to jobseekers, managed by the Economy Directorate. This will also be done in conjunction with partners where necessary to access existing media and PR platforms, including GBSLEP Growth Hub, Enterprise Zone and the National Careers Service.

4.4 Legal Implications

The activity being delivered by Step Forward is to promote the upskilling of the workforce, having a positive impact on the local economy and employability of residents in the workplace. The Council has the power to enter into this activity in accordance with the general power of competence conferred by Section 1 of the Localism Act 2011. The proposed activity is within the boundaries and limits on the general power set out in Section 2 and 4 of The Act respectively.

4.5 Public Sector Equality Duty (see separate guidance note)

An initial Equality Impact Assessment (Ref EA001132) has been undertaken as part of the BSIP approved in February 2016 (attached as Appendix 2). Step Forward forms part of the implementation of this plan.

The BSIP provides a way forward to deliver improved skills levels for all Birmingham citizens: young people, unemployed, and those in work to redress and level the playing field for all Birmingham residents who are disadvantaged in the labour market by reason of no skill, low skill or a skills mismatch.

5. Relevant background/chronology of key events:

- 5.1 The BSIP was approved by Cabinet on 16th February 2016, which is a statement of current and future skills needs in the City, linked to jobs and economic growth. The BSIP is intended to address issues that contribute to the mismatch of supply and demand around skills, and to be jointly owned and implemented by stakeholders across the City.
- 5.2 The consequence of not increasing skills levels by 2026 will be:
- 174,000 low skilled people chasing 150,000 low paid skilled jobs – a surplus of 24,000 low skilled workers with an increasing risk of unemployment
 - 85,000 people with intermediate skills will chase 80,000 jobs – a surplus of 5,000 people
 - Employers will struggle to recruit to the estimated 230,000 high skilled jobs with only 184,000 high skilled workers – a shortage of 46,000.
- 5.3 Step Forward forms part of the Implementation Plan of the BSIP and part of the response to some of the issues identified around skills gaps in the workforce. It complements the 'Accelerate' strand of the LEP and West Midlands Combined Authority skills strategies, building on the strength of partnerships already established across Birmingham and initiatives both already in place and in the pipeline to promote increasing skills levels by focusing on GBSLEP growth sectors. Working with partners including the National Careers Service, Chamber of Commerce and GBSLEP, Step Forward will maximise their influence, knowledge, experience and connections to promote the key messages and engage with the target audience.
- 5.4 Skills levels are rising at all levels across Birmingham, and the number with no qualifications is falling, however, rates are also rising nationally, and the gaps are not closing except for those achieving Level 4+ qualifications. The scale of the challenge is significant. There are currently 108,000 working age adults in Birmingham with no qualifications and a further 71,000 qualified to Level 1 only. If the proportion of Birmingham residents with a Level 3 or above qualification was the same as the UK average, an additional 39,000 residents would be qualified to level 3+, and there would be 47,000 fewer residents with no qualifications.
- 5.5 Not only are Birmingham residents as a whole less well qualified than the core city and UK average, but so are those who are in employment. This is true at all qualification levels apart from at level 4+ where Birmingham is slightly above the UK average, although under-performs compared to the core cities average.
- 5.6 Step Forward will target adults and their employers to raise awareness of the benefits of uplifting skills levels on an individual and business level. Birmingham residents need to be ready for the changes in the labour market, to take advantage of the job opportunities requiring higher level skills and for employers to have access to employees with the skills they are looking for. Working in partnership with the public and private sector and employers, a multi-agency promotional campaign will be implemented to encourage the upskilling of the workforce.

5.7 The purpose of Step Forward will be to:

- Improve skills levels so that people have the *right* skills and qualifications to access jobs, particularly for those in work (WMCA SEP)
- Increase skills levels across Birmingham and close the gap between Birmingham and the core cities average
- Promote the benefits to employers and individuals of obtaining higher skills levels to access:
 - employment
 - career progression; and
 - increase lifetime earnings potential
- To promote job opportunities, apprenticeships and career paths within growth sectors, e.g. HS2 and the future jobs market.

5.8 Step Forward will bring together in one access point, the tools and information available to employers and individuals to assist in upskilling including accessing the Apprenticeship Levy, Further Education (FE) provision, Growth Hub funding, advice and guidance, relevant business funding programmes and Advanced Learner Loans. This will be available in a comprehensive format and supported by in-depth skills diagnostic programmes where available (e.g. through the Enterprise Zone).

5.9 The City Council will use its influence as a local authority to promote and raise awareness of Step Forward; firstly where we have direct contact with employers and individuals through a range of channels including the Business Charter for Social Responsibility, Procurement Policy Framework for Jobs and Skills, Business Growth Programme and Birmingham Adult Education Service. In addition, through a high profile PR campaign using our leadership role to influence and raise awareness of the benefits of upskilling and increasing qualifications levels. Impact of this engagement will be monitored to measure uptake of training and qualifications gained to demonstrate the effectiveness of Step Forward. Higher level targets based on GBSLEP and WMCA targets have also been established up until 2026, focusing on closing the gap with Core Cities across qualifications levels. Any noticeable impact will not be felt for a minimum of 2 years due to timescales involved in gaining qualifications and this then being included within official figures and this has been reflected in the targets set.

5.10 The PR strategy will use a range of tools and approaches to promote the benefits of increased qualification levels to both employers and individuals. Working with the BCC Corporate Communications Team and utilising the resources and networks of partner organisations such as GBSLEP Growth Hub and the National Careers Service, a targeted strategy will be implemented, focused on growth sectors including the HS2 Growth Strategy and areas of skills shortage networks and resources.

5.11 A detailed marketing strategy will be developed in February 2017, focusing on 3 strands of delivery. There will be an overall strategy promoting a high level message around upskilling and the resources available to do this, delivered through high profile mediums reaching large numbers of people, e.g. digital billboards. A targeted employer engagement campaign will be delivered, focusing on business benefits and delivered through existing business contact channels as well as through wider media outlets. A campaign will also be delivered focused on individuals promoting benefits including impact on earnings potential and increased labour market opportunities, this will also be targeted at areas of higher deprivation and lower skills levels and in line with growth sectors. This will be delivered through linkages with organisations, services and resources with a strong presence in local communities, including voluntary sector organisations, libraries and community venues, Deputy Leaders who have a strong local presence to direct resources and raise awareness of Step Forward.

5.12 Step Forward will be launched formally in March 2017.

6. Evaluation of alternative option(s):

6.1 **Do nothing** – to do nothing would mean the current skills gaps would remain unchallenged at this level. Step Forward will raise awareness of the benefits of upskilling to businesses and individuals who may not otherwise invest in this, impacting on the qualifications levels in Birmingham and contributing towards closing the gap in skills levels between Birmingham and the Core Cities. Information and guidance on training provision across all sectors and information on the tools and resources available to support learning for individuals and businesses is not currently accessible in one place and therefore difficult to navigate and understand, potentially acting as barrier for people in improving their qualifications levels.

7. Reasons for Decision(s):

7.1 To inform Cabinet of the implementation of the Step Forward programme as part of the overall delivery of the Birmingham Skills Investment Plan.

Signatures

Date

Councillor Brett O'Reilly,
Cabinet Member for Jobs and Skills

Waheed Nazir
Strategic Director for Economy

List of Background Documents used to compile this Report:

Birmingham Skills Investment Plan approved by Cabinet on 16 February 2016 and adopted by Full Council on 5 April 2016 <http://www.bhampolicycommunity.org.uk/wp-content/uploads/2014/11/Birmingham-Skills-Investment-Plan-web-1.pdf>

Birmingham Skills Supply and Demand Report

List of Appendices accompanying this Report (if any):

1. Step Forward Proposal
2. Equality Impact Needs Assessment – Birmingham Skills Investment Plan EA001132

PROTOCOL

PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty – see page 9 (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none"> (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"> (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"> (a) tackle prejudice, and (b) promote understanding.
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none"> (a) Marriage & civil partnership (b) Age (c) Disability (d) Gender reassignment (e) Pregnancy and maternity (f) Race (g) Religion or belief (h) Sex (i) Sexual orientation