

# Economy and Enterprise Overview and Scrutiny Committee

21 February 2020

North East Skills Advisory Panel

(North East Local Enterprise Partnership)



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## Report of John Hewitt, Corporate Director of Resources

### Electoral division(s) affected:

Countywide

### Purpose of the Report

- 1 To provide members of the Economy and Enterprise Overview and Scrutiny Committee with some background detail on the Skills Advisory Panel prior to a presentation by Michelle Rainbow, Skills Director, North East Local Enterprise Partnership (North East LEP).

### Executive summary

- 2 The Economy and Enterprise Overview and Scrutiny Committee when undertaking its 2018/19 work programme has raised questions in relation to the development of skills and skill requirements regionally and locally.
- 3 When considering its future work programme for 2019/2020 members requested that a meeting was arranged where they could receive detail of activity undertaken by the Business, Enterprise and Skills Group of the County Durham Economic Partnership. In addition, members requested that an invitation be extended to the North East LEP for a representative to attend the same meeting to provide detail of work which is ongoing at a regional level to develop skills including detail of the establishment of the Skills Advisory Panel.
- 4 Arrangements have been made for Michelle Rainbow, Skills Director, North East LEP to attend the meeting on the 21 February 2020 and deliver a presentation focusing on:
  - Skills Advisory Panel – purpose, structure and remit
  - Findings – skills data analysis

- Area of focus and further evidence requirements

A copy of the presentation is attached as Appendix 2.

## **Recommendations**

- 5 That the Economy and Enterprise Overview and Scrutiny Committee comment on the information provided in the report and in the presentation.

## Background

- 6 The North East Local Enterprise Partnership (North East LEP) provides strategic economic leadership for the region, working with partners and facilitating the delivery of the North East Strategic Economic Plan (SEP). The SEP is recognised by government as the policy document that sets a strategic direction for our regional economy.
- 7 It outlines our medium-term economic plan and helps identify interventions and investments to support economic growth, and to create more and better jobs. Our aim is to create 100,000 more jobs for the North East economy and to ensure that 70% of these jobs are better jobs.
- 8 The North East LEP is leading on the delivery of a strategy for skills, employment, inclusion and progression which will strengthen the North East's position as a globally competitive region through ensuring the supply of skilled people meets demand from a growing and prosperous business base. It will do this by shifting the skills market in the North East
- 9 Skills, Employment, Inclusion and Progression is one of five inter-related priorities outlined in our North East Strategic Economic Plan 'More and Better Jobs.'
- 10 The long-term ambition in the North East is that demand for skills and the quality of jobs continue to improve, leading to higher productivity. To deliver this, the North East must be a place where:
  - individuals, regardless of age or employment status, have a good understanding of the employment opportunities available in the North East and the pathways to access them.
  - that employers have strong links with education and training providers leading to responsive and inclusive provision that meets local needs
  - all partners understand the importance of skills in improving productivity and living standards.

This is an ambitious vision that will require substantial changes to deliver. By 2024, our ambition is that these principles are understood across the region and that there has been significant progress made towards their achievement, providing a strong base to build on in future years.

## **Aims and remit of the Skills Advisory Panel**

- 11 The Skills Advisory Panel (SAP), previously the Employment and Skills Board will oversee and advise on programme implementation and development. With the aim of driving new thinking around employability, skills, inclusion and progression the Employment and Skills Board will bring together ambitious business and voluntary and community sector representatives with members of the North East Local Enterprise Partnership Board and other key partners in the employability and skills arena.
- 12 The SAP will pool knowledge on skills and labour market needs, and to work together to understand and address key local challenges. This includes both immediate needs and challenges and looking at what is required to help local areas adapt to future labour market changes and to grasp future opportunities. This will help colleges, universities and other providers deliver the skills required by employers, now and in the future.
- 13 The SAP members shall be appointed by the North East Local Enterprise Partnership Board to progress the objectives set out in the Skills, Employment, Inclusion and Progression Programme and the North East Local Industrial Strategy (LIS) as agreed by the North East Local Enterprise Partnership Board. Any further or future objectives and terms of reference will be developed by SAP and agreed by the North East Local Enterprise Partnership Board.
- 14 The role of the SAP is advisory. Decisions will either be made by the Local Enterprise Partnership board based on recommendations by the SAP or by the SAP where there has been delegated authority by the Local Enterprise Partnership board.
- 15 The SAP shall consist of the following members:
  - The member of the North East Local Enterprise Partnership Board with responsibility for skills
  - A representative or the portfolio holder from the North East Combined Authority (NECA) – Councillor Simon Henig together with a DCC officer as an observer.
  - A representative or the Portfolio holder from the North of Tyne Combined Authority (NoTCA)
  - Up to six employers with a commitment to skills investment and strong business leadership experience reflecting key sectors.
  - A representative of the area's FE institutions

- A representative of the area's universities
- A representative from the key organisations and partnerships which support the theme;
  - Education and Skills Funding Agency
  - Department for Education
  - Department of Work and Pensions
  - BEIS / MHCLG
  - Schools NorthEast
  - Trades Union Congress
  - North East Learning Providers
  - North East Chamber of Commerce
  - Federation of Small Business
  - CBI
  - VONNE
- The North East Local Enterprise Partnership Chief Executive
- The North East Local Enterprise Partnership Skills Director
- Other individuals may be co-opted by the Employment and Skills Board for their knowledge of business operations and growth

16 All members will serve for a period of up to three years and will be committed to at least one year's membership of the SAP. Membership will be reviewed annually by the North East Local Enterprise Partnership Board to ensure that it best reflects the requirements for the delivery of its skills, employment, inclusion and progression programme.

17 The Skills Advisory Panel will

- produce robust and authoritative evidence-based skills and labour market analysis which clearly identifies existing local skills and employment challenges, and identifies key areas of future needs relating to projected local employment growth areas
- develop a sophisticated understanding of both the local labour market and skills provision in the local area, the extent to which labour mobility within, or into, a local economy can address skills needs, and the projected gaps between skills needs and skills provision
- build knowledge of the range of both local, regional and national employment provision that exists or is planned

- present the analysis at board level and sharing it with the wider employer and provider communities to ensure that their perspective on the local labour market and local employment and skills system is reflected in the prioritisation the board takes forward
- provide analysis to inform the development and the implementation of the 'People' element of Local Industrial Strategies Build on this

18 In addition, the SAP will build on the high-quality analysis to develop a clear approach to addressing skills and employment challenges within the local area, including by looking ahead to likely skills priorities in the coming decade.

19 The presentation attached provides details of the evidence and analysis undertaken to date. It also provides details of the additional research being undertaken and next steps in the development of the approach to address the challenges.

## **Conclusion**

20 Members will be aware of the work undertaken by the North East LEP in relation to skills development at a regional level.

## **Background papers**

[North East Strategic Economic Plan](#)

North East Strategic Economic Plan – executive summary

[Our Economy 2019](#)

Our Economy – executive summary

## **Other useful documents**

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**Contact:** Michelle Rainbow

Tel: 0191 561 5439

Diane Close

Tel: 03000 268 141

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## **Appendix 1: Implications**

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### **Legal Implications**

Not applicable

### **Finance**

Not applicable

### **Consultation**

Not applicable

### **Equality and Diversity / Public Sector Equality Duty**

Not applicable

### **Human Rights**

Not applicable

### **Climate Change**

Not applicable

### **Crime and Disorder**

Not applicable

### **Staffing**

Not applicable

### **Accommodation**

Not applicable

### **Risk**

Not applicable

### **Procurement**

Not applicable