Economy and Enterprise Overview and Scrutiny Committee

23 February 2016



Skills development scrutiny review - Update

Report of Lorraine O'Donnell, Assistant Chief Executive

Purpose of the Report

The purpose of this report it to provide members of the committee with an update on the progress of the scrutiny review focusing on how Durham County Council (DCC) working with partners supports skills development within County Durham.

Background

- Members will recall that during 2014/15 the committee considered an update on the work of Business Durham together with a number of media items which reinforced the success of County Durham in attracting inward investment in recent years with a number of major companies locating in the county and a number of established companies expanding.
- In addition, as part of 2014/15 work programme members also received an overview report and presentation on skills development within the county which included detail on the role of DCC in supporting skills development. When considering the report and presentation members commented that some employers within the county had expressed concern that the current workforce does not have the skills they require and members were concerned that a lack of required skills could be preventing local people from accessing employment opportunities.
- When considering the refresh of the committee's work programme for 2015/16, members considered it timely to undertake a focused scrutiny review looking at the role and performance of Durham County Council working with partners to support skills development within County Durham.
- The scoping report and terms of reference for the project were agreed by the committee at the meeting on the 29 October, 2015 which identified 7 meetings for the review group together with 2 visits for members to see 'first hand' the type and level of skills support provided within the County. It was agreed that the review would cover the following objectives:

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- Consider and understand the current approach to skills development at a national, regional and local level including current funding arrangements.
- Examine the existing skill base of residents within County Durham and compare to the regional and national skill base.
- Consider and understand the role and performance of DCC and key partners in supporting skills development within the county including detail of various projects/initiatives including AAP activity.
- Examine how DCC engages with key partners including the National Careers Service, Business Education Board, FE colleges, specialist learning providers, employers and the County Durham Economic Partnership (CDEP) to support skills development within the County.
- Identify any skill gaps for a variety of specific sectors including: employers; adults; young people including young people who are not in education, employment or training (NEETs) together with types of barriers.
- Examine any actions identified to meet skill gaps and barriers.
- Identify and consider future skill priorities for the county.

Current position

- The review group has held 3 meetings to date in November 2015, January 2016 and February 2016 during which they have received information on:
 - Current approach to skills development local/regional/national.
 - Key strategies and policies in relation to skills development.
 - Funding structure in relation to skills development and changes resulting from the Comprehensive Spending Review.
 - Detail of employment trends local/regional/national skills performance data/information.
 - Role of DCC in supporting skills development within County Durham RED Service Grouping, CAS Service Grouping and AAP's.
 - Identify key partners at local/regional and national level which support skill development identifying the type of support provided and engagement undertaken.
 - Examples of various skill initiatives/projects.

Key conclusions

- 7 The review group to date have made a number of conclusions following the various meetings which include:
 - The need to look further at the quality and delivery of Information, advice and guidance (IAG) provided to young people.
 - Consider the current work experience offer within County Durham.
 - Consider engagement with the business community within County Durham.
 - Need to consider how we engage with universities in County Durham to encourage graduates to stay and work within the county.

- Employers are made aware of the additional funding available from DCC in relation to apprenticeships.
- Need to maximise the opportunities available via YEI (DurhamWorks Programme) for young people aged 16-24 in the county who are unemployed.
- Need for the performance of DurhamWorks Programme delivery partners to be monitored.
- Continued dialogue between AAPs and CAS to ensure that successful projects developed by AAPs which meet the criteria of the DurhamWorks Programme are identified for inclusion and rolled out across the County.

Next steps

- There are a further 3 meetings of the review group scheduled together with visits and it is intended that the remaining meetings will include members receiving information on:
 - Skill support provided by partners within the county including detail of support provided by: the County Durham Economic Partnership; Dyer Engineering; Esh Group; National Careers Service; Business Education Board; FE Colleges and Specialist Learning Providers.
 - Skill gaps for a variety of specific sectors and barriers.
 - Any actions identified to address gaps in provision and barriers.
 - Future skill priorities and how they will be progressed.

Recommendation

That the Economy and Enterprise Overview and Scrutiny Committee note and comment on the progress of the skills development scrutiny review.

Background papers

Economy and Enterprise OSC report – Scoping report - Review of Skills Development – 29 October, 2015.

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Appendix 1: Implications Finance - None Staffing - None Risk - None Equality and Diversity / Public Sector Equality Duty - None Accommodation - None Crime and Disorder - None **Human Rights - None Consultation - None Procurement - None Disability Issues - None Legal Implications –** None