

**SOUTH WEST REGIONAL EMPLOYMENT AND SKILLS PARTNERSHIP
PERFORMANCE MONITORING GROUP**

Action Notes

Monday 16 March 2009

Present:

| | | |
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| AB | Adrian Bailey | RSP |
| SB | Sarah Beeson | GOSW |
| MC | Mark Colton | Jobcentre Plus |
| CE | Chris Evans | Marchmont/SLIM |
| BH | Brian Humphreys | LSC |
| DN | Dawn Neale | RSP on behalf of SSC |
| BN | Ben Neild | Marchmont/SLIM |
| NO | Nicola Oates | HEFCE |
| JW | John Wilkinson | Reports to the CBI on RSP |

Note taker:

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| HT | Hilary Todd | Marchmont/SLIM |
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1. Introductions

Nicola Oates (HEFCE) was welcomed to the meeting.

2. Action Notes of the meeting on 22 September 2008

These were accepted.

9. *RESP Board Away day* – it was agreed that there needed to be more focus concerning the Age agenda in particular at meetings of the Board.

3. Draft Amendment to Terms of Reference

The proposed revised Terms of Reference (including the amendment of bullet point 5 to read ‘...*qualitative or quantitative* ...’) were accepted.

How to measure the performance of the partnership was raised, now that the balanced scorecard was no longer done. It was agreed that it would be politically useful to undertake a survey to show government how well the partnership was working in the current crisis, to increase the likelihood of the new bodies coming on stream joining it rather than being completely separate. It was further agreed it should be done in time for the July Board meeting as timing was seen as important. A set of questions, based on the balanced scorecard, but with others about response to recession, would need to be agreed and sent to the members of the Board and Alliance. For the future, it would be useful to undertake it once a year in advance of a Board meeting which would then have evidence on which to base a discussion of its own strengths and weaknesses.

All

4. Partner Reports

4.1 LSC – BH reported that the Machinery of Government changes were rolling on. The National Apprenticeship Service was being formed in April. John Chudley would take the senior post in the region, with Cathy Campbell, Rob Sly, and Mark Howard filling the band 4 (Director level) roles. April

to October would see most staff moving into their new positions to start the following April. There would be a matching process for most with many people moving to LA teams from area teams. More announcements were expected at the end of the month including location of offices.

The recession and on-going changes were impacting on performance and functions. There was a new funding pot for adult learners starting in April, £83m only (for people being made redundant now to enable retraining) and increased flexibility in TTG. 16-18 Apprenticeships had been hit but adult ones were doing well, as was TTG. 16-18 recruitment in schools was good (which can be volatile). There would be funding pressures in 2009-10 so allocations were late being sent out (discussions were ongoing with the Department and the Treasury). The intention was that all providers should know their maximum contract values by the end of the month. There would be less PSA delivery in the coming year.

BN reported that an AoC SW meeting had acknowledged that colleges were worried about not meeting delivery targets. There was rising adult demand, but because the cost of fees was off-putting in order to spend the adult learner responsive budget, colleges had to take students in on reduced or no fees which hit their finances. If the budget was not spent, it might be clawed back or cut, a concern BH shares having seen the delivery figures.

4.2 JCP – MC reported the Rapid Response Service they had run had been re-badged but the funded element on the end of it had been severely reduced (£1m to spend next year, just to support redundant workers, not those who might be about to be made redundant). It was not clear how it could be spent. JCP was partnering with SW TUC on intelligence gathering and supporting redundancies, and engaging with SSCs through SOG. Trying to recruit like mad with staff being moved to help out in hot spots eg in Swindon.

The biggest issue was that registers were rising fast but vacancies had gone through the floor. Under broad SIC codes, vacancies were being lost in five sectors and gained in only two. A bid had gone into HEFCE for support for professional and technical people.

Care sector: 250 people had turned up for an event in Cornwall.

Action: BH to look at whether there was an increase in people doing care sector qualifications.

BH

In relation to funding for qualifications, the 16 hr rule was noted as still being a problem, although most people still just wanted another job.

DN mentioned the SSC partners' day in April discussing local action teams.

Action: DN to send details to MC to link with him on the £1m available.

DN

So far the informed view was that the recession had not yet hit as hard as had been planned for. However, if the summer is bad, it will show in November when hotels do not open. Glos, Wilts and Swindon have so far been hit hardest. Companies were being creative in how to release staff.

4.3 GOSW - SB – Competitiveness – will forward a report just received (still can't do it regionally)

Action: a copy of SB's report on Competitiveness to be attached to the minutes.

SB/HT

There had been progress on Priorities 1 and 2 in the new programme – increased take-up and demand in Priority 1 had resulted in 15,581 starters on provision out of a total target of 24,000, 832 into employment; there was over demand for that type of provision at the moment. Priority 2 (in employment) had not had such good results. Figures were to November only and the LSC had just done their first reconciliation. 639 participants in priority 2 but that is because of lag and figures should show an increase Nov-Feb.

Data is broken down by participant groups eg NEETS, ethnicity, age but training on the system is awaited. In due course, it will be possible to extract data by postcode/geographically. Where national office permits, it might be possible to work with JCP and LSC to plug holes in the data. Still pushing for ESF to be flexible to regional needs.

4.4 HEFCE – NO – interesting place to be. There was no growth to be had in the system just when UCAS indicated demand was rising.. 15k places had been requested, only 10k given and a clawback provision had been inserted so if institutions made mistakes in the numbers of offers made, they could be hit very hard financially. So just when people were saying it was good to train in preparation for the upswing, there was neither the funding nor the increased capacity for it. Moreover, other countries were also in recession and institutions were if anything looking to reduce their cost base especially if they had campuses abroad.

5. **RESP Priorities Indicators Report** – none presented on this occasion.

6. **Systematic Collection of data on the impacts of recession**

BN presented a paper on the needs the partnership might have, the extent to which they hold data and suggested priorities for analysis from JCP, essentially asking what data do we have? What more was needed?

In addition, he presented a set of slides on the effect of the recession which needed to be kept up to date.

Issues and data:

Apprenticeships – data from LSC monthly which needs to be turned into information for partners. The meeting on 3 April with JCP might assist.

Shape of past recession and effects – patterns of unemployment shadow the pattern of GDP but lags, so how long were the implications for workless families likely to be dealt with? Paul Gregg from Univ of Bristol spoke at the recent SWO conference on the impact of long-term employment on relative earnings over time, which it would be interesting to map. It was not known if the current recession would be a short V-shape or longer W-shape.

Employment level by region – SW level has remained quite consistent – population in SW is growing so can have rising unemployment, employment and economically inactive all in one go.

Gender effects – men losing more jobs than women currently. Not clear if women went back to work when the man loses his job. Number of men in part-time work was rising, accepting that rather than be redundant. Was it the same in the last recession? The stats are beginning to show that where there are big redundancies, people get paid then go back to work part-time.

Age – LFS showed older workers suffering more than younger but that did not tally with JCP figures and did not show volume. It may be that some took voluntary redundancy or early retirement. Older people did not get jobs again so easily – may leave the job market altogether hence there was an issue about loss of skills long term.

Claimant count – SW figures were rising more quickly than in other regions, but from much lower base than other regions. There were now six claimants to every vacancy.

Action: BN to discuss with MC district level data about vacancy rate.

Geography of jobs – if low paid, people would not travel.

Redundancy rate - Redundancy rate in the SW was low to start with. At present, manufacturing, construction and finance were being hit hard. Also distribution (including retail) and hotels. Interesting slides on % of redundancies mapped against % of that sector in the economy eg 30% of redundancies in a sector that makes up 11% of the economy. In parliamentary constituency level data, Swindon showed up sharply.

What other data was required?

- Local level data.
- Data on demand for learning as people lose jobs and how that related to RESP priorities?

Action: BH to look at LSC data on this and check if TTG are prioritising care in contracts for next year.

- Sub-regional data on where people were and were not retraining (needed to be collected on the same basis across the sub-regions).
- Analysis of what jobs were being lost and gained ie to answer the question on the nature of the structural shift in SW economy and its implications?
- Noted the effect of the different codes eg SIC and SOG. How do they relate to sector groups and RDA sectors?
- Noted also a lot of data is at provider level with increasingly a set of regional reports available at administrative area or sector level eg LA data.
- Herda-SW working on data capture from institutions on changing demand for courses including CPD. Are businesses looking to upskill? Also looking at graduates and where they go from first destination data.

The list of priorities for analysis from JCP was approved.

7. **Gap Analysis – Review of the evidence base**

Regional Skills, Employment and Enterprise Analysis (aka Gap Analysis) was to be updated in 2009, to provide the evidence base for the refresh of the ESF frameworks and the RESP's priorities. It would go to the October meeting of the RESP Board.

Timing is awkward.

Evidence sources

- Not clear when NESS data would appear – timing? Impact of recession?
- UK *State of the Nation* report would be available – but seemed to be using 2007 NESS data.
- Partner plans.
- HLMR – moving to BEM – need to know their timetable.
- Moving to Inclusion – data around disadvantaged groups.
- LSC strategic analysis is being done – supply-side analysis.
- PMG reports – could draw out progress over last two years.
- SOG process – primary research last time was BN's sector analysis which could not be done again so need to consider how to approach SSCs. LMI should be current because of re-licensing.
- STEM – nearing completion hence could be used.
- HESA data.

Action: CE to meet with NO about how to use HESA data, eg on low participating neighbourhoods, mapped to ward level; travel to study (cold spots eg Exeter despite good provision).

CE

- LESBs – priorities were emerging.

Action: CE to talk to Liz Byrne on her analysis of emerging priorities. Should there be another event?

CE

- JCP data.
- ESF data.
- TTG data.

Action: CE to contact TTG contract manager and request any available data.

CE

- Local Authority data on 16-19s – a concern with the approaching demise of the LSC as it needs to be collected in the same way. Noted that the Core Unit has a small pot of money from REIP to work with them to develop local economic assessments.
- LESBs – a concern because they are developing in different ways at different speeds. Need an agreed indicator framework which can be supported regionally.

Broad approach

Emphasis needs to be on LESBs ie local level.

Key additional issues

Issues which arose from the RFA consultation event.

Impact of recession on statistics.

Following the discussion, it seemed likely that:

- Structure would be much the same as last time but including policy changes, impact of recession; what does best intelligence tell us about what is likely to happen; RESP priorities and T&F groups. In addition ESF frameworks and RDPE framework would be added.
- Skills demand – need to add in higher, intermediate and basic level skills; future demand – will look at what data can go up to.
- Demand – specific areas. More to be said on low carbon and green skills agenda. Perhaps start with local issues and move to regional so it looks more bottom up rather than top down.
- Supply side:

Employment – lot more data on regional disadvantaged groups from MTI. Also will talk to SB on data outside ESF including age; vulnerable households – more vulnerable this time because of much higher levels of household debt at the outset.

Action: CE to talk to SB re data outside ESF including age.

CE

Enterprise – CE was not happy with it last time as it was tacked on.

Action: AB/CE to raise with the Board as to whether it should be included or dropped. If included, more resource would be needed to do it properly and Business Links asked if they could contribute on it. It should include HE and social enterprises. **AB/CE**

Action: All to look at it and let CE know if there is anything else, or specific evidence (eg HEFCE) which should be reflected. **All**

Action: A draft needs to be ready for the next meeting, likely to be in September. Members of the group will need to support individual sections. **All**

Action: a virtual meeting of the group might be needed before the next full meeting. **All**

8. Jobcentre Plus Redundancy Analysis

MC reported that the latest situation showed Gloucestershire, Wiltshire and Swindon together with TR15 (Truro) were taking the brunt of the rise in redundancies with manufacturing being particularly hard hit. JC+ districts can now monitor by postcode and reports were being sent to operational delivery areas to assist with planning. It showed just 10+ people but information on three plus can be obtained.

9. Local Economic Assessments – skills indicators discussions

The Observatory Core Unit will be leading work with South West Councils on developing indicators for LEAs. SLIM will need advice from the group on what skills indicators would look like, how to make sure HE ones are adequately reflected, and where data should come from. **BN**

10. Skills and Employment Survey 2011

Alan Felstead's wish for money for 500 additional interviews in the region (part of an additional 4,000 he wants to do) looking at skills utilisation and employee relations was discussed. It was thought the ESRC funding should result in sufficiently interesting results without an additional regional boost. It was agreed support and enthusiasm should be expressed but no further funding.

11. Date of Next meeting – September – to be arranged.

Information Note:

The Final Regional Funding Advice was agreed and submitted to the Regional Minister, Ben Bradshaw on 28 February 2009 and can now be downloaded at www.southwest-rfa.info. Supporting evidence, with links to all documents mentioned in the Advice, can be found on the evidence base page of this site.

The Advice was considered by the Regional Assembly Executive Committee, the Strategic Leaders' Board and the RDA Board during February and final amendments agreed before submission to the Regional Minister.

The completed document will be reviewed by Government over the next few months and a final response provided before the summer recess. If you have any questions about the RFA process, please contact Emma Fraser at emma.fraser@southwestrda.org.uk.