

# Skills and Employability Plan for Medway 2037

## Summary Paper for Overview & Scrutiny Committee

### Introduction

SQW has been commissioned by Medway Council to refresh its Skills and Employability Plan alongside a suite of other economic development and regeneration strategies, including Medway 2037 – an update to Medway 2035, the Council’s core economic development and regeneration strategy – a new Town Centres Strategy, a refreshed Innovation Strategy and a new River Strategy.

Medway Council previously adopted a Skills and Employability Plan in 2018; recognising shifts in the policy, funding, economic and wider context since 2018, Medway Council has instructed SQW to refresh the Skills & Employability Plan to ensure it remains fit for purpose and aligns with the wider economic development and strategy suite being developed.

SQW presented to the Overview and Scrutiny Committee in January 2022 to present the approach being taken to developing this strategy suite and to seek feedback from Members to inform the drafting process.

Since this time significant progress has been made regarding consultations and in preparing a first working draft of the strategy suite, with a first working draft issued for Medway Council officer review on 11 February 2022.

The purpose of this paper is to provide a detailed overview of the draft Skills and Employability Plan including an overview of the approach which has been taken, key stakeholder feedback, conclusions from a review of the evidence, the proposed strategy, vision for skills and employability in Medway, key priorities and delivery plan.

The full detail is contained in the working draft of the Skills and Employability Plan which is subject to ongoing consultation with key stakeholders within Medway Council and will be concluded by 31st March.

Feedback from members of the Overview and Scrutiny Committee is welcomed to inform the final draft of the strategy.

## Approach

The adopted Skills and Employability Plan for Medway 2035 set out that a core vision that local people of all ages will have the skills and experience to take up job opportunities generated through growth and inward investment.

This central aspiration remains relevant, and has informed the approach taken which has been to refresh rather than completely rework, recognising the traction that the existing Plan has and the progress that has been made over the last couple of years.

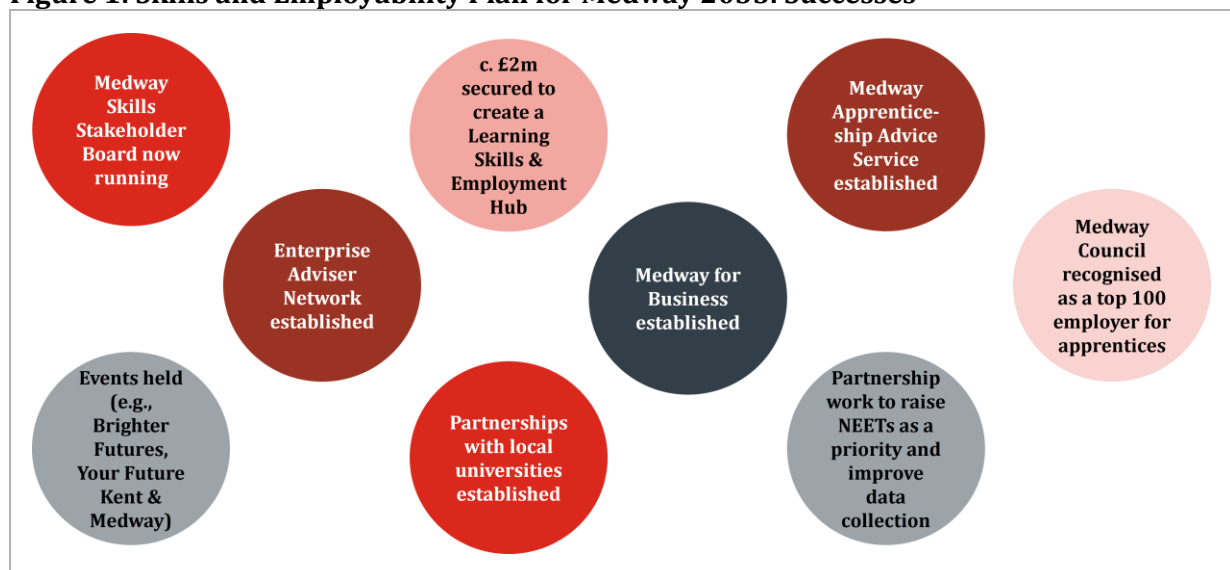
Importantly, this refresh has taken into account:

- Progress made in delivering on the priorities and objectives defined in the Skills and Employability Plan for Medway 2035
- Economic opportunities
- Transformational themes
- Labour market insight
- Policy change
- Stakeholder consultation feedback

## Context

Significant progress has been made in delivering on the key priorities and objectives defined in the Skills and Employability Plan for Medway 2035, as detailed in the figure below.

**Figure 1: Skills and Employability Plan for Medway 2035: Successes**



Source: SQW

Consultations took place with a number of key stakeholders, as detailed in the table below.

**Table 1: Skills and Employability – Stakeholder consultations**

Consultees	
Medway Council officers – People	Mid Kent College
Medway Council officers – Children & Social Care	Kent Association of Training Organisations
Medway Council officers - Education & SEND	University of Kent
Medway Council officers – Adult Social Care	University of Greenwich
Medway Council officers	Business workshops
Medway Council Member Skills Board	Kent County Council
SELEP	Kent Invicta Chamber of Commerce

Source: SQW

Key feedback is summarised below.

**Figure 2: Skills and Employability – Key feedback**

Themes and ambitions	Links with Council	Points of collaboration
<p>General support for the existing themes</p> <p>‘Raising aspirations’ as an overarching heading – <i>“people just don’t understand the opportunities that are out there”</i></p> <p>Increasing focus on progression in work – linked with positive discussions around AEB</p> <p>Taking account of wider changes in working lives</p>	<p>Positive feedback – <i>“Medway is quite a lot more proactive than other councils...”</i></p> <p>Positive progress in recent years, partly accelerated through crisis response</p> <p>Potential for more joint work with other Council departments</p> <p>Resourcing challenges recognised</p>	<p>Joining up employer engagement to mutual benefit</p> <p><i>“Employers can get more engaged in communicating opportunities themselves”</i></p> <p>Building on opportunities for shorter-term projects as well as strategy – pragmatism and flexibility</p> <p>Linking up with potential drivers/ major projects beyond Medway itself</p>

Source: SQW

A review of socio-economic and labour market data was undertaken to refresh the evidence base with the key messages identified as below:

- **Qualifications** - Resident qualifications are steadily rising, but forecast requirements continue to rise
- **Claimant count** - There has been a relatively strong employment rebound since the economic shock caused by the Covid-19 pandemic, however the claimant count is still higher than pre-pandemic levels

- **Covid-19 impact on employment levels** - Younger workers were the hardest hit initially but were then the quickest to return to work; there has been a slower return to employment among some older workers and substantial churn within Medway's labour market overall
- **Total employment** – there are 107,000 employees in Medway spanning a diverse range of sectors; there is relatively low job density so scope for growth.
- **Sector convergence and new / emerging sectors** - e.g., the 'digital tech' sector accounts for about 2,500 employee jobs – but many jobs across all industries require advanced digital skills
- **Self-employment** - is an important contributor to overall employment. In 2020, 15,900 'working age' people in Medway were self-employed (around 9% of the 16-64 population).
- **Occupational profile** – less people in Medway are employed in 'higher-skill occupations' (i.e. managerial and professional occupations); looking ahead to 2027 the strongest growth is forecast to be in teaching and education professionals, caring and personal service occupations, corporate managers and business and public service associate professionals

Key policy changes defined by the UK Government have also been considered, including the implications of the Plan for Jobs (July 2020), Plan for Growth (March 2021), Skills White Paper (January 2021) and the Levelling Up White Paper (January 2022).

The potential transformational implications of key trends have also been considered, as set out below.

**Figure 3: Potential long-term transformational drivers**

Theme	Major trends	Skills implications
Digitalisation	<ul style="list-style-type: none"> <li>• Changes in existing industries (automation, advanced use of data)</li> <li>• Development and growth of new/ emerging industries</li> <li>• 'Sector/ technology convergence'</li> </ul>	<ul style="list-style-type: none"> <li>• Increased demand for higher-level technical skills...</li> <li>• ... but need to support adaptability within existing workforce, and embed technology across curriculum</li> <li>• Need to enable/ drive diversity</li> </ul>
Decarbonisation	<ul style="list-style-type: none"> <li>• Cross-sectoral change – all jobs become 'greener'...</li> <li>• ... alongside new products and technologies (e.g., in energy, transport)</li> </ul>	<ul style="list-style-type: none"> <li>• Some transformational schemes may be limited in absolute employment numbers...</li> <li>• ...but significant re-skilling likely in (e.g.) motor vehicles, some construction, logistics)</li> </ul>
Demographic change	<ul style="list-style-type: none"> <li>• Longer working lives</li> <li>• Increased demand for some services, e.g. healthcare</li> </ul>	<ul style="list-style-type: none"> <li>• Lifetime retraining and expectations of work</li> <li>• Care demand and productivity pressures</li> </ul>
Changes in working practices	<ul style="list-style-type: none"> <li>• Flexibility, locationally and in relation to contracts and hours</li> </ul>	<ul style="list-style-type: none"> <li>• Mixed picture: opportunities alongside risks of isolation and reduced security</li> </ul>

Source: SQW

## Key proposed themes and priorities

A refreshed vision has been identified: *Raising aspirations, realising potential, supporting sustainable growth.*

This vision is supported by five key identified priorities which are identified and described below

**Figure 4: Key proposed priorities for the Skills and Employability Plan for Medway 2037**

Priority	Description
Raising and responding to employer demand	<ul style="list-style-type: none"> <li>Increasing employer engagement to understand current and future skills/employment needs</li> <li>Raising employer aspirations</li> <li>Supporting providers in delivering initiatives aligned to need</li> </ul>
Developing progression routes for young people	<ul style="list-style-type: none"> <li>Developing careers guidance in schools</li> <li>Growing provision and take-up of technical qualifications, including Apprenticeships and T-Levels</li> <li>Engagement with local universities and supporting progression to higher education</li> </ul>
Building an adaptable and resilient workforce	<ul style="list-style-type: none"> <li>Increasing awareness of/ access to training and retraining opportunities within the existing workforce</li> <li>Working with providers to ensure pre-employment courses lead to employment outcomes</li> </ul>
Ensuring employment, education, and training opportunities for everyone	<ul style="list-style-type: none"> <li>Deliver more focused information, advice &amp; guidance for young people with special educational needs, LACs, care leavers and young offenders</li> <li>Ensuring every young person has the opportunity to participate</li> </ul>
Leading by example as a major employer	<ul style="list-style-type: none"> <li>Embedding employment, skills and progression throughout the Council's activities</li> <li>Developing the Council as a 'model employer and commissioner</li> </ul>

Source: SQW

These key priorities are articulated below in more detail including the underpinning rationale and identified areas for focused intervention.

**Table 2: Proposed priorities, rationale and areas for focused intervention**

Priority	Rationale	Focus
Raising and responding to employer demand	<ul style="list-style-type: none"> <li>The focus of the Plan is on skills as a route to employment: ensuring that the 'supply' of skills in the workforce meets employer need is important, and will itself promote business growth</li> <li>There is shared interest across the Council, business and providers in ensuring that supply meets demand (and several initiatives underway, including the LSIP at sub-regional level)</li> <li>But we need to raise employer demand and aspirations as well – in the context of transformational change and community need</li> </ul>	<ul style="list-style-type: none"> <li>Linking up approaches to employer engagement across Medway (through providers as well as the Council) and building the evidence of employer demand</li> <li>Putting skills at the heart of the business support offer (building on success of engagement through the pandemic response)</li> <li>Supporting providers in responding to demand (through collaboration in external funding and evidence)</li> <li>Working with JCP to deliver and build on the Partnership Agreement</li> </ul>
Developing progression routes for young people	<ul style="list-style-type: none"> <li>Successful record in Medway 2035 of extending careers guidance and support (e.g., via the establishment of the Careers Enterprise Company and the Enterprise Adviser Network)</li> <li>Government priority to increase take-up of technical qualifications, to meet recognised skills shortages and future economic demand</li> <li>Relatively limited progression to higher education (28% go on to HE after 16-18 study, compared England average of 35%)</li> </ul>	<ul style="list-style-type: none"> <li>Establishing a long-term approach building on the Medway Apprenticeship Advice Service</li> <li>Supporting the Careers and Enterprise Company to deliver (and exceed) targets in Medway....</li> <li>... and promoting knowledge of the jobs market to parents and younger pupils</li> <li>Working with providers to support provision and take-up of T Levels</li> <li>Developing relationships with the Universities at Medway to expand access</li> </ul>

Priority	Rationale	Focus
		to higher education and raise demand for graduate employment
Building an adaptable and resilient workforce	<ul style="list-style-type: none"> <li>Workforce composition changes slowly: most of the workforce of 2037 are already in employment</li> <li>Potentially significant changes in employer skills demand to respond to structural shifts – adaptability important for individual progression and productivity growth</li> </ul>	<ul style="list-style-type: none"> <li>Working with providers, including Medway Adult Education, to ensure that pre-employment courses lead to employment outcomes</li> <li>Increasing awareness of (and securing funding for) retraining and short course development, in conjunction with providers and linked with the ambitions of the LSIP</li> <li>Engaging employers in investing in their own workforce (linked with ‘raising and responding to employer demand’)</li> </ul>
Ensuring employment, education and training opportunities for everyone	<ul style="list-style-type: none"> <li></li> <li></li> <li>The rate of young people not entering employment, education or training after Key Stage 4 is higher in Medway than in neighbouring areas.</li> <li>Lack of access to education, training and employment negatively impacts on a wide range of social outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Continuing the focus set out in the Medway 2035 Plan on developing opportunities for young people who are NEET or at risk of becoming NEET, through focused information, advice and guidance for young people with special educational needs, looked after children, care leavers and young offenders.</li> <li>Increasing access to education and skills opportunities, for example through the partnership agreement with JCP.</li> </ul>
Leading by example as a major employer	<ul style="list-style-type: none"> <li>Medway Council is a key ‘anchor institution’, as a major employer and commissioner of services and as an authority with responsibilities across a range of domains.</li> <li>The Council embraced ‘leading by example’ as a key principle within the 2035 Plan, and there is a strong record of making this a reality (for example through the Council’s take-up of Apprenticeships and Kickstart placements. But consultees considered that more could be done to ensure that skills development is at the heart of the Council’s corporate activity.</li> </ul>	<ul style="list-style-type: none"> <li>Continuing to ensure that the Council directly supports opportunities for skills development and employment within its role as a major employer</li> <li>Linking employment and skills outcomes through procurement/ commissioning and through the Council’s regulatory and planning function.</li> <li>Recognising the value of employment and skills as a key driver of wider economic and community strategy.</li> </ul>

Source: SQW