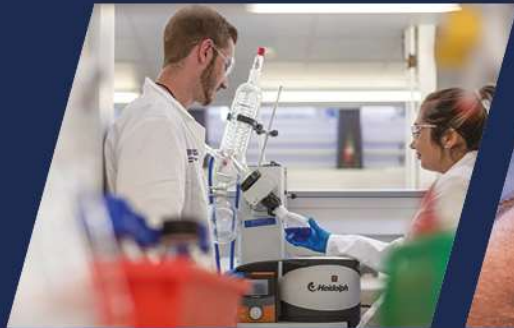


Skills and Employability Plan

Raising aspiration, realising potential, supporting sustainable growth

October 2022



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1. Introduction

Welcome to the **Skills and Employability Plan for Medway**. Looking ahead to 2037, this Plan sets out our ambitions to raise aspirations, realise potential and support sustainable growth - through better access to skills at all levels, strong links with employers and a clear understanding of Medway's big opportunities.

This Plan guides the actions that Medway Council will take with partners and leading by example. It is a Plan for all of us – businesses, providers, government and communities – working together to develop talent and opportunity for all.

Unlocking opportunity; building on success

- 1.1 Medway is ambitious for regeneration and economic growth. Transformational investment in our major waterfront sites, new facilities and programmes to attract and grow innovative businesses are developing the city of Medway as a centre of learning and creativity. We are also at the heart of the Thames Estuary, one of the UK's leading locations for sustainable, low carbon growth.
- 1.2 We want local people of all ages to have the skills and experience to take up the job opportunities created through growth and inward investment. In 2018, we adopted **Medway 2035**, our regeneration and economic development strategy – and alongside it, we published our first **Skills and Employability Plan for Medway**. This provided a basis for a stronger role for Medway Council in working with education and training providers, employers and statutory organisations, and promoting careers and progression opportunities. It was accompanied by an action plan, which we have regularly reviewed to keep track of progress.

Achievements to date

- 1.3 **Since we adopted our first Skills and Employability Plan, much has been achieved:**
 - We're bringing forward a new Learning, Skills and Employment Hub in Gillingham to support adults in retraining and accessing new employment opportunities.
 - We've established the Medway Apprenticeship Advice Service to help employers navigate the apprenticeships landscape and create new opportunities for Medway residents.
 - We've established a Supported Employment service, supporting people with learning difficulties and/or autism into employment.
 - We have invested in becoming a model employer, with Medway Council now recognised as one of the 'top 100' employers of Apprentices nationwide.

- As businesses and communities were faced with the challenges of the Covid-19 pandemic, we responded flexibly to increase the take-up of places under the Government's Kickstart scheme and to further incentivise Apprenticeship opportunities.
- We innovatively used government funding to create a flexible training scheme for Medway businesses, seeing over 3000 people receive a wide variety of training.
- We have invested in provision for young people who are Not in Education, Employment or Training (NEET).
- We are working closely with our partners. We entered into a Partnership Agreement with the Department of Work and Pensions to support residents into work; we have strong relationships with MidKent College, the Universities at Medway, schools and other providers; and we have established a Skills Stakeholder Board as a network to ensure we listen and assist in the delivery of the plan.

Moving to the next level

1.4 This provides us with a strong foundation. Our task now is to take it to the next level.

Our partners recognise the progress that Medway has made, and there is a strong consensus on the importance of employment and skills at the heart of our economic growth strategy, and on our 'direction of travel'. But the consequences of Covid-19, the accelerating pace towards net zero (and the opportunities and challenges that it presents) and continued progress in Medway's regeneration 'journey' mean that the time is right to refresh our approach.



The Medway 2037 Skills and Employability Plan is a 'refresh', rather than an entirely reworked approach, recognising the traction that the existing Plan has, and the progress that has been made over the past couple of years



- 1.5 In the light of this, we launched **Medway 2037**, our new regeneration strategy, in 2022. This sets out our ambition to drive forward town centre regeneration; make the most of the River Medway and the waterfront; and encourage and enable innovation – all within the context of the long-term journey of sustained transformation that we have been on over the past three decades. This **Skills and Employability Plan** accompanies Medway 2037, setting out our plans to ensure that everyone can reach their potential in Medway's exciting future.

Towards 2037: Our vision for employability and skills

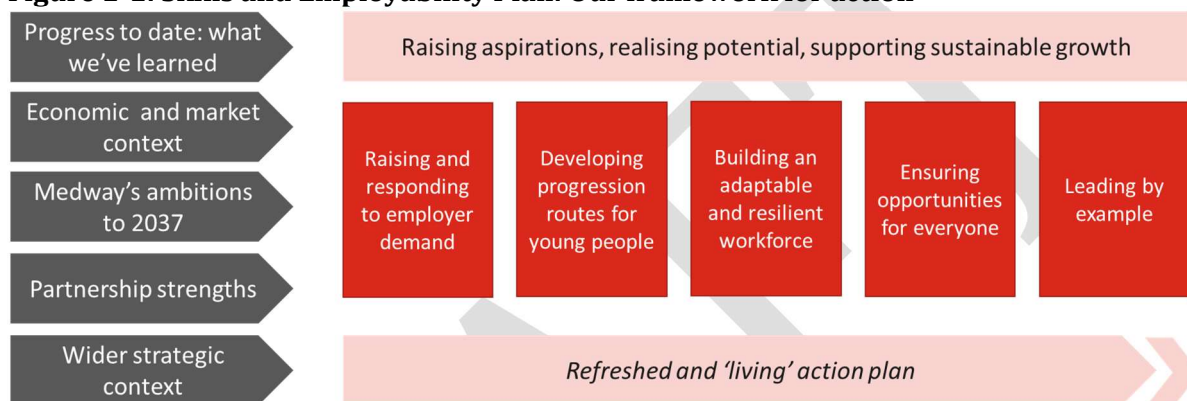
1.6 Through this Plan, we want to:

- **Raise aspirations:** For new entrants to the employment market and for people already in the workforce, we want to increase awareness of the opportunities that exist in the economy, and how they can be opened up across the community. We also want to raise employers' aspirations as well, for a productive, skilled and engaged workforce.

- **Realise potential:** We want to increase progression opportunities (in work and education), with a focus on unlocking the potential of those who face the greatest challenges in the labour market, with a particular focus on young people who are NEET.
- **Support sustainable growth:** Medway's success to 2037 will depend on its ability to respond to the challenges of climate change and the economic changes that this will drive. This means we need the skills and capacity to adapt – across all sectors of the economy.

1.7 We will deliver our Plan through **five priority areas for action**. These are illustrated in the diagram below – and we explain them further in Chapter 3:

Figure 1-1: Skills and Employability Plan: Our framework for action



Get involved!

- 1.8** Our plan to raise aspirations, realise potential and support sustainable growth will only be delivered with the support of employers, skills providers, community organisations and a wide range of partners.
- 1.9** A skilled and productive workforce directly benefits businesses that are already in Medway; attracts new businesses to the city; improves the quality of our public and community services; retains talent locally; and leads to better pay and opportunities for local people.
- 1.10** If you are an employer, we would love to work with you to improve your access to talent and the workforce you need. You could benefit by:
- Creating new Apprenticeships
 - Offering work placements and work experience opportunities
 - Becoming a mentor
 - Offering enterprise advice
 - Becoming Disability Confident, and opening up your access to a wider pool of talent
 - Engaging with local schools, colleges and universities

- Engaging with Jobcentre Plus and with opportunities to support more people into work
- Sharing your ideas and challenges and getting involved with a variety of initiatives.

1.11 Whether you feel you can offer an opportunity, you are looking for ways to upskill your workforce, or you are looking to simply get involved, please email us at skills@medway.gov.uk.

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2. The context for action

Our Plan is set in the context of Medway's economy: the sectors that are likely to grow, the big development opportunities that are on the horizon and the jobs that these are likely to lead to. The skills demanded within *existing* jobs are changing as well, as employers adapt to new technologies, decarbonise the way they do business and respond to changing working practices.

At the same time, the actions that we take are influenced by the national skills system and the way it is evolving, and by other plans and strategies that we are taking forward in Medway.

This chapter explains the landscape within which the Skills and Employability Plan will be delivered, as part of a joined-up approach.

Looking inside Medway's economy

- 2.1** Historically a major industrial centre, today we have a diverse and dynamic economy. with important strengths in manufacturing and construction, growing digital, creative and health-related capabilities, a growing service sector and access to economic opportunities across the Thames Estuary and into London. As shown by the Greater North Kent Workforce Skills Evidence Base (March 2022), Medway shares many characteristics with its neighbours, and as we develop the actions outline by this Plan we are keen to explore scope for collaboration in joined-up solutions with neighbouring areas where appropriate. Our current economic strengths, opportunities and challenges provide the starting point for our approach to employment and skills. We have a positive record on job creation and economic activity
- 2.2** **In recent years, Medway has had a strong record of job creation.** In 2020, there were 112,000 jobs in Medway – an increase of 15.5% since 2010 (slightly ahead of the national average). This meant that the 'jobs density' (the number of jobs per person of working age) also increased over time, from 0.56 to 0.64 over the same period.
- 2.3** **Economic activity and employment levels in Medway are relatively high.** In 2020/21, almost 81% of people aged 16-64 were 'economically active' (i.e., they were either in employment or actively seeking work). This compared with 78% across the UK and an increase of around seven percentage points over the preceding decade. Employment rates are also relatively high, and self-employment (currently accounting for around 15,900 people in Medway) grew at twice the national rate between 2010 and 2021.

The labour market has been resilient during the Covid-19 pandemic

- 2.4** **The labour market recovery from Covid-19 has been strong.** Measured by the claimant count, unemployment in Medway tends to be slightly higher than the national average: in February 2022, the claimant count rate was 4.8%. Unemployment more than doubled during

the Covid-19 restrictions and it remains higher than it was before the pandemic. But Government action (supported locally by Medway Council, local DWP colleagues and local businesses) helped to mitigate the impact, and the claimant count has fallen steadily since the economy returned to growth (although it remains somewhat above pre-pandemic levels). Unemployment among young people – which rose especially rapidly at the start of the pandemic – has also fallen quickly. This has been accompanied by widespread skills and labour shortages in (for example) the logistics, social care and land-based sectors, as demand for labour has increased.

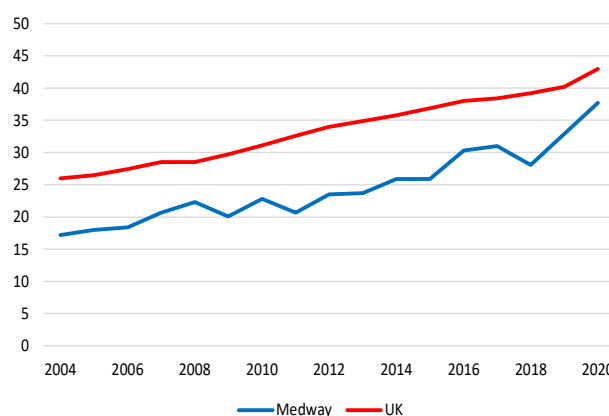
There's still more to do – in relation to jobs and pay...

- 2.5** Despite a positive record in job creation, **we still have fewer jobs per person than the UK overall** (0.65 jobs per working age resident, compared with 0.87 nationally). This partly reflects the importance of out-commuting: at the time of the last census, just under half of all Medway residents also worked in Medway¹, with large outflows to London and other parts of Kent.
- 2.6** We can see the effect of commuting in workforce pay data. Average full-time weekly earnings for people *resident* in Medway are around £606 – roughly the same as the national average. But the earnings of people employed at *workplaces* in Medway are substantially lower, at £575. On average **jobs that are locally available tend to command relatively low salaries** – a challenge for Medway in the light of rising living costs.

... and workforce skills

- 2.7** **Our workforce qualification rates are improving – but there is still some way to go to catch up with the rest of the country.** At lower and intermediate qualification levels, Medway's performance is comparable with the rest of the UK: about 61% of the working age population is qualified to NVQ3 (equivalent to A Level), which is the same as the UK average. The number with no formal qualifications has also fallen steadily over time and is now below the UK average (although there are still 7,500 people of working age in Medway without any formal qualifications). But at higher

Figure 2-1: % of workforce qualified to NVQ4+



Source: ONS, APS

¹ Including people working from home. Note that census data is now quite old (2011), although the jobs density data suggests that the same broad pattern remains.

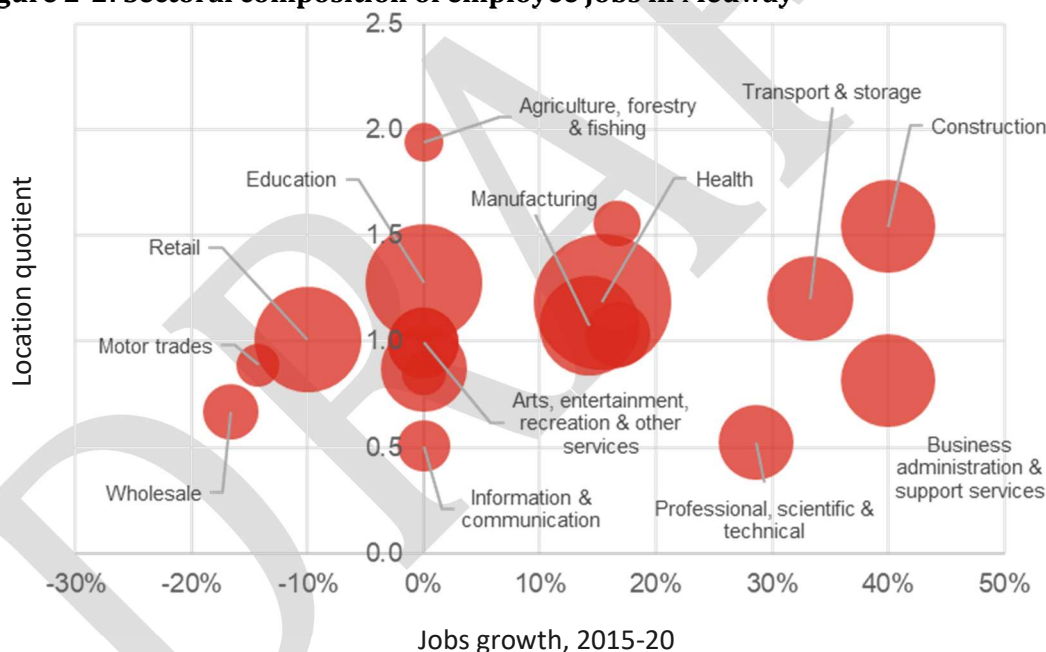
level, there is still a significant 'deficit' 38% are qualified to NVQ4 and above, compared with 43% nationally.

Although not all skills translate directly into formal qualifications, this gap matters: on average, higher qualifications command higher pay, and projections for future employment growth suggests that growth will be especially strong in those professional and technical occupations that require higher-level skills.

Medway's engines of growth: Our key sectors

- 2.8** Recent jobs growth has been broadly-based, with expansion across the majority of sectors. Looking in detail, the chart below shows *employment change* between 2015 and 2020, the extent to which Medway has a *relative concentration* of employment in the sector and the *absolute size* of the sector:

Figure 2-2: Sectoral composition of employee jobs in Medway²



Source: ONS, Business Register and Employment Survey

- 2.9** Many sectors have seen impressive jobs growth: the only major sectors to have experienced contraction are wholesale and retail, which have been impacted by significant structural change (although retail remains a large employer and will continue to generate demand for new staff as people in the existing workforce retire or move to other jobs).

² The 'location quotient' on the vertical axis measures the extent to which a sector is 'over-represented' or 'under-represented' locally. A location quotient greater than 1 means that the share of employment in the sector in Medway is greater than it is in Great Britain overall. A location quotient of less than 1 means that it is smaller.

Some of our larger sectors have significant growth potential...

- 2.10 Manufacturing** accounts for around 8,000 jobs (8.4% of all employee jobs). It is highly productive: each employee in manufacturing generates around £72,500 in gross value added (compared with an average of £57,000 across all sectors of the economy), and while manufacturing employment nationally has fallen slightly, it has grown in Medway. Building on our proud engineering strengths, our business base includes global companies such as BAE Systems (which recently expanded employment at Rochester) and Borg Warner, as well a range of SMEs. We also have important engineering knowledge assets, as the home of the University of Greenwich's School of Engineering and the Royal School of Military Engineering; and major investment at Innovation Park Medway is focused on attracting new manufacturing investment.
- 2.11 Construction** employs about 7,000 people, has grown rapidly in employment terms in recent years and is highly concentrated in Medway (as it is across Kent and Medway, driven by the generally buoyant development market across London and the South East and proximity to major infrastructure projects). The sector is diverse and dominated by small businesses, incorporating a wide range of skilled trades. It will play a critical role in meeting the UK's net zero targets, as demand for more carbon-efficient construction techniques, heating technologies and the need to retrofit existing properties increases.
- 2.12 Health and social care** is the largest of Medway's main sector groups in employment terms, employing 15,000 people (or 16% of all employee jobs). It is also relatively concentrated in Medway, partly due to our major hospital at Medway Maritime. Employment growth has been modest in the past few years, but forecasts suggest rapid growth in caring occupations, as we respond to an ageing population. While parts of the sector are relatively labour intensive (given the primacy of personal care), there are also significant opportunities for innovation, through the use of technology to enable independent living and the increasingly rapid deployment of new medicines.
- 2.13 Transport and logistics** accounts for around 6,000 jobs. Like the rest of Kent and Medway, the sector is relatively highly concentrated locally, due to combination of proximity to the motorway network and access to continental Europe, and a large regional population base supporting extensive 'final mile' operations. The sector contains a mixture of large operators (which have become increasingly consolidated in recent years) and SMEs, and has experienced significant workforce shortages recently, especially in haulage.

... and there are significant opportunities in cross-sectoral capabilities

- 2.14** Sectors are an easily understandable way of dividing up the economy. But **some activities cut across traditional sector boundaries** – even though they are important, they are not easily captured in a conventional definition. Key activities in Medway include:

- **Food and drink production**, including Medway’s small but distinctive horticultural sector (with links to horticultural innovation elsewhere in Kent) and its growing specialist food and drink manufacturing industry.
- **‘Digital tech’**: Medway’s software and digital technology sector is small in absolute and relative terms, accounting for around 1,750 jobs³. But it contains some innovative firms (such as Dovetail Games, based at Chatham Historic Dockyard) as well as the University of Greenwich’s expertise in computer engineering and cybernetics.
- **The creative economy**. The ‘creative industries’ cover a wider variety of activities, from media and publishing to fashion and design. Put together, they account for about 3,000 jobs in Medway, across a number of traditional sector definitions (in addition to creative jobs in education)⁴. The sector is also strategically important beyond its employment numbers: the *Medway Cultural Strategy* highlights the role of culture as “at the heart of Medway’s identity”, and there are ambitious plans to develop its role.

Transformational opportunities for the future of work

2.15 Across all sectors of our economy, **three transformational trends** will have implications for the future of work, to which our Skills and Employability Plan will need to respond. These relate to **digitisation and automation; decarbonisation and clean growth; and demographic change and our ageing population**. Considering each of these in more detail:

Digitalisation and automation

2.16 Although Medway’s ‘digital tech’ sector is relatively small, **all economic activities will be impacted by the accelerating development of digital technology**. Estimates of the potential impact of automation on jobs vary greatly: most studies suggest that while new technologies will substitute for labour in some sectors, this is likely to be more than offset by job creation, as new products and services emerge⁵. But the process of automation is disruptive, and we need to be able to realise these new opportunities at the same time as managing the transitional impacts on the workforce. In terms of future skills strategy, this means:

- Developing the supply of higher-level technical skills, especially through stronger university-industry links
- Embedding digital technology across the school curriculum

³ Based on the definition used by TechNation.

⁴ Based on the definition of the creative industries used by DCMS.

⁵ Estimates of the proportion of jobs ‘at risk’ of automation varies from about 10% to 35%. This partly reflects the varying timeframes that studies use, but it also illustrates the uncertainty of predicting future technology transformations. See Frey and Osborne (2014), *The future of employment: How susceptible are jobs to computerisation?*; Nesta (2017), *The future of skills: Employment in 2030*

- Improving digital skills within the existing workforce, through opportunities for ongoing retraining and adaptability to rapidly-changing technologies
- Raising aspirations and removing barriers to work in digitally advanced occupations (female under-representation is often highlighted as a constraint on the talent pool, as well as limiting individual opportunities).
- Recognising how the use of digital technology is changing everyday working practices. Many office workers have become used to working remotely: this opens up new opportunities for Medway residents to access employment (for example, where caring responsibilities might have otherwise made some jobs inaccessible). But it also means changes in the way people learn through experience and interaction. Digital technology has also opened up new types of work – for example, enabling people who are self-employed to trade online and reach markets that would not otherwise have been possible.

2.17 Automation may present risks for some people in the labour market more than others.

Looking at *existing* jobs, those that are most vulnerable to automation are generally those that are in 'less skilled' occupations, such as customer service and process and plant occupations. They are also more likely to be held by younger workers and to be held by women⁶. Opportunities for retraining and adaption will be very important, both to realise individual potential and to ensure that employers can access the talent they need.

Decarbonisation and clean growth

2.18 In Medway, about 2,500 people are directly employed in the 'low carbon and environmental goods and services' sector⁷. At the 'leading edge', Medway has significant opportunities in low carbon energy production, for example with the prospect of hydrogen production through the Project Cavendish project on the Isle of Grain, and the ambitious programme for future hydrogen generation and use across the Thames Estuary.

2.19 But the 'green economy' is much bigger than this: as with digitalisation and automation, **the transition to net zero will impact all parts of the economy**, as regulation drives innovation in developing lower carbon solutions. From a work and skills perspective, the key opportunities in the medium term are⁸:

- The **decarbonisation of the domestic and commercial energy network** and associated opportunities in retrofit. The scale of this could be very substantial: the Government estimates that to meet its targets for heat pump installation alone, the number of qualified installers will need to rise ten-fold over the next six years⁹. There could be wider demand in repair and maintenance, insulation and retrofit, the deployment of new technologies and techniques in new-build construction and the implementation of alternative heat

⁶ Office for National Statistics (2019), *Which occupations are at highest risk of being automated?*

⁷ This includes some construction and installation activities, utilities and energy supply, and waste and environmental management.

⁸ See *Greater North Kent Workforce Skills Evidence Base*, 2021

⁹ HM Government (October 2021), *Net Zero Strategy: Build Back Greener*

systems, such as hydrogen. Given Medway's large construction and trades sector (and the scale of the demand base across London and the South East), potential local workforce requirements could be significant.

- The transition to **electric vehicles** (and potentially, in the longer term, hydrogen powered vehicles). This will drive demand in vehicle maintenance and repair, and will likely lead to a need for reskilling within the existing workforce. There will also be demand from the expansion of charging technology.
- Opportunities in the development of the '**circular economy**', for example in materials recovery, re-manufacture and re-use, and in the development of alternatives to additional production (e.g., in more sophisticated arrangements for sharing goods and services).
- Wider demand from industry to **reduce carbon use and develop lower-carbon solutions**, linked with some of the issues highlighted above, but extending to the wider manufacturing sector and impacting on the way services, transport systems and so on are designed.

2.20 Across these decarbonisation opportunities, it is easy to see the connection with the greater exploitation of digital technology, as use of more accurate data and devices improves resource efficiency: although it is hard to make accurate predictions, net zero and digitalisation underpin the technology transformation that will impact the world of work and skills over the coming decade.

Demographic change and our ageing population

2.21 In Medway, we have a slightly younger population than the country as a whole. **But as we live longer, our population is, on average, getting older:** over the next 20 years, the number of people in Medway aged over 65 will increase by a quarter, even as the *total* population only expands by around 4%.

2.22 This potentially reinforces the drive to digitalisation and automation highlighted earlier, as a relatively smaller working age population needs to maintain and grow living standards for everyone. From an employment and skills perspective, two further implications are important:

- **Working lives will become longer.** Pension reform is already extending working lives and many people want to work beyond conventional retirement age. For some people, this presents an opportunity. But for others (such as those in physically demanding jobs or roles vulnerable to automation and restructuring), it presents a major challenge, highlighting the importance of retraining.
- **There will be rising demand for services to support an ageing population.** In particular, there is rising demand for personal care roles: these likely to be relatively resilient to automation and will create employment at a wide range of skill levels.



The changing strategic context

2.23 As well as changes in the economy, our plans for employment and skills are also influenced by a wide range of policies and strategies, at national, regional and local level.

Levelling Up: The Government's national agenda

2.24 Levelling Up is the Government's ambition to support new opportunities at local level across the UK. Published in January 2022, the *Levelling Up White Paper* outlines the policy agenda, setting out 12 'missions', looking ahead to 2030¹⁰. These include a core mission to improve skills and training, with the aim that:

"By 2030, the number of people successfully completing high-quality skills training will have successfully increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually".

2.25 **In Medway, we are committed to supporting the delivery of this mission.** Nationally, it contains five key elements, focused on: putting local employers at the heart of provision; strengthening local institutions; supporting lifetime access to training; offering new opportunities to access high-quality work and progress in the workplace; and providing employment support for disabled people and people with health conditions. All of these are relevant to our plans to support employability and skills:

Putting local employers at the heart of skills provision

2.26 We have a strong track record of working with our local employers. Key objectives of national strategy which we will help to drive forward include:

- **Increasing the take-up and delivery of Apprenticeships:** With Apprenticeship standards led by employers and with many leading employers offering competitive Apprenticeship opportunities with good prospects for progression, Apprenticeships are increasing in recognition and prestige. But the number of Apprenticeship starts has fallen in recent years, linked with the operation of the Apprenticeship Levy on larger employers and the general complexity of the system.

In Medway, our work in establishing the **Medway Apprenticeship Advice Service** to make it easier for businesses to engage has meant that our Apprenticeship numbers have been more stable than they have nationally. The Government is working to make it easier for large employers to transfer their Apprenticeship Levy to small businesses and to increase SME access – and we will work to make these measures practically successful on the ground.

¹⁰ HM Government (January 2022), *Levelling Up the United Kingdom: White Paper*. Many of these measures are also announced in the

- **Delivering new T Levels and Higher Technical Qualifications:** T Levels are an alternative to A Levels, Apprenticeships and other 16-19 qualifications and are designed to raise quality, recognition and employer confidence in vocational qualifications. Each T Level is equivalent to three A Levels, with employer leadership in setting T Level standards. Later this year, the Government will also be starting to roll out Higher Technical Qualifications, focused on the higher skills needed for specific occupations. Stronger technical skills will be key to unlocking the sectoral and transformational opportunities we highlighted earlier, and we will work with partners to increase rollout and take-up.
- **Developing new employer-led Local Skills Improvement Plans** to provide a stronger employer voice in the design and delivery of vocational technical education. Partners in Kent and Medway are leading the way, with Kent Invicta Chamber of Commerce leading production of a ‘trailblazer’ LSIP in 2022, alongside close collaboration with other employer groups, MidKent College and other further education providers.
- **Increasing coordination between DWP, training providers and employers** so that people can be best supported into work. A number of areas around the country have been identified as ‘pathfinders’ for a better integrated approach: while these do not include Medway, our Partnership Agreement with DWP and our close working relationship on the ground means that we are well placed to deliver on this wider agenda.

Strengthening institutions

2.27 As well as responding to the skills needs of the local economy, learning and skills institutions are important drivers of growth in their own right, and national policy focuses on the role of universities and colleges as ‘**anchor institutions**’. The Universities at Medway and MidKent College have long been cornerstones of our regeneration and economic growth strategy, and we will work with them to secure new investment and build employer links and business networks.

Lifelong learning

2.28 With longer working lives and the increasing pace of technological change, opportunities for retraining are becoming increasingly important. The key Government policy in support of this is the **Lifetime Skills Guarantee**, which enables adults without a Level 3 qualification to access some Level 3 courses for free. This will be supplemented with additional loan support for post-18 education from 2025.

2.29 The new **UK Shared Prosperity Fund** will also have an important focus on lifelong learning and skills. This will include the new national **Multiply** programme to improve adult numeracy, as well as new investment which will be managed locally in Medway.

Work opportunities and progression

2.30 A key focus of Government policy is on progression in work to enable people to earn more: given the relatively low local wages that we highlighted earlier, this is especially important in Medway. DWP is extending work coach support through the **In-Work Progression offer** to support people on low incomes in addressing barriers to progression – and as part of this, we anticipate even closer working between Medway Council, DWP, employers and skills providers.

Employment support for disabled people and people with health conditions

2.31 A 'levelled up' labour market means one in which there are opportunities for everyone (and in which everyone can contribute to economic growth) – but the pandemic highlighted some of the significant barriers to participation faced by many people. Government policy seeks to support more disabled people and people with health conditions into work, through the extension of the **Work and Health Programme** and other support measures, which should be matched with efforts to encourage employers to become 'Disability Confident' and engaged in employing a wider range of talent.

Joining up with local strategy and policy

2.32 This national agenda provides an ambitious framework within which we can work locally. It is also important that our approach to employability and skills is integrated with Medway Council's wider local strategy. In Medway, our **Council Strategy** sets out our goals of supporting residents to reach their potential, making Medway a place to be proud of and maximising regeneration and growth. To achieve that:

- The **Medway 2037 suite of strategies** (into which this Skills and Employability Plan is fully integrated) outlines our big opportunities in relation to innovation, town centre development and regeneration.
- Our **People Strategy** for 2021-25 sets out how we put in place the conditions in Medway for people to get the best start, learn and develop well and go on to live fulfilling, independent lives.

2.33 In addition, employability and skills are central to our **Climate Change Action Plan** (by providing routes to the low carbon skills that employers will need in the future), our **Children and Young People's Plan** and **Special Educational Needs Strategy** (by ensuring that all young people have the opportunity to access employment and the skills they need to progress); our **Joint Health and Wellbeing Strategy**; and our **Business Plan for Medway Adult Education**, which both informs this Plan and, as it progresses, will be informed by it. The point is that skills and employability will help us to deliver against all these wider strategic objectives: access to skills and opportunities help to deliver better health outcomes and stronger communities, as well economic outcomes at individual and business level.

Working together: Medway's partnership landscape

2.34 There are many organisations supporting the delivery of skills and access to employment, at all ages and levels. No one organisation is 'in charge': success is about working together in partnership.

2.35 Across Medway, key partners include:

- A diverse range of employers:** There are about 14,000 businesses in Medway. 91% of these employ fewer than ten people, but we also have some large employers as well, including national multiples in (for example) retail and financial services; big public sector employers, especially in health; and significant manufacturing sites. Our business base is growing fast (a 50% increase in the overall stock since 2011), in addition to growing self-employment – and as outlined earlier, it is sectorally diverse. Medway's employers are also supported by a range of representative bodies, including Kent Invicta Chamber of Commerce.
- Our network of schools:** We have 78 primary, 18 secondary (including six grammar schools), six special schools/alternative provisions and a University Technical College, supporting around 44,000 school students. More than 90% of Medway schools have an Ofsted rating of Good or Outstanding, and there are a range of qualifications on offer, including A Levels, International Baccalaureates and vocational qualifications. The **Medway Education Partnership** supports our network of schools, encouraging collaboration and the shared use of resources.
- MidKent College:** Rated Good by Ofsted, MidKent College supports around 7,000 students annually, with campuses in Gillingham and Maidstone and a specialist training company (MidKent Training Services), which provides construction and engineering training, including to the Royal School of Military Engineering in Chatham. The College aims to provide high-quality technical education and training to support local ambition, and it offers a wide range of provision, including T Levels and other 16-19 programmes, post-16 education and training, adult learning programmes, higher education and Apprenticeships.
- Independent training providers:** Independent training providers are an essential part of Apprenticeship training delivery, and also offer a range of flexible accredited and unaccredited training to a wide variety of employers. Medway is home to around 40 independent providers, with specialists in engineering and manufacturing and hospitality.



Partnerships are critical to what we do. We recognise that our future plans cannot be delivered without working in partnership with other key local stakeholders who have a shared vision for transformation in our communities



MidKent College, Strategic Plan 2020-30

- **Medway Adult Education:** Funded by the Education and Skills Funding Agency and delivered by Medway Council, MAE offers a range of courses to help people access employment and improve English, maths and digital skills, as well as family learning, supported learning and programmes to increase community engagement and reduce social isolation and improve wellbeing. MAE is rated Good by Ofsted.
- **Medway Youth Service:** Medway Youth Service works with children and young people aged 8-19 (and to 25 for those with additional needs) through a range of clubs and activities at four youth centres. There is an emphasis on supporting personal and social education, as well as participation in decision-making, with the Service especially engaging with vulnerable groups, such as looked after children, young people on the edge of care and those known to the Youth Offending Team, Early Help or Family Support services.
- **Voluntary and community organisations:** Volunteering can make an important contribution to employability and skills, by providing experience, building confidence and networks and improving mental wellbeing. Across Medway, there are a range of organisations, both locally-based and branches of national bodies.
- **The Department of Work and Pensions:** DWP delivers the Jobcentre Plus service, with the aim of increasing employment rates. DWP runs a wide range of programmes, especially focused on those out of work for extended periods or who have additional needs in accessing work. These include additional work coaching support announced in the Government's *Plan for Jobs* in 2020, as well as established schemes such as the Work and Health Programme.
- **Universities at Medway:** The Universities at Medway are a collaboration between Canterbury Christ Church University, the University of Greenwich and the University of Kent at Chatham Maritime. The universities offer a range of courses to thousands of students, with a focus on increasing participation and opening up higher education to as many people as possible.

2.36 Beyond Medway, it is also important that we are outward-facing: many Medway residents work in neighbouring areas (and in London), and there are major developments underway in our wider sub-region that will drive demand for work and skills. Regionally, Medway Council works closely with our neighbours in Kent, including through the **Kent and Medway Employment Task Force**, and with the **South East Local Enterprise Partnership** and its Skills Advisory Panel.

3. Our priorities for skills and employability

Based on our understanding of Medway's economy, and building on our experience in delivering the previous Skills and Employability Plan, we aim to "*raise aspirations, realise potential and support sustainable growth*" through five channels of activity. This chapter introduces our priorities, looking forward to Medway 2037

Raising aspirations, realising potential, supporting sustainable growth

3.1 Much has been achieved through the Skills and Employability Plan that we adopted in 2018: as we set out in Chapter 1, this new plan is a 'refresh' in the light of our changing economy, rather than a wholesale change of direction. Within the context of the wider ambitions of Medway 2037, we aim to:

- **Raise aspirations:** We are ambitious for the people and businesses of Medway. For young people, this means raising aspirations in relation to future career paths and education opportunities. For people who are already in the workforce, it means progressing within work, supporting better pay and better opportunities. For employers, it means raising demand for skills, unlocking the productivity gain that comes from a skilled and motivated workforce.
- **Realise potential:** We have a strong record in job creation and in bringing people into economic activity. But over time, our workforce will become smaller as a percentage of our overall population. It is more important than ever that we make the best use of everyone's talent, to benefit individuals, as well as the wider economy.
- **Support sustainable growth:** Looking ahead to 2037, the next few years will see a major transition to a lower carbon economy. Achieving this will require new skills, and adaption to new technologies within the existing workforce.

Key principles

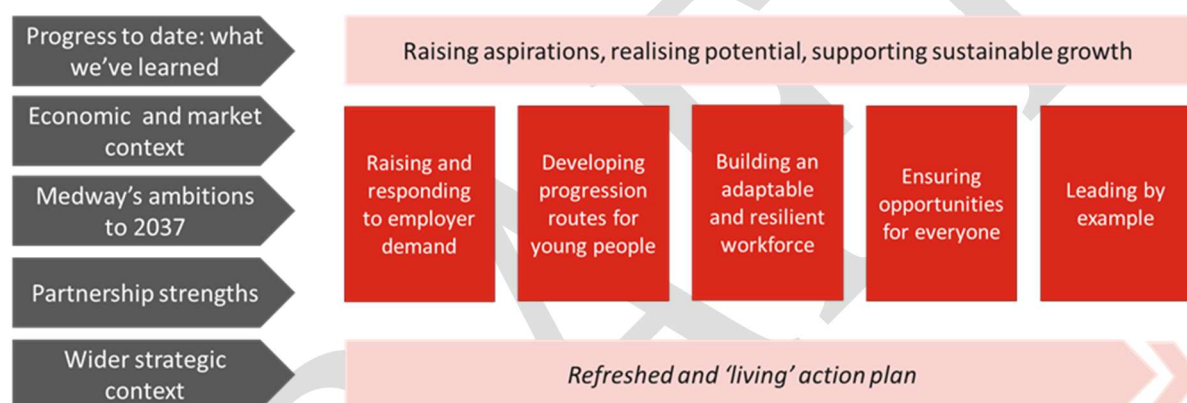
3.2 Everything that we do will contribute to the ambitions of Medway's Council Strategy and the Medway 2037 strategy suite. In addition, we will:

- **Be pragmatic, flexible and responsive to new opportunities** – recognising that the economy is dynamic, new ideas emerge over time, and we will adapt our plans to get the best outcomes for Medway. This also means responding proactively to new sources of funding to support skills opportunities.

- **Work in partnership**, with employers, providers and other stakeholders. Medway Council is a key delivery agency and we have a key role in coordinating action – but success depends on working with others. This includes looking outwards and working with our neighbours, recognising that growth opportunities (and skills provision) that are just outside our borders.
- **Embed employment and skills across the Council's activities**, recognising the links between skills, work, health and wellbeing, and the role that all Council services can play in driving demand for skills.

Five key priorities for action

- 3.3** Our plan consists of five key areas for action, illustrated below, and based on the context outlined earlier.



Priority 1: Raising and responding to employer demand

What are the issues?

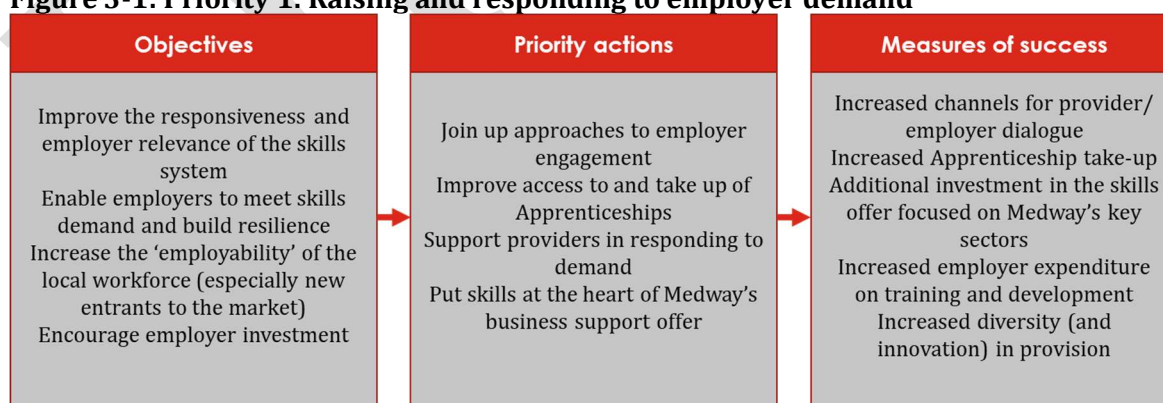
- 3.4** There is a strong focus in national policy on creating a skills system that better responds to employer need. This is reflected in the role of employers in setting the standards for Apprenticeships and T Levels, and in the role of the Local Skills Improvement Plan in expressing employer demand in relation to further education.
- 3.5** It is important that we are able to better match employer demand and supply: a skilled local workforce encourages business resilience and future investment, and it helps local people secure good jobs with prospects for progression, closer to home. However, employers report widespread recruitment challenges, in the context of generally high levels of employment. To address this, we need to better understand current and future demand, and to enable to providers to develop their offer in response. But workforce demand should also encourage employers to invest in learning and development and to broaden opportunities to a wider range of potential talent.

Our focus for action

3.6 Focusing especially on our major and emerging sectors, we will:

- **Join up approaches to employer engagement across Medway and build evidence of demand.** We will share information and networks between the Council, provider organisations and business groups to ensure that we have a shared understanding of current and future demand – and we will engage with initiatives such as the Local Skills Improvement Plan to ensure that it is informed by the Medway business voice.
- **Improve employer access to, and take-up of, Apprenticeships.** The Medway Apprenticeship Advice Service, established by the Council, helps to simplify the often complex Apprenticeship landscape. We will continue this valuable resource for employers, helping employers to make the most of the support that is available.
- **Support providers in responding to demand.** We have a strong track record in responding to opportunities for new skills provision and supporting our providers where they want to invest in new facilities and courses that will meet employer and economic need. We will build on this, helping to make the case for investment in Medway's vocational offer and respond positively to new ideas.
- **Put skills at the heart of Medway's business support offer.** During the pandemic, our direct interaction with individual businesses expanded substantially. We have been able to build on this to increase business take-up of Apprenticeships and placements on the Kickstart scheme. Looking to the future, we will seek to develop a 'single conversation' with business, linking their workforce skills needs and opportunities to engage in potential solutions with the wider range of issues that impact on business growth. Over time, we will increase the number of employers with which we work, with skills at the centre of the dialogue.

Figure 3-1: Priority 1: Raising and responding to employer demand



Priority 2: Developing progression routes for young people

What are the issues?

- 3.7** Enabling young people to progress in education and work is vital to their future earning potential and their contribution to the wider economy. However, sometimes ‘progression routes’ can be hampered by a range of factors, such as a lack of information about career opportunities and the types of qualification that are needed to access them; financial pressures and risks in balancing education and work; or a lack of family experience of higher education and some career paths. From the employer perspective, businesses also highlight challenges associated with outdated perceptions of industry and a lack of awareness of opportunities, including within some of Medway’s most important growth sectors¹¹.
- 3.8** In Medway, we want to extend the ability of our residents to progress in training and the workplace. We have a successful track record in extending careers guidance and support, through the work of the Careers and Enterprise Company and the Enterprise Adviser Network, and the diversity of vocational options has increased (for example, with the establishment and development of Medway University Technical College). But despite our growing university presence, we face challenges in progression to higher education: only 28% of students progress to HE after 16-18 study, compared with a national average of 35%.

Our focus for action

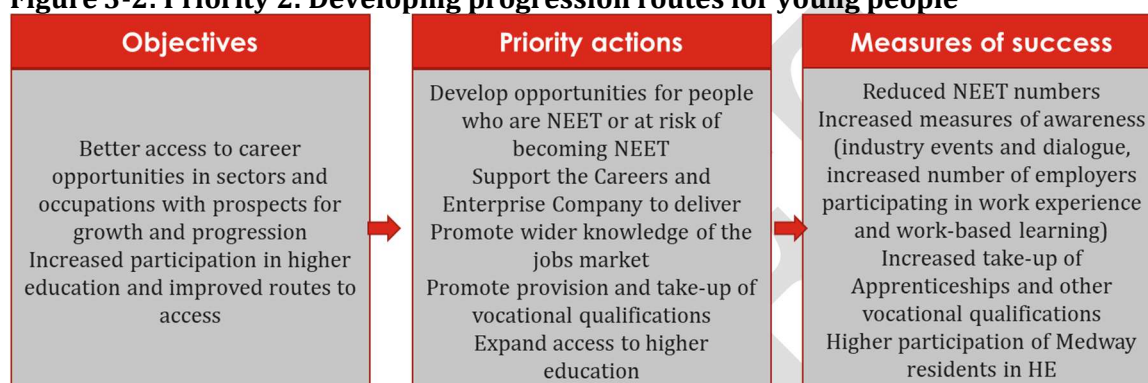
- 3.9** Over the coming years, we will:
- **Support the Careers and Enterprise Company to deliver:** The Enterprise Adviser Network is now managed on a Kent and Medway basis, but still has a focus on delivering improved careers information, advice and guidance in schools. Linked with our focus on better understanding employer need and improving awareness of opportunities, we will work closely with partners across the county to ensure that targets for Medway are met and exceeded.
 - **Promote wider knowledge of the jobs market,** through support for industry events focused on careers in our key sectors, and through initiatives aimed at increasing awareness of work and education opportunities among parents and among children at a younger age.
 - **Promote the provision and take-up of vocational qualifications,** including Apprenticeships (linked with the Apprenticeship Advice Service highlighted above) and, working in partnership with providers, T Levels.
 - **Expand access to higher education:** The Universities at Medway were created with a mission to widen participation, and the universities’ plans emphasise their civic mission.

¹¹ See for example the Greater North Kent Workforce Skills Evidence Base and the Local Skills Improvement Plan.

Working with the universities and with schools across Medway, we will seek to improve university progression routes, supporting initiatives that identify and overcome barriers to participation. Beyond progression routes and skills development, we will also work closely with university partners to raise local demand for graduate employment.

- **Develop opportunities for young people who are NEET or who are at risk of becoming NEET**, through focused information, advice and guidance, including careers support, help in searching for jobs and support in finding and applying for training courses. This continues the focus from our earlier Plan.

Figure 3-2: Priority 2: Developing progression routes for young people



Priority 3: Building an adaptable and resilient workforce

What are the issues?

- 3.10** While much of the focus on the workforce needs of the future is on young people and their training and career pathways, most of the workforce of 2037 is already in the labour market – and as our population ages, more people will stay in work for longer. But while the *workforce* changes slowly, the *jobs market* can change quickly, especially as technology evolves. So opportunities to develop new skills (and potentially new career paths) will become increasingly important, both for individual progression and productivity growth.

Our focus for action

- 3.11** Through this Skills and Employability Plan, we will:

- **Link pre-employment courses with employment outcomes:** Medway Adult Education is a major provider of courses designed to enable people to access employment, as well as a wider range of provision to support health, wellbeing and personal development. It is an important route into learning for a wide range of people: in particular, we will ensure that English, maths, digital and work skills courses are focused on helping people to get into work and maximise their potential.

- **Increase awareness of (and funding for) retraining and short course development**, working together with providers and linked with the ambitions of the Local Skills Improvement Plan.
- **Engage employers in investing in their own workforce.** Much workforce training is delivered by the private sector through unaccredited short courses, and employers need to invest in their workforce to ensure retention and their own ability to react to new trends and technologies. With providers and employer bodies, will promote workforce training, linked with our goal of raising aspiration both on the demand and the supply sides.
- **Develop our Partnership Agreement with Jobcentre Plus**, working alongside JCP to build links with local providers and promote the take-up of employment initiatives.

Figure 3-3: Priority 3: Building an adaptable and resilient workforce



Priority 4: Ensuring employment, education and training opportunities for everyone

What are the issues?

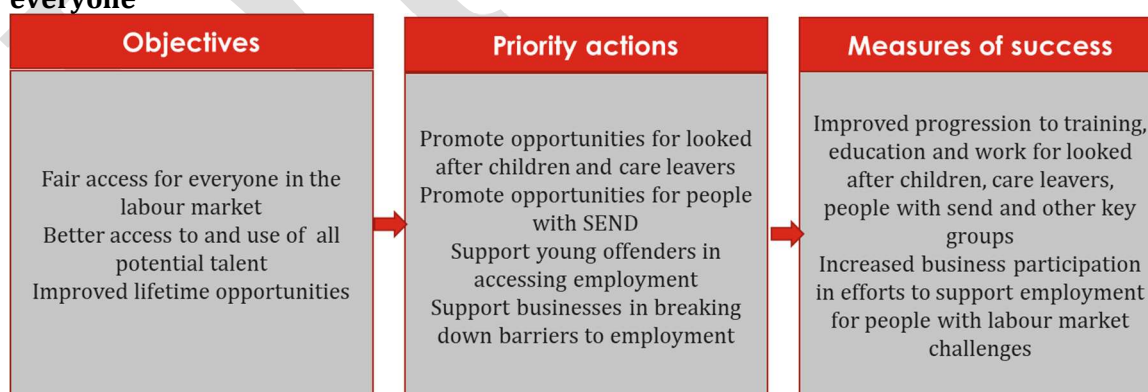
- 3.12** In 2020/21, 7.9% of 17/18 year olds in Medway were not in employment, education or training (NEET), higher than the England average of 5.5%, and slightly higher than the figure for neighbouring Kent. While there has been positive progress in recent years (with a 4 percentage point fall in the rate of NEETS over the preceding year), a lack of access to education, training and employment has a significant impact on future earnings and life chances. In the *Medway 2035 Skills and Employability Plan*, “transforming NEETS into EETS” was a key priority, and it remains so as we refresh our strategy.
- 3.13** More broadly, we want to ensure that everyone can reach their potential, including those that are disadvantaged in the labour market. This is central to the Council Strategy, which provides the starting-point for this plan, as well as the approach set out in our People Strategy and Children and Young People’s Plan. Making sure that there are employment, education and training opportunities for everyone is a role for the whole of Medway Council.

Our focus for action

3.14 Over the next few years, we will:

- **Promote opportunities for looked after children and care leavers.** We have a responsibility to our young people in care and to those leaving care who require additional support to manage the transition into the workplace. We will engage with employers so that they can offer opportunities to young people, ensuring that employers are aware of the support that is in place to enable young people to join the workforce, such as grants for Apprenticeships for care leavers and mentoring support.
- **Promote opportunities for people with Special Educational Needs and Disability.** We will continue to actively promote the Disability Confident scheme to employers, and we will make employers aware of support schemes, such as the grant for taking on an Apprentice with an Educational Health and Care Plan. We will also promote routes into employment, such as the Supported Internship programme, which offers work-based learning placements in 'mainstream' employment settings.
- **Support young offenders in accessing employment.** Young people with a criminal record can often face discrimination when accessing work. We will support young people through the work of our Youth Offending Team, in delivering reparation projects in partnership with employers and voluntary organisations – helping employers better understand young people's potential and providing young people with experience and references.
- **Support businesses in breaking down barriers to employment,** through the development of working practices and working environments, linked with our focus on raising employer aspirations in Priority 1.

Figure 3-4: Priority 4: Ensuring employment, education and training opportunities for everyone



Priority 5: Leading by example as a major employer

What are the issues?

Medway Council is the second largest employer in Medway (after the NHS), and we have a special responsibility for and relationship with our community. Our wide range of social and community services underpins the focus on opportunities for everyone highlighted in Priority 4; we are a major purchaser of goods and services; and we are a key 'anchor institution'.

3.15 We embraced 'leading by example' as a key principle within the *Medway 2035 Plan*. We have a strong record of making this a reality (for example, as a direct employer of Apprentices and young people through Kickstart) and stakeholders welcome this leadership role.

Our focus for action

3.16 We will go further over the next few years, to:

- **Directly support opportunities for skills development and employment**, by providing work and work experience opportunities (especially for those disadvantaged in the labour market), supporting opportunities for progression in work for staff at all levels, and by participating in employment initiatives through Jobcentre Plus.
- **Link employment and skills outcomes through procurement and commissioning**, through the development of our social value policies. In particular, we will explore opportunities to support the resilience of the social care sector, a significant sector of the economy with which the Council is directly engaged, and which will see long term growth in employment at the same time as significant staffing pressures.
- **Link employment and skills outcomes through our regulatory functions**, especially opportunities for local labour and skills development within the planning process.
- **Recognise the value of employment and skills as a key driver of wider economic and community strategy**: a 'cross-cutting' theme for *all* Council activity, not just that related to the specifics of this Plan.

Figure 3-5: Priority 5: Leading by example as a major employer



4. Moving forward

Developing an Action Plan

- 4.1** While this Plan describes our overall priorities for action, our **operational action plan** should remain flexible, so that we can respond to new opportunities (and challenges) as they emerge. The action plan will be geared around our five priorities, and will be a 'living plan', subject to regular review.

Delivering the Plan... within the Council

- 4.2** Like the rest of the *Medway 2037* strategy suite, delivery of this Plan will be the responsibility of the Council as a whole: every part of the Council can contribute to a better skilled workforce, and better skills and opportunities will support the overall objectives of the Council Strategy.
- 4.3** To oversee delivery within the Council, we have established:
- A **Member Skills Board**, chaired at Cabinet Member level. The Member Skills Board will maintain overall oversight, approve annual targets against each of our five priorities and consider performance at strategic level against our action plan.
 - An **Officer Skills Board**, chaired by the Chief Executive and reporting to the Member Skills Board. The Officer Skills Board will also ensure senior engagement from across the Council
- 4.4** A number of other Council bodies will also have a key role, notably the Corporate Parenting Board.

... and beyond

- 4.5** Beyond Medway Council itself, we have also convened a **Stakeholder Board**, consisting of education and training providers and employers. The Stakeholder Board will consider our annual targets and performance against the Plan, but will also be a key forum for partner engagement – recognising the complexity and diversity of the skills landscape and the leadership role that many other partners play.

We are also active participants at regional and sub-regional level, and will work to ensure that the priorities set out in this Plan are supported through the Kent and Medway Employment Task Force, the Greater North Kent partnership arrangements, and the South East LEP's Skills Advisory Panel.

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