

CHESHIRE EAST COUNCIL

REPORT TO: Jobs, Regeneration & Assets Overview and Scrutiny Committee

Date of Meeting: 21 Mar 2016
Report of: Julian Cobley
Subject/Title: Skills & Growth ASDV
Portfolio Holder: Cllr Don Stockton

1.0 Report Summary

- 1.1 The Jobs Regeneration and Assets Committee was provided with an update report in November 2015 detailing the progress toward establishing a wholly owned company for skills and growth services. The Portfolio Holder for Regeneration and Assets subsequently took the decision to proceed on 7 Dec 2015 to establish The Skills and Growth Company ASDV and this report seeks to provide an update on the progress made since that decision, and to brief the committee on future plans.

2.0 Recommendation

- 2.1 The Committee is recommended to:
- 2.1.1 note the contents of the report
 - 2.1.2 agree a timeline for future progress reports

3.0 Reasons for Recommendation

- 3.1 To ensure that the future performance of the company is appropriately scrutinised.

4.0 Wards Affected

- 4.1 All wards

5.0 Local Ward Members

- 5.1 All Members

6.0 Project Tasks completed/in hand

- 6.1 The name of the company was formally changed to 'The Skills & Growth Company' in December 2015 and relevant web domains purchased.
- 6.2 Client and company-side task groups have been formed and meet fortnightly in order to negotiate the operating agreement with the company. This will incorporate both the company's business plan and a well-defined performance framework (currently in draft form and containing a range of performance measures).

- 6.3 The Project Delivery Team (comprising all enabling services) has continued to meet on a fortnightly basis providing regular progress reports and resolving minor issues.
- 6.4 Staff have been advised of their rights to transfer under TUPE legislation. Regular staff briefings have been taken place and trade unions kept briefed with a new SharePoint site built in order to allow information to be shared.
- 6.5 The Oracle system build is progressing well and is on-target for completion prior to go-live.
- 6.6 Considerations are underway to locate the company in the Council owned Sandbach Enterprise Centre as tenant.
- 6.7 A task and finish MGB sponsored steering group has met and confirmed that due diligence has been met in respect of the decision making process and the validity and robustness of the business case.
- 6.8 Development of branding and marketing is underway including key external and internal communication channels and platforms.
- 6.9 The go-live date is 1 April 2016 and all indications are that this will be met.

7.0 Company – shadow operation and work plan

- 7.1 The company has appointed a Board of Directors, which meets monthly in 'shadow' mode. The Board comprises Cllrs Bates, Walmsley and Brooks.
- 7.2 The company has applied to the Skills Funding Agency to be approved as an RTO (Registered Training Organisation). If successful this will permit it to bid for additional learning and skills contracts, and will allow staff within the Lifelong Learning Team to transfer into the company conforming with grant funding rules. Until such approval these staff will remain employed by the Council.
- 7.3 The company is in the process of finalising its business plan, which seeks to specify its activities over the next 5 years. A high-level plan can be found in Annex 1.
- 7.4 Planned activity is targeted against 8 priorities:
 - Skills Priorities
 - Ensure young people are work ready
 - Tackle long term unemployment and NEETS
 - Ensure education provision meets employer needs
 - Foster high value skills for high growth business
 - Growth priorities:
 - Lead High Growth Sectors
 - Promote and secure investment in key employment sites
 - Ensure businesses have the support they need to succeed
 - Maximise and attract investment

8.0 Recent 'company' successes and achievements

8.1 A number of successes have been recorded during the shadow operation period. Achievements of particular note include:

- Summited £11.5m ERDF bid on behalf of Connecting Cheshire for the Digital 2020 Programme
- Secured approval from the Council to initiate £80k Business Support service contract with Greater Manchester
- Supported the creation of 556 new jobs with High Growth SME's in the Science Energy and Technology Sector
- Joint Venture Partnership agreed with Engie for Heat Network
- Secured Contract to deliver sponsorship package for the Cycling Tour of Britain

9.0 Current risks and issues

9.1 The relocation into the Enterprise Centre will require some refurbishment work and will not be completed by 1 April. Staff will therefore remain in their current workplaces until this is finished.

9.2 Contract negotiations are due to start and could be delayed due to staff availability over Easter. However, both parties are proceeding in good faith and a spirit of co-operation.

9.3 The evaluation of the Managing Director job description and subsequent appointment of the role is underway, but may not be completed by 1 April. It is anticipated that appropriate interim secondment arrangements can be put in place should this be the case.

10.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

Name: Julian Cobley
Designation: Head of Investment
Tel No: 01270 686170
Email: Julian.Cobley@cheshireeast.gov.uk

Annex 1

High Level Work Plan 2016/17 - Skills & Growth Priorities

Skills Priorities		Action
1. Ensure Young People are Work Ready	1.1	Business Partnerships: Build on successful Crewe and Macclesfield Pledges to ensure a work readiness programme is available to students in schools and colleges in Cheshire East
	1.2	Develop an integrated Apprenticeship Framework for Cheshire East in line with Cheshire & Warrington LEP Apprenticeship Attraction Plan to accelerate the take-up of apprenticeships in Cheshire East
	1.3	Ensure businesses are ready for wide ranging Apprenticeship changes in 2017 (e.g. Levy)
	1.4	Targeted CEIAG for key sectors and major investments e.g. HS2 (learners and parents)
2. Tackle long term unemployment and NEET	2.1	Contract management of Community Learning and Adult Skills Budget learning programmes to access all those most in need of gaining access to skills and employment*.
	2.2	Prepare for new delivery of new combined Adult Education Budget programme in 2017
	2.3	Develop integrated model across Council teams (Schools, Supported Employment, Care services)
	2.4	Develop new model of working with DWP, including possible co-location
	2.5	Lead the development of bids for relevant Government funded schemes (e.g. Mental Health, Disengaged Young People, Building Better Opportunities)
	2.6	Review policies to of the Council to support employment and skills including procurement and planning
3. Ensure education provision meets employer needs	3.1	Develop a robust skills and employment evidence and analysis base to ensure public, private and voluntary sector develop and deliver appropriate skills programmes to meet employers needs in Cheshire East

	3.2	Develop a skills framework and outcome plan for Cheshire East from basic/functional skills through to degree and post graduate levels
	3.3	Facilitate and support the proposed Area Based Review in Cheshire & Warrington and the implementation of recommendations
	3.4	Shape and influence Cheshire & Warrington LEP programmes for skills including skills capital, ESIF and Devolution Deal

4. Foster high value skills for high growth business	4.1	Drive growth through Skills Boards in high growth sectors – Rail, Life Sciences, Advanced Manufacturing, Technology and Energy
	4.2	Encourage new provider pathway models of specialisation and excellence in high skills through joint working and cross sector collaboration e.g. through colleges, UTC, University, schools, private providers
	4.3	Promote careers in high growth sectors with young people and their parents through full engagement programme and case studies
	4.4	Promote greater uptake of STEM skills in schools and colleges particularly to young women, minorities and those with disabilities

Growth Priorities		Action
1. Lead High Growth Sectors	1.1	Shape and influence sector growth policy (e.g. Innovation audit, KTP)
	1.2	Lead sector growth programmes for priority sectors
	1.3	Develop and deliver high growth and specialist programmes, projects, and contracts (as agent) relating to the priority sectors - including bid writing and securing investment (e.g. Digital 2020, ELENA, INTERREG, ESIF)
	1.4	Manage the administration and governance relating to specific bodies in the priority sectors, including, Connecting Cheshire Partnership Board, Digital & Creative Industries Taskforce, Macclesfield Science Opportunity Zone Board, Advanced Manufacturing Forum.
	1.5	Influence and support the development of the Northern Gateway Development Zone.

2. Promote investment in key sites and maximise business rate income.	2.1	Deliver a programme of activity to attract investment into Cheshire East's key employment sites.
	2.2	Develop marketing material that captures Cheshire East's key investment prospects.
	2.3	Encourage investment in Cheshire East's key employment sites by promoting to demand from mobile occupiers and existing business looking to relocate or expand.
	2.4	Secure finance in grant and loans to off set the cost of investment or reduce exposure (e.g. Cheshire Green Employment.)
	2.5	Manage the relationship with property agents and encourage sharing of information on business expanding and mobile occupiers.
	2.6	Collate trend data on property investment trends and disseminate key messages to market.
3. Ensure all businesses have the support they need to succeed	3.1	Establish and support Growth Boards for Priority Sectors(e.g. DCI taskforce and Science Board)
	3.2	Deliver a Rural Enterprise support programme
	3.3	Deliver the High Growth SME accelerator programme (e.g. Creative Cities bid)
	3.4	Deliver the Top 100 Strategic investor programme
4. Maximise and attract investment	4.1	Deliver Inward Investment Programme (e.g. MIPIM, Tour of Britain, Sector Specific Events)
	4.2	Promote and maximise leverage of commercial investment funds and grant opportunities for businesses (e.g. Life Sciences Fund, ESIF)
	4.3	De-risk business investments through effective support, advice and guidance
	4.4	Provide event management and facilitation