

# CHESHIRE EAST COUNCIL

## Cabinet

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<b>Date of Meeting:</b>	30 <sup>th</sup> June 2015
<b>Report of:</b>	Executive Director Economic Growth and Prosperity - Caroline Simpson
<b>Subject/Title:</b>	Notice of Motion – Transition to Work
<b>Portfolio Holder:</b>	Councillor Paul Findlow – Portfolio Holder for Performance

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### 1.0 Report Summary

- 1.1 The purpose of this report is to consider and respond to the following motion which had been moved by Councillor K Edwards and seconded by Councillor L Jeuda at the Council meeting on the 26<sup>th</sup> of February and referred to Cabinet for consideration:

*“Cheshire East Council is committed to encouraging economic growth for the area in general, and to offer opportunities to residents for gainful employment.*

*The Council will therefore:*

- a. ensure that the local living wage is paid as a minimum throughout all the companies where it has overall control;*
- b. encourage, through contractual arrangements, the local living wage as a minimum by those companies from which it procures services and materials;*
- c. encourage the location of highly skilled and well paid jobs in Cheshire East;*
- d. provide and encourage a full range of apprenticeship schemes throughout the Borough, and throughout those companies with which it has contractual arrangements;*
- e. provide and encourage high level training courses to ensure that school and college leavers have the best opportunities available;*
- f. target young people who are not likely to be in education, training or employment when they leave school.”*

### 2.0 Recommendations

- 2.1 The ethos of the Transition to Work Notice of Motion is just, but it is not for the Council to dictate to businesses how to financially reward their staff. Therefore, for the reasons set out in this report, Cabinet reject the motion referred to in paragraph 1.1, given the investment already being made in

supporting policies and activity to encourage economic growth and prosperity in Cheshire East, and to support individuals into gainful employment.

### **3.0 Reasons for Recommendations**

- 3.1 Cheshire East Council has made, and continues to make, a significant investment in encouraging economic growth and prosperity. This has led to the creation of high quality jobs and gainful employment opportunities for residents, and a structured programme of support to access the workplace. There is strong evidence that high quality employment opportunities are being created in the borough and a successful apprentice programme.
- 3.2 Furthermore, there is clear evidence that our policies and activities are having a profoundly positive impact for the Borough, particularly in Crewe, which is experiencing the lowest levels of unemployment it has seen in recent times, and household incomes are rising as the prospects for our residents improve.

### **4.0 Wards Affected**

- 4.1 All Wards

### **5.0 Local Ward Members**

- 5.1 All Wards

### **6.0 Policy Implications**

- 6.1 Cheshire East Council Corporate Strategy 2013-2016, Outcome 2 Cheshire East has a strong and resilient economy & Outcome 3 People have the life skills and education they need to thrive.  
'The Localism Act 2010' has empowering local government to take a lead role in encouraging growth and job creation.

### **7.0 Implications for Rural Communities**

- 7.1 The activity set out to support economic prosperity and growth impact both rural and urban areas. Cheshire East is investing in a programme of activity to support enterprise and employment in rural areas to boost the performance of the rural economy.

### **8.0 Financial Implications**

- 8.1 None

### **9.0 Legal Implications**

- 9.1 None

## **10.0 Risk Management**

- 10.1 A proactive approach is taken to encouraging growth and prosperity in Cheshire East to maximise the potential for growth in the area, to foster a high skilled and productive workforce and reduce unemployment. There is a risk that if this approach is not taken Cheshire East fails to capitalise on the potential of the area, unemployment may rise and productive decreases.

## **11.0 Background and Options**

- 11.1 This report addresses the issues raised by the motion referred to in paragraph 1.1.

### **Employment and Business Growth:**

- 11.2 The Council fulfils their legal obligation to pay the statutory minimum wage to all employees (excluding agency workers) and is developing a policy to adopt the 'living wage'. Furthermore, the Council encourages those companies from which it procures services and materials from to pay a 'fair' wage to their employees.
- 11.3 Evidence suggests historically, less than 1 in 10 Small and Medium Enterprises (SME's) in Cheshire have accessed the broad range of government funded business support available. There are now a significant number of companies accessing specialised business support schemes including access to finance, help to export to new markets and assistance with improving productivity and output.
- 11.4 The Council has, and continues, to invest in the delivery of services to encourage the growth of existing business, and attract new business to the area to create high quality jobs. Focus is given to;
- working with the top 100 strategic investors in the borough to maximise their growth opportunities and minimise threat
  - ensuring the borough's high growth SME's gain access to the appropriate business support and work with them to remove barriers to growth.
  - promoting Cheshire East's key strengths and development opportunities to attract new business to the borough.
- 11.5 This approach has led to the creation of a significant number of high quality jobs and committed business growth in the borough, including companies such as Bentley Automotive, McCann, HPLP, Think Plus and AV Support.

## Apprenticeships and Training:

- 11.6 The Council takes a pro-active approach to encouraging the take up of apprentice schemes. Rates of apprentice starts in the borough are positive with 1,932 Level 2 starts and 1,081 Level 3 starts in in 2012. Support was focussed on 16-18 year olds with 674 of the level 2 starts and 340 of the level 3 starts going to 16-18 year olds.
- 11.7 Typically, the Council directly employs 80 apprentices each year. The authority is aiming to strengthen arrangements with those companies and contractors they purchase services from to encourage the take up of apprentices.
- 11.8 The Council, in partnership with the Cheshire and Warrington Local Enterprise Partnership, encourages employers to develop and invest in higher-level apprentice programmes. In 2013/2014 this resulted in 63 starts for higher apprentice programmes.
- 11.9 The Council supports schools to deliver sound educational training and advice to pre-16 year olds. The authority actively encourages schools to raise the profile of the apprentice programme.
- 11.10 Cheshire East's Youth Support Service is responsible for working with post 16's to encourage active participation in employment, education or training. The service aims to work with every young person not in education or training to encourage participation. This scheme has been particularly successful – Cheshire East is in the top 5 local authorities for low rates of NEETS (Not in Education, Employment or Training.)

## 12.0 Access to Information

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

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