EDUCATION, EMPLOYMENT AND SKILLS

Devolution approach

Shona Duncan
Kelly Britton
Wendy Starks
On 4th May 2017, the people of the Tees Valley elected Ben Houchen as the Tees Valley Mayor.

TEES VALLEY COMBINED AUTHORITY

- Make up/ represent 5 Council’s
- Covers the local authority areas of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees.
- Remit to drive forward economic growth within the Tees Valley.

Under the devolution deal with Government, we are taking on new responsibilities previously held by Westminster and Whitehall;
- Transport & Infrastructure,
- Education Employment & Skills
- Business Investment
- Housing
- Culture and Tourism
3,317 square miles.
Population 670,000
£13bn per annum to the national economy
The Lord Heseltine’s report included a number of recommendations, including:

• Combined Authority to provide ambitious, visible and determined leadership of the strategy to transform education and skills across Tees Valley.
• All national and local careers advice initiatives in Tees Valley should be coordinated through the EES Partnership Board.
• Combined Authority and LEP to work with employers and schools to promote and increase the number of apprenticeships in the area and maximise opportunities presented through reforms, including the apprenticeship levy.
• Government should devolve responsibility for the Apprenticeship Grant for Employers (AGE).
‘Tees Valley: Opportunity Unlimited’
Central government backing and endorsed through recommendations of the Heseltine report

Strategic Economic Plan: Industrial Strategy for the Tees Valley

Two transformational ambitions:

• Enhance productivity in those high growth firms which have the greatest potential to create jobs; and

• To increase educational attainment, produce skilled workforce and increase lifetime opportunities
EDUCATION EMPLOYMENT AND SKILLS PRIORITIES

• Address skills gaps
• Drive up standards in secondary schools
• Develop a high quality careers, education and guidance system
• Increase the opportunities for Traineeships and Apprenticeship programmes
• Increase the number and scope of graduate opportunities
• Reduce unemployment through high outcome training initiatives
TEES VALLEY DEVOLUTION DEAL

Devolution Asks

• Devolve commissioning for 14-19 (technical) and adult further education budgets.
• Devolve commissioning for DWP work programmes.
• Devolve all apprenticeship and traineeship funding, plus Apprenticeship Grant for Employers (AGE).
• TVCA to have the ability to drive up standards in the education system in a partnership with Ofsted and Dept. for Education.

Devolved Responsibilities

• Adult Education Budget from 2018-19 onwards.
• ‘Co-design’ of the Work and Health programme (plus potential for an additional ‘Hardest to Help’ pilot).
• Apprenticeship Grant for Employers (AGE).
• Government agreed to work with TVCA to transform standards in education (this includes close working with the Regional Schools Commissioner).
EES STRUCTURE

TV EES Partnership Board

TV EES Joint Commissioning Group

TV EES Delivery Workstreams*

School Improvement Sub. Board
- Raising Standards
- TV Schools Forum
- TV Teaching Schools Group

Post 16/19 Strategy
- Implementation of the Review of Post 16 Education
- Adult Education
- Developing Opportunities for Higher Education

Pathways into Work
- CEIAG
- Careers & Enterprise Co.
- Transforming Apprenticeships
- Reducing NEETs
- Adults into Work
- Social Inclusion
- Response to Major Redundancies

Workforce Skills
- Employer Voice
- Developing Specialist Skills Support
- Addressing Skills Gaps
- Sector Specific Opportunities
- Labour Market Alignment

TV EES Forum
Annual standing conference, specialist events and supporting virtual network
Tees Valley has a larger percentage than national employed in:

- Health Care
- Education
- Advanced Manufacturing
- Construction
CURRENT JOB DEMAND

Demand in 2016 was for:
- Teachers
- Carers
- Nurses and Midwives
- Sales and Marketing Associate Professionals
- IT and Telecommunications Professionals

Tees Valley Business Survey 2016
- 37% business stated availability of skills was a significant barrier to growth
- 31% have hard to fill vacancies
- 25% experienced a skills gap in last 12 months
- 17% had a shortage of skills in the workforce
- 56% had recruited in the last 12 months
- 61% planning to recruit
- 27% had recruited an apprentice in last 12 months
LABOUR MARKET INFORMATION

• 133,000 jobs will need filling by 2024. This is made up of 17,000 new jobs and 116,000 replacement jobs
• Over half predicted at level 4 and above
• Mainly high skill managerial, professional and technical occupations
• Over 60,000 jobs at level 3 or below
• High levels of part-time demand
• High skills levels in demand across all sectors, but in particular:
  • Public, Admin, Defence and Education;
  • IT, media and other service industries;
  • Production Industries;
  • Professional and business services; and
  • Healthcare.
ENGLISH AND MATHS

Percentage of pupils achieving A*-C in both English and maths

<table>
<thead>
<tr>
<th>Percentage</th>
<th>ENGLAND - State-funded sector</th>
<th>NORTH EAST</th>
<th>Tees Valley Combined</th>
<th>Darlington</th>
<th>Hartlepool</th>
<th>Middlesbrough</th>
<th>Redcar and Cleveland</th>
<th>Stockton-on-Tees</th>
</tr>
</thead>
<tbody>
<tr>
<td>63.3</td>
<td>61.6</td>
<td>59.7</td>
<td>61.6</td>
<td>55.0</td>
<td>54.9</td>
<td>60.8</td>
<td>63.8</td>
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</tbody>
</table>
Percentage of KS5 students achieving grades AAB or better at A level or Applied single/double award
A level 2014 -16 (includes FE Sector & Colleges)
FOUR AREAS OF INTEREST

• Building school improvement capacity.
• Research and innovation to tackle entrenched problems.
• Meeting the workforce challenge.
• Technical education pathways in key growth sectors.
However, the Tees Valley has seen an improvement of 1.4% over the last year, compared with a 0.5% improvement nationally.
Apprenticeship starts are much higher in Tees Valley than national – 6.2% of 16-35 year olds compared to 3.5% nationally.

Apprenticeship starts are 12% higher than last year compared to a 2% rise nationally.

15% of apprenticeships started in 2015/16 were in Advanced Manufacturing.
## CURRENT SKILLS LEVELS

<table>
<thead>
<tr>
<th></th>
<th>Tees Valley</th>
<th>London</th>
<th>Great Britain</th>
<th>Difference to GB</th>
<th>Difference to London</th>
</tr>
</thead>
<tbody>
<tr>
<td>NVQ4+</td>
<td>30.8%</td>
<td>52.0%</td>
<td>38.2%</td>
<td>-7.4%</td>
<td>-21.2%</td>
</tr>
<tr>
<td>NVQ3+</td>
<td>52.4%</td>
<td>66.3%</td>
<td>56.9%</td>
<td>-4.5%</td>
<td>-13.9%</td>
</tr>
<tr>
<td>NVQ2+</td>
<td>73.2%</td>
<td>77.7%</td>
<td>74.3%</td>
<td>-1.1%</td>
<td>-4.5%</td>
</tr>
<tr>
<td>NVQ1+</td>
<td>83.8%</td>
<td>85.3%</td>
<td>85.3%</td>
<td>-1.5%</td>
<td>-1.5%</td>
</tr>
<tr>
<td>No Quals</td>
<td>9.4%</td>
<td>6.6%</td>
<td>8.0%</td>
<td>1.4%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

**However** the percentage of residents aged 16-64 qualified to a Level 4 has increased year on year since 2011, with an increase of 6.8 percentage points, compared to an increase of 5.4 nationally.
61% found employment with Tees Valley, however graduate retention has reduced annually from a high of 69% in 2009/10 with graduates increasingly likely to find employment outside of Tees Valley.
27% of Tees Valley graduates are going into assumed non-graduate roles. The majority of these roles are in:

- **Retail** – sales assistant and retail cashiers
- **Education** – childcare providers
- **Accommodation and Food** – bar staff, waiters, kitchen assistants
- **Health Care** – carers
SKILLS REQUIREMENT BY SECTOR

% Skills required 2014 - 2024 by sector
In May 2017 4.1% of 16-64 year old Tees Valley residents (17,185 people) were claiming either Job Seekers Allowance or Universal Credit (and required to seek work), over double the national average of 1.9%.

This rises to 6.4% for 18-24 year old residents, compared to 2.7% nationally. The gap between the national closes as the age range increases.
Almost a quarter (21%) of all JSA Claimant have been claiming for over 2 years – compared to 18% nationally.

62% of ESA claimants have been claiming for over 2 years – a large proportion of which will be hoping to return to work.
CONCLUSIONS

• Future demand for skilled workforce is positive in scale
• Potential growth for all skill levels
• Challenge is underemployed/progression
• Challenges relate to skills matching to employers requirements
• High levels of unemployment—particularly in 20-34 age
• High levels of long term unemployment
• Employers expectations and specific demand
CAREERS

Events:
- Flagship annual Tees Valley Skills Events:
  - to date approx.: 10,000 young people aged 14-19 have attended
- Big Bang Tees Valley Fair
  - to date 3,000 young people aged 12-16 have attended
- Employer engagement events
  - Step into the NHS
  - Females Power your Nation
  - JDR Cables

Resources:
- Sector Specific Lesson Plans
- Sector Specific Videos
- Sector Specific LMI factsheets
- Careers guide for Parents & Carers
- Apprenticeship IAG booklet
- Apprenticeship IAG workshops
- Tees Valley Skills Newsletter
TEES VALLEY CAREERS & ENTERPRISE ADVISER NETWORK

Progress to date:

- 46 Schools/ Colleges Signed up against a target of 44
- 46 Enterprise Advisers signed up against a target of 44 by August 2017.
- Ongoing with growing the network

By August 2017 44 Tees Valley Schools to be signed up and matched with an Enterprise Advisor.
MOVING FORWARD – STRATEGIC FIT

- Development of a High Quality Careers Education and Guidance System
MOVING FORWARD – STRATEGIC FIT

Development of a High Quality Careers Education and Guidance System

4 main functions:
1) Provide details regarding the activities, resources and opportunities available to young people, parents/guardians and practitioners within the Tees Valley.
2) Provide live Tees Valley apprenticeship vacancy information
3) Host the virtual Tees Valley Apprenticeship hub.
4) Provide the ‘Tees Valley Careers Toolkit’.

Tees Valley Careers Framework and Entitlement
The Tees Valley Careers Framework maps out key activities/ interventions that should take place in each year group and provides the resources to ensure that the school/ college are supported with delivery.

Tees Valley wide activities and events available to all young people in the Tees Valley with a key focus on encounters with employers and experiences in the workplace e.g. Tees Valley Skills Event / Big Bang

Commission projects to deliver entitlement
Commission projects to develop partnerships with schools/ colleges and employers and act as central point of contact for both. The projects will deliver a menu of activity for schools/ colleges to access each academic year across the 5 local authority areas.
Up and coming careers activity:

Tees Valley Skills Event 2017

“Brilliant day and it was really great to see the enthusiasm of the children for work” [Lisa Fox, KP Snacks]

“It has helped me decide what I want to do in the future” [Abigail]

“A great opportunity to think about where to go after leaving school” [Jack]

“Busy vibrant, great opportunity to connect with a lot of students at once - highly efficient outreach event” [Sarah Bartram, Medical Physics, The James Cook University Hospital]
ADULT EDUCATION BUDGET (AEB) - DEVOLUTION

• Aimed at age 19+
• Combines training and support funding
• Provides skills and training aimed at supporting learners into work, apprenticeships or further learning
• Enables tailored programmes not necessarily qualifications
• Helps those furthest from the labour market
• Legal entitlements---English, maths and IT, first full level 2 or level 3
• Currently awarded to FE Colleges, 6th Forms, Local Authorities and independent training providers
DEVOLUTION MEANS

• Continued commitment to legal entitlement
  Greater flexibility regarding:
  • Payment models
  • Contracting arrangements
  • Procurement
  • Increased responsiveness
  • Greater fit with additional funding streams
AEB PROVISION

- 43,290 AEB learning aims started by residents of Tees Valley in the 2015/16 academic year, of which
  - 91% was delivered to Tees Valley residents
  - 9% was delivered to people living outside of Tees Valley
  - Over a third (39%) of all AEB started by Tees Valley residents in 2015/16 was started by those aged between 31 and 49.
The majority of aims (97%) are at NVQ level 2 or below
3% of AEB learning aims are at NVQ level 3 or above

The most common learning aim is Preparation for Life and Work (47%)
The most common sector specific learning aim is Engineering and Manufacturing technologies (19%)
TIMELINE

• Devolution to Combined Authority August 2018 -19
• Outcome agreements with providers -no later June 2018
• “Procurement” up to June 2018
• Development of outcome framework June 17-Sept 17
• Engagement of providers
• Employer consultation June 2017…
• Order agreed by cabinet September 2017 to then be placed with parliament
• Data analysis---now and ongoing
DISCUSSION

• Are there similar or very different approaches to this agenda?

• Does this go far enough to provide the system change we are looking to achieve?

• Is devolution necessary in the skills agenda?

• What else should we devolve to achieve more?
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