



Report to Policy Committee

Author/Lead Officer of Report: *Laura Hayfield, Interim Head of Employment and Skills*

Tel: 07989152877

Report of: Kate Martin, Executive Director City Futures

Report to: Economic Development and Skills Policy Committee

Date of Decision: 15th March 2023

Subject: Employment and Skills Strategy

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 1487				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p>				

Purpose of Report:

The report seeks to:

- update the Economic Development and Skills Committee on the work to date in mapping the Employment and Skills landscape in Sheffield.
- gain the approval of the Committee to establish a Governance Board including the key stakeholders that operate in this area of work
- gain approval to progress work on an Employment and Skills Strategy for Sheffield agree the initial priorities to be considered in the development process.
- Note that green jobs and skills are a critical part of the employment and skills strategy

Recommendations:

That the Economic Development and Skills Policy Committee:

- Approves the creation of an Employment and Skills Governance Board as set out in this report
- Approves the development of an Employment and Skills strategy for Sheffield and the initial policy areas to be considered in the development of the strategy to be led by the Employment and Skills Board, as set out in this report
- Notes that green jobs and skills are a critical part of the employment and skills strategy

Background Papers:

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Kerry Darlow</i>
		Legal: <i>Janusz Siodmiak/Richard Marik</i>
		Equalities & Consultation: <i>Bashir Khan</i>
		Climate: <i>Jessica Rick</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	SLB member who approved submission:	Kate Martin, Executive Director, City Futures
3	Committee Chair consulted:	Martin Smith
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Laura Hayfield	Job Title: Interim Head of Employment and Skills
	Date: 10 th March 2023	

1. PROPOSAL

- 1.1 It is proposed that the Council create an Employment and Skills Governance Board.
- 1.2 It is also proposed that the Council develop an Employment and Skills strategy for Sheffield.
- 1.3 This report also notes that Green jobs and Skills are a critical part of the Employment and Skills Strategy

Background

- 1.4 In April 2022, Opportunity Sheffield, the Council's Employment and Skills service, moved to the City Futures portfolio. Since then, we have been meeting with key stakeholders in the city to map out the employment and skills landscape within Sheffield.
- 1.5 Sheffield benefits from a wide range of active partners operating employment and skills services. This encompasses two world class universities, a Grade 2 "Good" Ofsted rated college, a plethora of independent training providers, Jobcentre Plus and a range of DWP-commissioned providers. The Council also delivers a range of mostly European Social Funded programmes through Opportunity Sheffield, which endeavour to fill the gaps in mainstream provision, working in close partnership with the voluntary, community and faith sector. SCC's provision is often aimed at more vulnerable groups and those with barriers to gaining employment and accessing training.
- 1.6 Stakeholders have been clear that there is a need for a strategic Governance Board to co-ordinate the wide range of partners and activities within Sheffield. This is to ensure that programmes are complementary and that all areas of the community are supported.
- 1.7 There is also agreement of the need to set employment and skills vision and ambitions for Sheffield as it lays the foundation for an inclusive economy and clean economic growth

Policy Landscape

National Policy

- 1.8 In January 2021, the Government published the Skills for Jobs White Paper which set out five key areas of focus:
 - Putting employers at the heart of the system, so that education and training lead to jobs that can improve productivity and fill skills gaps.
 - Investing in higher-level technical qualifications which provide a valuable alternative to a university degree.

- Making sure people can access training and learning flexibly throughout their lives and are well-informed about what is on offer through great careers support
- Reforming funding and accountability for providers to simplify how funds are allocated, give providers more autonomy, and ensure an effective accountability regime which delivers value for money.
- Supporting excellent teaching in further education.

1.9 These can be seen reflected locally with the intended establishment of an all-age careers hub, the release of the People and Skills funding under the Shared Prosperity Fund and the Skills Accelerator Programme.

Skills Accelerator Programme

1.10 In response to the White Paper's focus on an employer-led approach to post-16 skills funding, the regional chambers, led by Doncaster Chamber and South Yorkshire Colleges Group were successful in gaining funds under the above programme to produce a Local Skills Improvement Plan (LSIP).

1.11 The resulting Local Skills Improvement Plan established a set of areas for action:

- Design a modern customer journey that provides easier access to skills training for employers and residents, including apprenticeships
- Engage employers in co-creation of policy, skills and training products
- Skills delivery at the cutting edge of business need and working practices
- Higher visibility of growth opportunities through skills
- The release of hidden workforce potential in our communities

1.12 The second LSIP is now underway with the partnership of regional chambers focussing on the digital sector. A series of surveys and diagnostics with businesses are being undertaken to gather further information on the skill needs in this area.

1.13 The findings of the LSIP will be harnessed to support the developments of the proposed Employment and Skills strategy.

Regional Policy

1.14 Within this policy context, the South Yorkshire Mayoral Combined Authority (SYMCA) gained authority from the Employability, Skills and Education Board to develop a Skills Strategy for the region. The work was split into two phases with Phase 1 concentrating on a consultation and desk-based research exercise. The Board directed this piece of work to focus on the following themes, in establishing a long-term strategy with the vision to make a fundamental change to the opportunities available for people in the region:

- Growing apprenticeships across South Yorkshire through a leadership role
- Helping adults improve their basic English, maths and digital skills.
- Improving responsiveness to employer demands
- Development of a clear skills offer focused on our Net Zero ambitions
- Strengthening our Community Learning offer to residents
- Developing a package of support for young people not in education, employment, or training

1.15 The Phase 1 consultation period completed in December 2022, with a draft report due to SYMCA in March 2023. SYMCA intends to use this research for the Phase 2 development of the strategy in collaboration with the South Yorkshire areas and in coordination with the LSIP. The draft publication is currently intended to be presented to the ESE Board in June 2023. Early headlines sent following consultation are as follows:

- An inclusive system in which no one is left out
- Flexible outcome and destination-focused funding which supports inclusive economic growth
- Strong authentic South Yorkshire identity with a clear understanding of our offer.
- A system responsive to employers and learners and with the capacity and capability to deliver.
- Clarity, collaboration, coordination, and a shared consensus at its core.
- Data-led, driven locally by partners, and community-based.
- Co-designed and standardised social value protocols, which harnesses planning, procurement, and investment levers.
- Delivered locally in and with communities with strategic alignment to strategies and levers.
- Clear and simple pathways for all levels which showcases progression opportunities.
- Encourages and supports workforce development.
- All age CEAIIG delivered by professionals.
- Adaptable provision which can offer blended options
- Multi-year funding which can meaningfully respond to local priorities.

1.16 It is critical that Sheffield supports the development of the regional skills strategy, draws from the intelligence gathered and produces its own strategy aligned to that of the region.

Devolution

1.17 In the academic year 2021/22, SYMCA achieved devolution of the Adult Education Budget. To date, the authority has continued to allocate these funds in line with the national Education and Skills Funding Agency, but as the strategy is developed, it is likely SYMCA will use its commissioning powers to drive skills training in the direction set out by the strategy. This is also true of the budget for careers distributed to

Combined Authorities by the Careers and Enterprise Company and a likely increase of devolution of further employment and skills funds.

- 1.18 SYMCA are doing a lot of consultation, and, in order to avoid duplication, the Council proposes to use their data to help inform our new strategy.

Employment and Skills – a foundation for inclusive economy and clean economic growth

- 1.19 The connection between employment and skills and prosperity creates a significant opportunity for policymakers. Effective support benefits individuals, households, communities, employers and the local economy, with enhanced employability skills, training and employment opportunities able to:

- increase household incomes, boost spending power and raise standards of living
- help people lead happier and more active lives as active participants in their community.
- increase Equality, Diversity and Inclusion for all our communities to combat poverty.
- improve individual health, translating into reduced reliance on the welfare state, NHS and Council services. The Sheffield Joint Strategic Needs Assessment identifies income as “a major determinant” of inequalities in health and wellbeing, linking employment to longer life expectancy, good living standards, greater resilience and ability to cope with negative experiences
- promote social mobility by helping individuals increase their skills base, earning potential and the ability to make active choices about how and where they live, engage with their local community and use disposable income
- prepare people for new sector opportunities such as the wide range of new skills and occupations that will arise from the transition to a low carbon economy.
- construct a more active, productive and reliable workforce, which allows employers to fill vacancies, increase output, drive business growth and strengthen GDP.
- support the staffing levels needed to raise business productivity in Sheffield, which currently stands at just 77% of the Core City average
- provide entrepreneurial and enterprising skills which encourage an increase in new business start ups, business growth and attract inward investment
- highlight the skills and pathways available and forecasted to drive business growth and help increase economic output to close the GVA gap between Sheffield and the Core City average
- increase the capacity of individual residents to make a net positive contribution to the economy, through work-related output, increased purchasing power and reduced reliance on the welfare state

1.20 Creating an effective support system that helps to develop the skills of all the community to enable residents to prepare for, get into and progress in employment will support the following Council priorities:

- Tackling inequalities and supporting people through the cost of living crisis
- Healthy lives and wellbeing for all
- Clean economic growth
- Happy young people who have the start they need for the future they want

Local Employment and Skills Governance – setting the ambition and vision for Sheffield.

1.21 Drawing on the national and regional policy landscape and given the arguments set out for inclusive and clean economic growth, we are seeking approval to form a Local Employment and Skills Governance Board. As the organisations involved are already funded to deliver employment and skills, there will be no additional funding required for this board.

1.22 Since April 2022, we have been meeting with partners with a view to ensuring greater strategic collaboration in 2023 and beyond. A new Sheffield Employment & Skills Governance Board is proposed to help set the vision and ambition for this area of work in Sheffield. This is to provide a joined-up space to aid those designing, commissioning and delivering programmes in a complex funding landscape. It will also oversee the development and delivery of the Employment and Skills Strategy.

1.23 The partnership has had an initial meeting and devised an initial [Terms of Reference](#) to be developed further as the Governance Board is set up. Membership initially consists of the below organisations, with an opportunity to expand once priorities are agreed. The membership will consist of people with the level of seniority to commit their organisations to activity and investment=.

The Sheffield College
Sheffield Chamber of Commerce
Sheffield City Council
Integrated Care Board
Voluntary Action Sheffield
Department of Work and Pensions
South Yorkshire Mayoral Combined Authority
Sheffield Hallam University
University of Sheffield

1.24 The partnership has been meeting in shadow form since January 2023. We recommend that the Committee supports the establishment of the group as a Governance Board and asks it to lead on the development of

the Sheffield Employment and Skills strategy.

1.25 The purpose set out in the attached Terms of Reference are:

- Set the ambition for Sheffield around Employment and Skills
- Agree priorities for Employment and Skills in Sheffield aligned to the regional and local context, existing strategies and place-based plans
- Review economic intelligence and evidence of economic performance on employment and skills (e.g. qualification levels, attainment, unemployment, economic inactivity) and identify opportunities to accelerate growth and employment
- Agree key partnerships required to drive the delivery of the priorities, the goals for the priority areas and how progress will be measured. These maybe themed at age groups, those with health inequalities, certain sectors etc
- Influence national and regional government's policies, priorities and funding opportunities to meet the needs identified for Sheffield
- Ensure a shared understanding of the activities in Sheffield, recognising good practice and strong partnerships and seek to expand these or develop programmes to fill gap

An Employment and Skills Strategy for Sheffield

1.26 Work is already underway to establish high level City Goals in partnership with key stakeholders in the city. Currently these goals are being drawn together with the support of an economic baseline study undertaken in Autumn last year.

1.27 It is already clear that there will be focus on addressing the following overarching ambitions:

- inequality through inclusive growth
- skills provision to better meet the needs of the economy and communities
- development of sustainable skills and jobs to meet our Net Zero ambitions
- support for our young people into good careers that meet their aspirations.

1.28 To give the focus and detail needed to achieve these overarching ambitions, Sheffield needs an Employment and Skills strategy.

1.29 It is critical that Sheffield supports the development of the regional skills strategy, draws from the intelligence gathered and produces its own strategy aligned to that of the region.

1.30 It needs to reflect the city's unique strengths and challenges, and account for the differences in demographic and economic profile between the Core City and other parts of South Yorkshire.

- 1.31 A focused, locally responsive strategy established and agreed between the key stakeholders which responds to ward pressures and the local economy can set localised objectives, ambitions, and targets for the city.

Emerging priority areas

- 1.32 Development of the strategy will be led by the Governance Board (subject to approval of this report) and will draw from research, consultation and be data driven. Below are some suggested themes for initial consideration to be taken to the Board meeting in March. They broadly fall into 4 categories – Removing Barriers to work and upskilling for Adults, Green Skills and Jobs, Young People and Support for the Economy.

- 1.33 Key policy/priority areas for consideration:

- **Removing Barriers to work and upskilling for Adults**

(1) Reducing economic inactivity, providing access to the labour market for people who are not claiming jobseeker benefits but want to work

- 1.34 Nationally, there has been a well-reported rise in economic inactivity - where people are out of work and not claiming jobseeker benefits through Jobcentre Plus. In Sheffield, 19.4% of working age people in Sheffield are inactive, of whom 28.2% say they want a job. Engaging those people in work would help to ensure employers have access to the skills and talent they need to be productive, whilst helping to boost economic growth and increasing social mobility.

- 1.35 Economic inactivity has grown considerably since the start of the pandemic, with common barriers to rejoining the labour market being ill-health, care commitments or discouragement. Targeted employment programmes, with elements of community engagement, barrier-focused keyworker support, specialist wraparound provision and employer engagement, can help people who want to work but need additional help.

(2) Delivering targeted and/or specialist support for those facing specific barriers and/or living in deprived areas

- 1.36 Jobcentre Plus undertakes vital work supporting large numbers of Universal Credit claimants into work, but some jobseekers need additional support, through a more intensive, targeted and/or specialist engagement, to achieve a positive progression. This might be because a personal characteristic, such as a learning difficulty, a criminal record or poor English language skills, creates a need for higher-level support. Community-based targeted support helps to plug a gap in mainstream employment support provision in Sheffield, particularly in areas with high rates of deprivation. The city's network of voluntary, faith and community sector providers offers an invaluable resource, delivering services in neighbourhood settings where residents with barriers most commonly

engage.

(3) Maximising social value for the funds we and other anchor employers invest in the city

- 1.37 Employment & skills activity can deliver significant additional social value to Sheffield, for instance through the creation of jobs, apprenticeships, work placements and employer interactions with school students. Social value should be embedded as a core principle of all developments and procurement activities as part of the drive towards clean, inclusive growth, but city investors need support delivering on corporate social responsibility and environmental objectives. This involves better co-ordinating and monitoring delivery upon commitments to maximise added-value for the city.

(4) Community capacity-building and support for the voluntary and community sector

- 1.38 Community delivery is at the heart of current Council-led employment & skills activity in Sheffield, with sub-contracted delivery partners in the voluntary, faith and community sector well-placed to provide support to people from less-privileged parts of the city. These organisations provide vital support, based in communities where people want to engage. The local flexibility set to be offered by the Shared Prosperity Fund has the potential to increase the support offered by the sector and capacity building would help to place them in the best possible position to take advantage of this.

- Young People

(5) Inspiring young people and assisting their transition to sustainable, good careers

- 1.39 Young people represent the future of the labour market. Statistics show that good quality careers advice, combined with access to labour market information, can have a significant impact on long-term career aspirations and earning potential. There are a great many options available at post-16 in Sheffield, including traineeships, apprenticeships, study programmes and T Levels, but young people need independent support to identify the most suitable opportunities.
- 1.40 4.0% of 16 and 17-year-olds in Sheffield are not in employment, education or training (NEETs), compared to 2.6% nationwide. For some young people, the pandemic has meant missed opportunities in schooling, examinations, work experience and social interaction, and a collective, citywide response could help engage longer-term NEETs and ensure recent and upcoming school leavers have all the support they need to move on seamlessly into higher or further education, or the world of work. Recent data on apprenticeships from SYMCA show that 18 to 24-year-olds in the region need to be a particular cohort of focus. The extension and development of the Youth Hubs will be part of the support

package provided to bolster and enhance outcomes.

- 1.41 Particular cohorts, for instance young people with special educational needs and care leavers, benefit from additional support to prepare for and experience a smooth transition to adulthood, including effective employment and skills advice and support.

- **Green Skills and Jobs**

(6) Developing green jobs and skills – awareness for the whole workforce, specific skills in technical industries and supporting innovation/new technologies

- 1.42 The low-carbon economy creates significant opportunities for Sheffield, as demand for sustainability professionals beyond 'traditional' green economic sectors. Green skills are integral to the drive of clean, inclusive growth in Sheffield, as products, services and processes are adapted to account for climate change and organisations respond to environmental regulations and corporate social responsibility expectations. In Sheffield, for retrofit activities alone, there is estimated labour demand for 3,000 new refurbishment industry entrants. A further 1,200 to 1,500 workers who are currently active in related jobs will require retraining or specialist 'top-up' training to work in retrofit.

- 1.43 Sheffield has significant potential to be a pioneer in the low-carbon economy, leveraging transferable skills from legacy industries to be a market leader in areas such as retrofit, heating source and fabric efficiency. The innovative work being undertaken at AMID, by the city's two universities, SCC and other key stakeholders, can provide a launchpad for the clean, inclusive economy needed to achieve Sheffield's Net Zero ambitions by 2030. This will be a significant section of the overall strategy with much research and development required.

- **Supporting the Economy**

(7) Upskilling and reskilling the workforce

- 1.44 Sheffield's workforce has great potential, with a plethora of high-quality FE and HE skills providers and large numbers of university graduates who choose to stay in the city. There are, however, mismatches between the skills available in the labour pool and those employers say they need. These gaps may be sector, industry, employer, or even job specific, and employers often need support to access opportunities, effectively succession plan and navigate the range of options available to them.

- 1.45 Doing so can boost employee skills, increase job satisfaction, improve efficiency, safeguard against potential redundancies, and provide increased pay and responsibility for the workforce, which in turn, opens up entry level vacancies.

- 1.46 Both employers and employees often prefer shorter, more flexible, and

better targeted training interventions, which are tailored to their specific needs, whilst employers recruiting to entry level vacancies report difficulty in recruiting people with critical core and soft skills. Long standing funding methodologies have not supported the employer-led flexibility the market requires but greater influence arising from devolution of the adult skills budget has the potential to address many of these needs. There is a well-recognised need for sector and job specific skills training to address gaps in e.g. green skills, and emerging technologies and there is a widespread need for digital, technical and management skills as well as softer skills such as communication, customer service, problem solving, numeracy and time management.

(8) Meeting the recruitment needs of in-demand industries and sectors

- 1.47 Many local employers are looking to expand yet finding it difficult to attract the staff they need to increase capacity and unlock their economic potential. Relatively low unemployment means employers have high staffing needs in areas such as construction, engineering & manufacturing, care, digital and hospitality.
- 1.48 Industries can benefit from access to non-traditional talent pipelines, by looking to target and engage groups including economically inactive people, career changers, and parents and carers returning to work. Workplace-focused training, which places emphasis on the knowledge and practical skills needed to undertake specific roles, can help match candidates with vacancies, streamline recruitment approaches and open up vacancies to a wider talent pool. To drive economic growth, through innovation, Sheffield needs to continue to attract a high number of graduates and create the pathways to develop them as they begin and grow their careers.

(9) Supporting employers to provide inclusive workplaces with flexible practices

- 1.49 Sheffield is a compassionate city and home to many talented and hard-working people, not all of whom find it easy to engage with the labour market. Potentially due to illness, disability, caring responsibilities or parenthood, life circumstances constrain some residents' ability to find or keep a job, and they need greater support and flexibility from employers. Progressive employers who embrace hybrid working, split-shift patterns, job carving etc and put reasonable adjustments in place for employees who need them, can harness untapped potential in the labour market. Employers need independent advice and support to leverage these opportunities.

(10) Raising Aspiration, Driving Innovation, Attracting and Retaining Talent

- 1.50 To have a truly ambitious entrepreneurial city we need to embed enterprising skills from primary, through to secondary and beyond into

our colleges and universities. Entrepreneurial skills should be taught in all aspects of learning not as standalone, providing people with the skills and experience to develop ideas for both skills development and ideas generation. Utilising the city's core sector strengths to develop enterprising skills, access accelerators and also entrepreneurship opportunities within existing specialist sectors including manufacturing, health and wellbeing, this is one of the core principles of the business and skills work of AMID for instance. There are other opportunities such as the emerging green economy, where Sheffield can strive for UK and Global positioning and utilise this to attract inward investment. Core strengths are then a huge inward investment tool to promote the city to other businesses working in those specialist areas to locate here, grow and ensure our skills pipeline in the city meets the growing demand for specialist skills in these industries. Articulating these opportunities attracts and retains talent as well as ensuring long term career paths are available locally without people having to seek progression elsewhere.

2. HOW DOES THIS DECISION CONTRIBUTE ?

2.1 The work will support people including the most vulnerable in society to gain the skills needed to access and progress in good employment thus contributing to the Council's ambition to:

- tackle inequalities and support people through the cost of living crisis
- Healthy lives and wellbeing for all
- Clean economic growth
- Happy young people who have the start they need for the future they want

2.2 Employment is widely recognised as a key determinant of health. Good health is an asset for work, poor health is a barrier to work and to retaining work and unemployment and low income can lead to poor health. This will support the Council's ambition for healthy lives and wellbeing for all.

2.3 A significant element of the proposed Employment and Skills strategy will be a focus on driving green jobs and skills. This will help to contribute to the Council's priority of clean economic growth.

2.4 It will detail approaches to support young people to prepare for, access and progress in good careers. This will support the Council's intention to have happy young people who have the start they need for the future they want.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 Consultation has started with the following organisations, with further consultation planned:

The Sheffield College

Sheffield Chamber of Commerce
Sheffield City Council
Integrated Care Board
Voluntary Action Sheffield
Department of Work and Pensions
South Yorkshire Mayoral Combined Authority
Sheffield Hallam University
University of Sheffield

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

4.1.1 Decisions need to take into account the requirements of the Public Sector Equality Duty contained in Section 149 of the Equality Act 2010. This is the duty to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

4.1.2 The Equality Act 2010 identifies the following groups as a protected characteristic: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

4.1.3 An Equality Impact Assessment has been carried out and highlights the work will directly target support for people with known disadvantage in the labour market and communities, this includes BME, people with disabilities and young people. They will support those people furthest from the labour market to get the skills and advice they need to get back into work and young people with new apprenticeships, providing targeted support to those most at risk of being NEET.

4.2 Financial and Commercial Implications

4.2.1 No financial or commercial implications.

4.3 Legal Implications

4.3.1 The Council has a duty to promote the effective participation in education or training, including full-time occupation, of persons who: have ceased to be of compulsory school age; who have not reached the age of 18; and has not attained a level 3 qualification under the Education and Skills

Act 2008.

- 4.3.2 The Council also has a Best Value Duty under Section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 4.3.3 The Localism Act 2011 provides local authorities with a “general power of competence” which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited. A purpose of the Act is to enable local authorities to work in innovative ways to develop services that meet local need. The creation of the Employment and Skills Governance Board and the Employment and Skills Strategy falls within the general power of competence.
- 4.3.4 In exercise of this general power, the Council will go some way to fulfilling its statutory duty under the Education and Skills Act 2008 by promoting the employment and skills of young people specifically.
- 4.3.5 In exercise of this general power, the Council will also go some way to fulfilling its general Best Value Duty by improving the efficiency and effectiveness of the local economy.

4.4 Climate Implications

- 4.4.1 The potential for growth in the green economy, combined with a shortage of skilled workers in these growth areas, means the inclusion of a green skills component in the employment and skills strategy is vital to ensuring the city can take advantage of the economic opportunities presented by the transition to a low carbon economy. A full CIA using the spreadsheet tool is not appropriate due to the strategic nature of this proposal, however consideration has been given to the categories in the tool and the potential impacts the strategy could have. The following areas are considered significant:

Economy

- 4.4.2 The development of an employment and skills strategy for Sheffield is geared towards agreeing shared ambitions for Sheffield across key stakeholders, key priorities for the sector, how funding will be accessed and leveraged, how programmes and delivery models will be formed and implemented. This will impact on the employment and skills activity of a wide range of stakeholders across the city including SCC services, the two Sheffield universities, The Sheffield College, NHS and a wide range of voluntary, community and faith sector (VCS) providers.
- 4.4.3 Direction from the strategy will also impact on the activities of employers, training providers and recipients of employment and skills programme support – how and where they interact with the labour market and support provision, where and when they work, how they access services and with what level of frequency.

4.4.4 The employment and skills strategy will aim to:

- Better co-ordinate activities across the employment and skills sector, with a view to de-fragmenting and de-duplicating provision, which has potential cost and efficiency benefits including reduced use of resources, reduced travel pollution
- Promote the green skills agenda, as one of the key priorities for Sheffield's employment and skills sector from 2023-25, both in terms of leveraging funding and the city's skills base to develop low-carbon industries, services and techniques to create and sustain clean jobs, but also in terms of helping all businesses reduce their carbon footprint through the use of clean technology. Areas such as heat pump installation, retrofit and modern methods of construction are emergent fields which will be promoted actively via the strategy, supported by consensus across key stakeholders.
- Promote flexible working, by supporting employers to adopt technology to facilitate hybrid working models, home working, split shifts etc to harness the potential of Sheffield's economically inactive and unemployed population, which consists of many people (e.g. parents, carers, people with health problems and disabilities) who have the potential to work and make a contribution to the economy but need the option of working from home. Smarter working models can help employers access talent while reducing the individual carbon footprint of employees through reduced car use, reduced work-site energy use

Influence

4.4.5 Sheffield's employment and skills strategy will be developed by key stakeholders within the city, with significant potential to influence the behaviours and attitudes of partners, sub-contractors, employees, suppliers, customers and participants. The Employment & Skills Governance formed to take the strategic lead on this project will have ability to influence elected members and regional strategy, while ensuring climate-related directives are embedded into local policy.

4.4.6 Members of the board have the level of seniority required to commit their organisations to adoption and implementation of the strategy, make funding/investment decisions and shape the behaviours of people at all levels within their own structures.

4.4.7 With the development and promotion of green skills and the pursuit of a clean economy clearly identified priorities - and more broadly, cross-cutting themes - in conversations regarding the agreement of strategic priorities, the strategy has significant potential to positively impact on environmental practice across the employment and skills ecosystem. Climate change / environmental concerns will be a key consideration when new programmes are being designed, commissioned and implemented. Procurement exercises will account for the need to deliver ethically and environmentally sound practices, measure impact and report back to the respective accountable bodies as part of standard

monitoring processes.

Adaptation

- 4.4.8 All organisations involved in the development of Sheffield's employment and skills strategy are potentially exposed to the negative consequences of climate change, through energy costs, site management challenges navigating the city affordability, reputation management (i.e. stakeholder ethics) relating to organisational activities, along with those of staff, partners, participants and other organisations in the supply chain, and weather-related risks such as facilities weathering, flooding, fire etc. Many of the organisations involved in the Employment & Skills Governance Board, and the project to develop a strategy, either fund, partner with or refer into local organisations operating in the VCS.
- 4.4.9 Similarly, VCS providers access the services provided by larger stakeholders such as SCC, universities, The Sheffield College and NHS. Many of these organisations are small providers with tight budgets, limited resources and a reliance on community facilities, including old school buildings, converted public buildings, serviced offices etc. Many are in need of upgrades (e.g. retrofit for heat insulation, fuel cost management) which will present a significant practical and cost burden and difficult to budget for without significant external support. Access to local green skills, economies of scale through low-carbon service provision, and the co-ordinated efforts of strategic stakeholders may help VCS providers de-risk their estates and embrace low-carbon practice with reduced financial/operational risk. Employment and Skills stakeholders work with vulnerable residents as a priority cohort, including young NEETs, the long-term unemployed and economically inactive. A key motivator of activity in the city is to boost labour market participation, to increase household incomes, ability to support dependants, enjoy a happy, healthy and active life in the community, and make a net positive contribution to the economy. Development of green practices within Sheffield industry, the creation of new job opportunities and availability of low-carbon training will provide options for unemployed and economically inactive people to gain skills and pursue careers in an emergent sector with high growth potential. Engaging with, training and upskilling has a key role to play in building a thriving, clean economy which engages people from across the city, embeds low-carbon best practice and makes effective use of knowledge, resources and facilities for the wider benefit of all.

4.4 Other Implications

4.4.1 N/A

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 A do-nothing approach would result in Governance and Strategy being held at a Regional level.

5.2 Whilst this was considered, stakeholders have been clear that there is a need for a strategic Governance Board to co-ordinate the wide range of partners and activities within Sheffield. This is to ensure that programmes are complementary and that all areas of the community are supported.

5.3 There is also agreement of the need to set employment and skills vision and ambitions for Sheffield as it lays the foundation for an inclusive economy and clean economic growth.

6. REASONS FOR RECOMMENDATIONS

6.1 The recommendations support the following Council priorities:

- Tackling inequalities and supporting people through the cost of living crisis
- Healthy lives and wellbeing for all
- Clean economic growth
- Happy young people who have the start they need for the future they want