

REPORT TO: Employment, Learning, Skills and Community Policy & Performance Board

DATE: 25th November 2017

REPORTING OFFICER: Strategic Director – Enterprise, Communities and Resources

PORTFOLIO: Economic Development

SUBJECT: Policy Update – Employment Learning and Skills

1.0 PURPOSE OF THE REPORT

1.1 To inform the Board of recent national policy announcements relevant to the Employment, Learning and Skills Policy Performance Board.

2.0 RECOMMENDATION:

2.1 **That the report is noted.**

3.0 BACKGROUND

3.1 A number of policy, legislation, consultation and guidance documents, are issued by government departments and agencies that have varying degrees of relevance to issues on the employment, learning and skills agenda and related topics.

3.2 The information provided is not intended to be in-depth but provides a brief summary of key announcements along with observations of local relevance, where appropriate. The Board can then consider whether to initiate more detailed scrutiny and/or report to a future meeting.

3.3 The report should be considered alongside the 'key developments' and 'emerging issues' that are set out in the Quarterly Performance Report.

Local Government Association; Proposals for an Integrated and devolved employment and skills service

The LGA has produced a document '**Work Local: our vision for an integrated and devolved employment and skills service**'

It sets out proposals for how Combined Authorities and groups of Councils, in partnership with local stakeholders, will plan, commission and have oversight of the service.

It would bring together advice and guidance, employment, skills, apprenticeship and business support around place, providing a more coherent offer for the unemployed and low skilled of all ages, while supporting local economic growth by forging better links between training providers and employers.

Liverpool City Region Employment and Skills Annual Report

Employment and skills is a priority for the Liverpool City Region Combined Authority and during 2016/17, major progress has been made through our work with partners to secure training and employment opportunities for residents and ensure skills provision is aligned to local business needs.

The Skills Survey will be conducted via telephone interviews, an online survey and participation in focus groups and will be the Combined Authority's first (and biggest) business survey of its kind.

Liverpool City Region Skills Survey

The Liverpool City Region Combined Authority is seeking the views of businesses to drive skills improvements and accelerate business growth and success via the survey; the results of the survey will be used to inform the future commissioning of skills provision across the City Region.

Following a period of survey piloting, the Employer Skills Survey went live during w/c 12 June 2017 and was launched formally on 15 June by the Metro Mayor, Portfolio Lead for Skills and Apprenticeships and Chair of the LEP. The intention is to secure 1,800 valid responses via a telephone interview as well as an on-line survey option.

The final report will be available in November

The Taylor Review of Modern Working Practices

The Prime Minister commissioned an Independent Review of Employment Practices in the Modern Economy in October 2016. Matthew Taylor (the Chief Executive of the Royal Society of the Arts) led the review to consider how employment practices need to change in order to keep pace with modern business models.

The review considered the implications of new forms of work, driven by digital platforms, for employee rights and responsibilities, employer freedoms and obligations, and our existing regulatory framework surrounding employment.

The review completed in July 2017, considers the implications of new forms of work on worker rights and responsibilities, as well as on employer freedoms and obligations. It sets out seven principles to address the challenges facing the UK labour market.

The seven principles are:

1. Our national strategy for work – the British way – should be explicitly directed toward the goal of good work for all, recognising that good work and plentiful work can and should go together. Good work is something for which Government needs to be held accountable but for which we all need to take responsibility.
 - a) The same basic principles should apply to all forms of employment in the British economy – there should be a fair balance of rights and responsibilities, everyone should have a baseline of protection and there should be routes to enable progression at work.
 - b) Over the long term, in the interests of innovation, fair competition and sound public finances we need to make the taxation of labour more consistent across employment forms while at the same time improving the rights and entitlements of self-employed people.
 - c) Technological change will impact work and types of employment and we need to be able to adapt, but technology can also offer new opportunities for smarter regulation, more flexible entitlements and new ways for people to organise.

2. Platform based working offers welcome opportunities for genuine two way flexibility and can provide opportunities for those who may not be able to work in more conventional ways. These should be protected while ensuring fairness for those who work through these platforms and those who compete with them. Worker (or 'Dependent Contractor' as we suggest renaming it) status should be maintained but we should be clearer about how to distinguish workers from those who are legitimately self-employed.
3. The law and the way it is promulgated and enforced should help firms make the right choices and individuals to know and exercise their rights. Although there are some things that can be done to improve working practices for employees, the 'employment wedge' (the additional, largely nonwage, costs associated with taking someone on as an employee) is already high and we should avoid increasing it further. 'Dependent contractors' are the group most likely to suffer from unfair onesided flexibility and therefore we need to provide additional protections for this group and stronger incentives for firms to treat them fairly.
4. The best way to achieve better work is not national regulation but responsible corporate governance, good management and strong employment relations within the organisation, which is why it is important that companies are seen to take good work seriously and are open about their practices and that all workers are able to be engaged and heard.
5. It is vital to individuals and the health of our economy that everyone feels they have realistically attainable ways to strengthen their future work prospects and that they can, from the beginning to the end of their working life, record and enhance the capabilities developed in formal and informal learning and in on the job and off the job activities.
6. The shape and content of work and individual health and well-being are strongly related. For the benefit for firms, workers and the public interest we need to develop a more proactive approach to workplace health.
7. The National Living Wage is a powerful tool to raise the financial base line of low paid workers. It needs to be accompanied by sectoral strategies engaging employers, employees and stakeholders to ensure that people – particularly in low paid sectors – are not stuck at the living wage minimum or facing insecurity but can progress in their current and future work.

Area Based Review

Members have previously received updates on the Further Education Area Based Review.

A Strategic Planning and Oversight Group (SPOG) has been established to take forward the key recommendations identified in the review, through a series of workstreams, namely:

- To commission an apprenticeship growth plan
- Curriculum collaborative planning and specialisation recommendations
- Ensuring access to provision and learner support highlighted by the recommendations
- Collaborate to address the needs of SEND post-16 learners in the LCR
- Careers information advice and guidance co-ordination
- NEET

Manufacturer Live 2018

- The UK's largest event dedicated to the manufacturing sector will be held in Liverpool for the next three years.
- The event will take place on November 16 & 17 and will attract 8,000 companies\delegates.
- The event will also incorporate a Digital Manufacturing Expo and a standalone event for the 'German British Business Forum'
- Halton Council is working closely Sci-Tech Daresbury and other to bring delegates out from the Conference to the Borough for dedicated, themed, tours.

4.0 POLICY IMPLICATIONS

- 5.1 The varied range of issues covered in this report potentially present a number of challenges and opportunities across a number of the Council's current priorities. Where appropriate a more detailed analysis of the information and relevance to the council will take place.

4.0 OTHER IMPLICATIONS

- 5.1 None

5.0 RISK ANALYSIS

- 5.1 There are no immediate risks directly relating to the information in the report.

6.0 EQUALITY AND DIVERSITY ISSUES

- 6.1 None

7.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 7.1 None under the meaning of the Act.