

Informal Guidance Note on Employment and Skills Plans in the City of Gloucester

Introduction

This guidance note has been prepared by Gloucester City Council to provide developers of major schemes with information and guidance on delivering Employment and Skills Plans. The City Council's Economic Growth Strategy (2019-2022) seeks to build on the City Council's corporate vision- to work with partners and residents to make A City That Works for Everyone- by:

“Ensuring that Gloucester’s regeneration and economic development creates opportunities for all residents, and that the workforce is sufficiently skilled and adaptable to meet the needs of tomorrow’s businesses.”

(Foreword, Economic Growth Strategy, 2019-2022)

One pillar of this ambition is the delivery of an Employment and Skills Plan for every major residential and commercial development delivered in the City. It is important that all those involved in shaping the City- including the City Council, developers and delivery partners- play their part in maximising social value and opportunities for local residents.

This informal guidance note provides an explanation as to how a Gloucester Employment and Skills Plan will be delivered through the planning process. It will be subject to public consultation with relevant partner organisations involved in providing and supporting local employment, and businesses in the development industry. Following consultation and subsequent amendments the City Council will seek to adopt this document as a Supplementary Planning Document (SPD).

Upon adoption of the Gloucester City Plan, this informal guidance note will become a material consideration, referenced by the Council when deciding upon applications that meet the criteria for the delivery of an Employment and Skills plan.

What is an Employment and Skills Plans, and why am I being asked to submit one?

Employment and Skills Plans are requested from developers of major schemes to secure employment and skills development opportunities for local people during the construction phase. They are normally prepared by the applicant or their primary contractor and draw upon the local intelligence of both local employment agencies (incl. Job Centre Plus) and skills providers.

An Employment and Skills Plan should cover a variety of initiatives, including:

- Recruitment of local people
- Work trials and interview guarantees
- Pre-employment training
- Apprenticeships
- Vocational training (NVQ)
- Work experience (14-16 years, 16-19 years and 19+ years)
- School, college and university site visits

- Construction Skills Certification Scheme (CSCS) Cards
- Supervisor training
- Leadership and management training
- Support with transport, childcare and work equipment
- In-house training schemes

These initiatives should ultimately be targeted at those residents who would benefit most from them. At the same time, the applicant can use this as an opportunity to demonstrate both a commitment to local community development and fulfil their own corporate social responsibilities.

To deliver Employment and Skills Plans, Gloucester City Council will utilise the Construction Industry Training Board (CITB) National Skills Academy for Construction (NSAfC) Client Based Approach (CBA), which provides target outputs against a series of employment and skills areas. These outputs have been ratified by the National Construction Skills Academy Group and have been developed and approved by the construction industry.

Several local authorities have already implemented and successfully delivered Employment and Skills Plans through this method. This document is seasonally reviewed and adjusted, and the City Council will maintain an ongoing dialogue with the CITB to ensure the delivery of Employment and Skills Plans programme in Gloucester is done to the highest standard possible.

The benchmarks identified are as follows:

1. **Work experience placements:** this target is aimed at providing persons with the opportunity to carry out various tasks, ultimately enabling the individual to gain a meaningful insight into the construction sector. This covers both those in formal education and not, and effort should be made to ensure as broad a mixture of participants are involved.
2. **Jobs created:** this target relates to the creation of new and sustainable job opportunities for new entrants in the sector. As a result of the project, the successful candidate (an apprentice, graduate, or someone previously unemployed) is required on site by either the main contractor, or a sub-contractor.
3. **Construction Careers Information, Advice & Guidance (CCIAG) Events:** this target relates to the organisation of events focused on improving the image of the sector. These events should increase awareness of the opportunities available in the industry e.g. what it is like to work in construction and how to get into the sector.
4. **Training weeks on site:** relates to and counts the number of weeks of formal training undertaken by trainees. Trainees are defined as those undertaking apprenticeships, traineeships, or taking technical/higher level qualifications. One training week is the equivalent of five working days.
5. **Qualifying the workforce:** this target relates to those gaining a nationally recognised qualification equivalent to NVQ2 and above. This includes vocational awards/diplomas, apprenticeship completions, professional

qualifications, leadership/management courses, and others. These must be accredited by a nationally recognised professional institution/awarding body.

6. **Training Plans:** this relates to the annual company plan, detailing its approach to training and developing the workforce. This plan must show a start and end date and should be annually renewed.

In addition to these measures supplied by the CITB, Gloucester City Council will also request:

7. **Promotion and Community Engagement:** Gloucester City Council will have a dedicated portal for Employment and Skills Plans and will seek to promote the delivery of these plans through its own communication channels. The applicant/main developer will be required to agree a communications strategy with the City Council that should include traditional and digital media.

In line with the CITB approach, an Employment and Skills Plan will initially be requested for:

- **Residential developments that consist of 10 or more units**
- **Commercial developments that amount to 1000 sqm or more of new internal floorspace**

The need for Gloucester

Within the City of Gloucester, the implementation of Employment and Skills Plans will address:

Unemployment: In Gloucester unemployment currently sits at 3.5% (ONS Employment and Unemployment, Nomis, 2019), representing roughly 2,400 individuals. Although this figure is below the national average of 4.1%, it exceeds the South West average of 3.1%, and far exceeds the Gloucestershire average of 2.3%. The City Council's Economic Growth Strategy also identifies the need to "*Help facilitate a reduction in the number of unemployed and economically inactive people of working age*" as part of its strategic approach.

Qualifications: Education, skills and training opportunities are required to enable more young people to enter the labour market with the skills, knowledge and attitude required to make them employable. For educational attainment, Gloucester lags behind the national average. 70.7% of residents have an NVQ2+ (the equivalent of an intermediate apprenticeship); below the national (74.9%), regional (78.6%) and Gloucestershire (77%) average (ONS Qualifications, Nomis, 2019). Over 24,000 residents in Gloucester therefore lack the skills to enter the construction industry, increasing the need for employers to recruit from outside the City.

Workforce Size: Gloucester currently has a jobs density of 0.85 jobs per resident. Whilst this is almost comparable to the national average of 0.86, across the South West this figure is at 0.89. For Gloucestershire, this figure is at 0.88 (ONS Jobs Density, Nomis 2019). To reach the County level, Gloucester therefore needs to create an additional 2,470 jobs. In assessing where this growth could come from, it is clear the Construction sector could be one such contributor. Representing 4% of

total employee jobs in the City, the Gloucestershire average currently sits at 5.6% (ONS Employee Jobs, Nomis 2019). This suggests that if residents were upskilled, they could apply for roles in the Construction Industry, leading to both growth in the sector locally, and lead to further employment opportunities within the County.

The implementation of Employment and Skills Plans across the City has the potential to generate opportunities for a broad group of individuals. In addition to this, the City Council's emerging ambition to implement a Social Value Policy also seeks to ensure that these plans support other individuals who rank highly on the deprivation index.

Policy Context

Section B of the *Pre-Submission Gloucester City Plan 2021-2031 (September 2019)*- Employment Development, Culture and Tourism- identifies that the City's growing economy has the capacity to generate significant local benefit; if policy is developed to support certain interventions.

Policy B1 of this states:

“For housing development of 10 or more units and major commercial development of 1,000 sq. m or more of new internal floorspace, applicants will be required to submit an Employment and Skills Plan (ESP).

The ESP will be proportionate to the scale of the proposal and identify opportunities for the employment and skills development of local people through the implementation of the proposal. The ESP should address priorities identified and agreed at an early stage through consultation with the City Council and local employment and skills agencies.

The ESP will have targets reflecting industry standard benchmarks, setting out the outcomes expected from the development.”

This policy statement is informed by evidence from the *Gloucester City Council Economic Growth Strategy 2019-2022* in the section 'Impact', which:

Requires applicants seeking planning consent for major housing development and major commercial development to produce Employment and Skills Plans, identifying opportunities for the employment and skill development of local people.”

During the planning application process, the applicant will be asked to consider the implementation of an Employment and Skills Plan for the construction phase of their proposal; this commitment will subsequently form a part of the obligations to be delivered on condition of consent. This obligation will either be outlined in an agreement made under S.106 of the Town and Country Planning Act 1990 (a 'Section 106 Agreement'), or by a separate condition.

The Process for Agreeing an Employment & Skills Plan

Stage One: Identifying the requirement for an Employment and Skills Plan

The Planning Case Officer will be the first point of contact for any negotiations on Employment and Skills Plans. If pre-application advice is sought, the applicant will be informed if their proposal meets the criteria for an Employment and Skills Plan. The Economic Development and Regeneration Team will subsequently be informed by the Planning Case Officer, and an Economic Development officer will then provide advice on what would be required if the applicant were to pursue their proposal.

In all other instances, the Economic Development & Regeneration service will be consulted when the Planning Service receives a planning application that meets the criteria for an Employment and Skills Plan. The Economic Development and Regeneration Team will then be required to make formal representation and write to the applicant to set out the requirements of an Employment and Skills Plan.

Stage Two: Preparation of the Employment and Skills Plan

Following determination, if planning permission is granted, the Planning Case Officer will formally set the requirement for an Employment and Skills Plan; through either a S106 agreement, or a separate formal planning condition. The pro-forma for this is attached at the end of this document.

The applicant, or to the extent that they are not the same person, the primary site developer, will nominate an individual in their team who will serve the role as the coordinator of the Employment and Skills Plan. This individual will be a single point of contact for the Economic Development Officer to engage with.

The Economic Development & Regeneration Team will be able to support the applicant to identify potential delivery partners. There is an expectation that:

- Apprenticeships and work experience opportunities will be accessed in partnership with local colleges and other programme led apprenticeship providers.
- Educational activity will be delivered in partnership with local schools, colleges and universities.
- Where appropriate, the coordinator will facilitate this partnership working through round table meetings between the developer, contractors, partners, city council and the Economic Development & Regeneration team.

It is at this point that the benchmarks to be satisfied will be agreed upon between the City Council and the applicant/primary contractor. These benchmarks will be set in accordance with the recommendations of the CITB, which sets benchmarks according to a banding system. **The benchmarks are set according to the anticipated overall construction spend across the lifetime of the project.**

Stage Three: Preparation and Implementation

The applicant, or where they are not the same person, the primary developer, should look to submit their Employment and Skills Plan to the Economic Development & Regeneration Team at the first possible opportunity. Ideally, they should seek to submit it well before development on site is set to commence, so as to avoid delay. Following planning consent being granted, the Economic Development &

Regeneration Team will monitor the site along with Planning colleagues to ensure this obligation is satisfied. The Economic Development Officer will be responsible for liaising with the applicant through the lifetime of the development.

In initial conversations, it is expected that the primary contractor delivering the scheme will use the resources made available to them through both the City Council website, and by the Economic Development Officer, to produce a draft Employment and Skills Plan for review. The Economic Development Officer will also be available to provide guidance and support with putting this document together to ensure it delivers upon what is required. It is recognised that a contractor may already have an established programme that contributes to the same deliverables as those referenced- this will be taken into consideration.

Benchmark figures will be provided to ensure each category required for the plan is satisfied. However, these benchmarks should be seen as a minimum requirement, with the City Council keen to negotiate flexibly in light of the needs of the contractor and work collaboratively to come up with innovative solutions to deliver employment and skills provision locally. This, along with a narrative to justify the approach taken, forms the Employment and Skills Plan.

A template for the Employment and Skills Plan document, along with supporting literature, can be found at www.gloucester.gov.uk/business-economy/employment-and-skills-plans.

Stage Four: Sign-off

The final Employment and Skills Plan will be agreed by the City Growth and Delivery Manager in consultation with the developer, main contractor, and Economic Development Officer. Following this, the Economic Development Officer will inform the Planning Case Officer of the outcome. Depending on the structure of how planning permission was granted, it may be necessary for the applicant to make a subsequent application to discharge conditions/section 106 obligations.

Process Diagram

Pre- Application Stage

Allocated Planning Case Officer raises the requirement for an Employment and Skills Plan with the Applicant. The Economic Development Officer will speak with the applicant on what may be required.



Planning Application Stage

If pre-application advice is not sought, the Economic Development Officer provides a written response to the applicant and provides further advice and support on the content of the Employment and Skills Plan. If required appropriate instruction is given to Legal Services to prepare/negotiate a S106 agreement.



Planning Decision Stage

Permission given to applicant on the proviso that an Employment and Skills Plan is submitted to and agreed upon with the City Council prior to development beginning on site. The Economic Development Officer will work with the Primary Contractor to prepare the Employment and Skills Plan.



Site Construction Stage

The Employment and Skills Plan is signed off by the City Growth & Delivery Manager. The contractor subsequently informs both the Planning team and Economic Development Officer when development is set to start. The Economic Development Officer will subsequently monitor progress of the plan to ensure it's implemented.



Appendix One

A) Sample Wording for a Condition attached to a Planning Permission:

Condition

The development shall not commence until an Employment and Skills Training Plan, tailored to the development, has been submitted to and approved by the City Council as the Local Planning Authority (unless otherwise agreed in writing by the council). The development should be subsequently carried out in accordance with this approved plan by the owner, and to the extent they are not the same person, the primary developer/occupier, will implement and where necessary procure implementation of it to ensure its objectives are met.

(In the interests of delivering local employment and skills training opportunities in accordance with Section B1 of the Gloucester City Plan 2011-2031).

Note to applicant

The Employment and Skills Plan required by the condition above should be agreed as soon as possible before any development contracts are prepared and should be in accordance with the guidance in the Gloucester City Council document *Informal Guidance Note on Employment and Skills Plans in the City of Gloucester (2019)*, in cooperation with the Economic Development & Regeneration Team.

B) Sample wording for a S106 Agreement attached to a Planning Permission:

- 1.1 Prior to commencement of development a submission will be made to Gloucester City Council for approval of an Employment and Skills Plan.
- 1.2 The Employment and Skills plan submitted pursuant to clause 1.1 shall include arrangements setting out how the owner will, and to the extent they are not the same person, how any developer or occupier and their contractors will satisfy the benchmark figures required by the City Council to meet the criteria for an acceptable Employment and Skills Plan. These parties will also be required to work directly with local employment/training agencies including but not limited to:
 - Voluntary and private sectors providers
 - Sixth form colleges, colleges of further education and universities
 - Job Centre Plus
- 1.3 Development shall not commence until written approval of the Employment and Skills Plan has been received from the council (unless otherwise agreed in writing by the council).
- 1.4 Following written approval of the Employment and Skills Plan by the City Council, the owner, and to the extent they are not the same person, a developer/occupier will implement and where necessary procure

implementation and promote the objectives of the approved Employment and Skills Plan and ensure that so far as reasonable the objectives are met.