

Minutes of the Economy Overview and Scrutiny Panel

Redditch Borough Council

Thursday, 6 October 2022, 10.00 am

Present:

Cllr Matt Dormer (Chairman), Cllr Bob Brookes, Cllr Ian Hardiman,
Cllr Tony Muir and Cllr Craig Warhurst

Also attended:

Cllr Marc Bayliss, Cabinet Member with Responsibility for Economy,
Infrastructure and Skills

Rachel Hill, Assistant Director for Economy, Major Projects and Waste.
Woodman, Interim Assistant Director for Economy
Dave Corbett, Management Information Analyst
Steph Simcox, Deputy Chief Finance Officer
Judith Gibbs, Skills and Investment Group Manager
Sarah-Jayne Foster, Learning and Development Manager
Samantha Morris, Overview and Scrutiny Manager
Emma James, Overview and Scrutiny Officer

Available Papers

The members had before them:

- A. The Agenda papers (previously circulated);
- B. The Minutes of the Meeting held on 29 July 2022 (previously circulated).

(Copies of document A will be attached to the signed Minutes).

7 Apologies and Welcome

The Chairman welcomed everyone to the meeting, and explained that the Panel was keen to hold meetings around the county, with this meeting taking place at Redditch Borough Council – the next meeting would take place at Malvern Hills District Council.

Apologies were received from Councillors Martin Allen, Karen Hanks and Richard Udall.

8 Declarations of Interest and of any Party Whip

None.

9 Public Participation

None.

10 Confirmation of the Minutes of the Previous Meeting

The Minutes of the Panel's first meeting on 29 July 2022 were agreed as a correct record and signed by the Chairman.

11 Performance and 2022/23 In-Year Budget Monitoring

The Panel had received information for performance and budget monitoring.

Performance Information for Quarter 1 (April to June 2022) - the Management Information Analyst for performance relating to the Environment and Infrastructure (E&I) Directorate referred to the dashboard in the Agenda. The dashboard now also included additional data about business survival rate tables from the Office for National Statistics datasets and a summary of railway station usage/journey times for the main stations in Worcestershire.

Overall, the number of business enterprises had fallen however data was nearly a year out of date with new data available in November. There had been an increase in the number of short-term businesses. In future it was hoped to include some indication of comparison with other areas and the national average.

Inclusion of train journey times for all the main stations (not just Worcester) was hindered by factors such as where a passenger needed to change en-route, therefore the Officers were happy to revisit the Panel's data needs.

Discussion points:

- A Panel member commented that Redditch appeared to be underperforming and asked what could be done to improve train services and help drive business forward. The Assistant Director for Economy advised that the picture in Redditch was down to a number of factors, including the challenges experienced by a number of predominant sectors. The problem was not just connectivity and the Council was working with the Worcestershire Local Enterprise Partnership (WLEP) on a number of areas including business start-up, apprenticeships, schools and forward planning.
- The Assistant Director for Economy, Major Projects & Waste added that plans for Redditch station were one element and the Worcestershire Rail Investment Strategy, currently being consulted on, was an important part of future growth.

- A Panel Member was keen for more detail to show the quality (not just quantity) of jobs available in sectors such as business administration support and was advised that Chamber of Commerce wage surveys and the Worcestershire Jobs website would provide information on the range and level of jobs.
- The current jobs market was quite tight, therefore some employers were increasing wages to attract candidates.
- Panel Members considered whether information on educational attainment would add value and the fact that the range of courses on offer was important in changing the profile of jobs.
- It was agreed that it was important to promote the range of options available to young people leaving school since university was not appropriate for all, and the Officers reassured the Panel that they aimed to achieve this, as well as working with local universities to have the option of promoting Worcestershire for future careers.
- The Council's Skills and Investment Group Manager explained that the Team worked with school years 7 – 13 and that 89% of young people had received the appropriate level of support the previous year. However, some connecting work was required to ensure that colleges fed the needs of employers and not just those of students.
- The Cabinet Member with Responsibility (CMR) for Economy, Infrastructure and Skills spoke about his involvement with education and career advice to young people – he felt that progress was mixed and a key mistake had been the withdrawal of career advice infrastructure in schools, which was not part of a teacher's skill set. Work had since started in Worcestershire to give young people access to information and advice for all post 16 options, and he wanted to have a better supply of well-informed and prepared young people - Cabinet had confirmed £1.2million of funding to sustain and support this provision.
- The high figure for adults in employment in Gloucestershire was thought to be due to the size of the population but it was agreed that this would be checked and the Panel advised accordingly.
- A Member suggested that the target for Worcestershire homes and business premises to be connected to superfast broadband at 24 megabits per second was far too low and the bar should be lifted. The Officers suggested this could be raised at the next Panel meeting when the Annual Broadband update was discussed.

Information requested:

The Panel would be provided with or directed to Chamber of Commerce Wage Surveys

In-Year Budget Information for Period 4 – the Deputy Chief Finance Officer summarised the main points from the information included in the Agenda.

The position at period 4 forecast an underspend for the Environment and Infrastructure (E&I) Directorate overall, within which there was an overspend for areas under the remit of this Panel, and underspend for those relating to the Environment Overview and Scrutiny Panel. The forecast overspend was linked

mainly to Transport Planning and Strategic Planning (reduced levels of capitalisation, inflationary increases and contractor costs to cover hard to recruit specialist vacancies). The forecast underspend in Economy and Sustainability was due to vacant posts.

The Directorate was working hard on areas of overspend including contract and utility costs to look at options for contract management whilst fulfilling the strategic response. The E&I Directorate had contributed £435,000 towards the £5.1m corporate savings target, £150,000 of which was from areas within the Panel's remit.

Discussion points:

- It was confirmed that cost increases within the Council's contracts were significant for materials (as much as 30-40%) and staff costs, although this varied across the broad skillset involved.
- Some specialist roles were proving particularly difficult to recruit to, despite having refreshed roles and advertising with support from Human Resources – salaries may be a factor in some cases but additionally, the recruitment pool for some skillsets was low.
- The Panel was advised that while the Team responding to planning applications was stretched, the Directorate had arrangements in place to bring in external people to teams with vacant posts however, this cost significantly more.
- The Team responsible for Section 278 agreements had 4-5 vacancies which was a third of the Team, with the vacancies being covered by additional resources, albeit not Council staff. Vacancy levels varied across different teams and the Assistant Director for Economy, Major Projects and Waste would confirm numbers.
- There were a small number of apprentices across the E&I Directorate, and opportunities for more were considered although appropriate skills and attitude were important.
- The Directorate worked very closely with contractors to mitigate cost pressures within contracts, including reducing fuel use, looking at streetlighting and giving more flexibility to cluster and manage jobs.
- European energy efficiency grants for businesses were very much in demand.
- Tendering of contracts was reviewed on a case-by-case basis with different approaches being considered as a way to reduce costs, for example short-term contacts where appropriate.
- A Panel member commented that situations such as the rising cost of living necessitated new approaches which could sometimes be positive in the long-term.

Information requested:

- Numbers of staff vacancies for the E&I Directorate.

12 The Council's Role in Promoting Apprenticeships

The Skills and Investment Group Manager summarised the main points from the Agenda report.

In 2015 the Skills and Investment Team, in partnership with the Worcestershire Training Providers Association, had created a new brand for apprenticeships, aimed at strengthening the message as there had been some confusion amongst the market, as well as to impartially advise young people, parents and employers and support providers.

The main challenges to apprenticeships had included the introduction of the Apprenticeship Levy in 2017 which some employers embraced but others perceived as a tax, the introduction of new standards which smaller companies struggled to cover, and the impact of the Covid pandemic.

The number of young people Not in Education, Employment and Training (NEET) post Covid had increased slightly to 454 and was a priority to the Team.

There had been a shift in the focus of apprenticeships around the county, with growth in Public Services and decline in retail and manufacturing - this was now improving, however providers' ability to recruit tutors was an issue.

The Report detailed the work achieved during the year, and more could now be restarted after Covid.

The Council's Learning and Development Manager was also present regarding Worcestershire County Council's internal apprenticeship programme.

The Chairman invited discussion and the following main points were made:

- Numbers of apprenticeship starters for each district area (based on the learner's home postcode) were 460 in Redditch, 410 in Wyre Forest, 460 in Bromsgrove, 320 in Malvern, 540 in Worcester and 570 in Wychavon.
- The Officers felt apprenticeship numbers were quite strong however in depth assessment would need more data, since numbers were affected by factors such as programme length, starters, leavers and completers.
- The Cabinet Member with Responsibility (CMR) for Economy, Infrastructure and Skills pointed out that businesses may use apprenticeships for existing as well as new staff, although using the apprenticeship levy for the sole means of training management staff was not a sustainable approach.
- In terms of the quality of apprenticeships, a certain threshold had to be reached and organisations had been reported in the past for not meeting this.
- The Officers pointed out that for many higher-level apprenticeships, lower levels had to be worked through first.
- Everyone agreed the importance of educating employers in how to go about developing and promoting apprenticeship opportunities, not just working with young people and schools.

- It was acknowledged that Covid had changed the workforce, and the Chairman pointed out that that many companies would need to train people in new skills, therefore work such as skills fayres with schools were important and also helped to change outdated perceptions about jobs in sectors such as manufacturing.
- Panel members agreed the importance of succession planning and a creative approach to encourage businesses to inspire young people so that they did not drift from job to job. The Panel Chairman highlighted that there was something for everyone to get involved in, for example he participated in mock interviews with school pupils.
- Officers worked with school children from Year 7 across middle and high schools, pupil referral units, further education colleges and special education schools. All schools were required to cover apprenticeships and most in Worcestershire were at the 'good' end of the scale, although some needed help to ensure their focus aligned to the aspirations of the young people involved.
- Efforts to encourage primary schools into STEM (science, technology, engineering and mathematics) was difficult and the Officers would be grateful for any help councillors could do to support this area.
- The Panel expressed concern about the lack of apprenticeships in disciplines such as construction due to inability to recruit tutors and it was explained this was a problem nationally and due to the fact that earnings working in these trades were so much higher than in tutoring. The CMR advised that the Council had committed £1.2m to support providers which would help, for example give flexibility to pay more for a period of time.
- In response to a suggestion from the Chairman, the Skills and Investment Group Manager would verify that colleagues had considered promoting tutoring roles to recently retired people from these sectors.
- A Member praised the apprenticeship numbers and the support available.
- In response to a question about work with young people who were claiming benefits, which could set a worrying precedent for life, the Officers referred to 'Worcestershire Careers' launched in 2020 which included a helpline to support young people during school closures (from Covid). The Team also delivered many events and clinics across the County and had staff to identify those most at risk in school. Outside of school was more difficult. It was hoped to add two more staff to this Team.

13 Work Programme

The Chairman advised that the next meeting on 30 November would take place at Malvern Hills District Council.

The Panel agreed that for meetings arranged at district council offices, to invite the Council Leader, so that they had the opportunity to explain the current economic challenges for their area and what the County Council could do to help.

The meeting ended at 11.30 am

Chairman