

## North East Skills and Employment Response

### Statement of Activities and Priority Actions

#### Introduction

The rise in redundancies and unemployment over the end of 2008 and early 2009 has led to an unprecedented level of response from Government and its agencies, local government and other partners nationally and within the North East. Much of this response has addressed the wider economic causes of the recession, through actions to increase liquidity in the financial markets, stimulate consumer demand, improve access to credit for businesses, and increase take up of business advice and support through Business Link. This Action Plan describes the additional activity underway within the North East to address the **employment and skills** impacts and challenges of the recession, within the context of this wider holistic response.

The aim of our joint work is to minimise the negative impacts of the recession on progress towards our key goals of increasing levels of skills, employment and productivity, and in doing this to maximise the region's prospects for recovery.

This Plan sets out what is on offer for businesses and individuals affected by the recession in respect of employment and skills within the North East. It also describes our arrangements for monitoring and responding to the employment and skills impacts of the recession, at both regional and sub-regional levels.

#### Priorities: REAL HELP for Business and People NOW

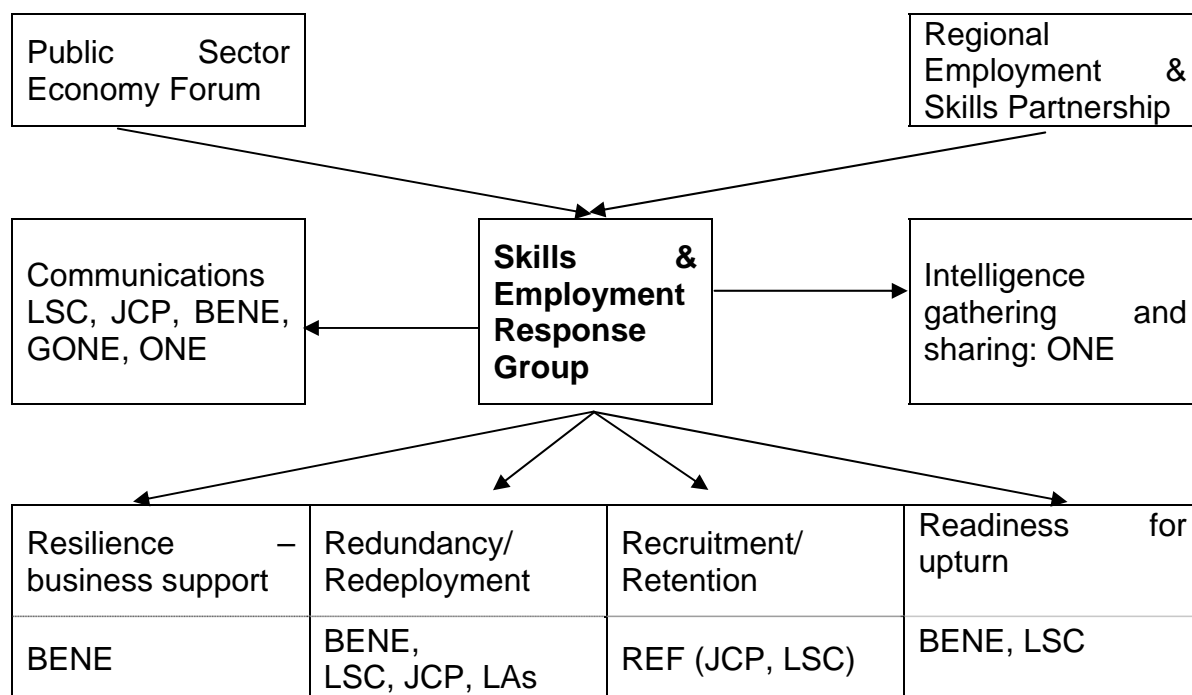
There is a vast array of interventions aimed at supporting businesses and people, at national, regional and local levels, that all have a role to play in responding to the employment and skills impacts of the recession. To minimise the confusion that this could cause, the North East is organising all of its activity under a **single brand** 'REAL HELP for Business and People NOW' and **four clear priorities**:

1. **Resilience** – To help the region's employers to retain as much of their current workforce as possible during the economic downturn. We do this through measures to maintain cashflow, improve productivity and organisational efficiency, and maximise the ability to cope with the new economic environment.
2. **Redundancy and Redeployment** – To minimise the number of people who become unemployed, if and when redundancies become necessary. Or, to put it another way, to move as many people as possible directly "from a job, to a job". We do this through measures to react to redundancies, identify the skills and experience of those effected, and seek to match these to available opportunities in the labour market.
3. **Recruitment/Retention** – To ensure that entry or re-entry to the world of work is as swift as possible for anyone who is unemployed (whether as a result of the current economic downturn or on a longer term basis) and that they have ongoing support to maximise their chances of staying in work and progressing in employment. We

do this through measures to advise, motivate, retrain and support unemployed people in line with our Regional Employability Framework.

4. **Readiness for the upturn** – To look beyond the current downturn and maximise the region's readiness to emerge in a strong position to pursue its ambitions relating to upskilling, employment and productivity growth. We do this through measures to analyse and share information on economic trends, and ongoing intensive work with key businesses and sectors for the North East.

These priorities are underpinned by co-ordinated **intelligence** gathering and sharing, and by consistent, clear **communications**. For each of these priority areas, clear roles and responsibilities have been defined for the organisations involved. Each area of activity is co-ordinated through the regional Skills and Employment Response Group (SERG) (terms of reference attached as Annex 1), which reports to the Regional Employment and Skills Partnership and to the Public Sector Economy Forum. This structure is represented below:



- The outcomes of the SERG activity to date have focussed on tangible steps prompted by the Chief Secretary to the Treasury, Yvette Cooper's letter of 24/11/08 to the Regional Minister, Nick Brown. These are to have mechanisms to ensure that:
  - Employers can notify forthcoming job losses to appropriate partners
  - Rapid Response teams can be put in place to deal with larger job losses
  - Careers advice services are available to all who lose their jobs
  - Skills funding is available to support retraining for those who need it with sufficient capacity and flexibility
  - Funding available is co-ordinated to promote employment
  - Employer networks, including the Employer Coalitions, are deployed to promote LEPs
  - All public sector vacancies are notified to JCP

- o Local partners engage with all public sector infrastructure projects to ensure that their recruitment and training are handled, on LEP lines, through JCP and LSC

These outcomes are underpinned by a collaborative, high profile communications campaign centred on the Real Help for business and people NOW messages:

The REAL HELP for business and people NOW campaign has been focused on raising awareness of the key routes to help:

Business advice and support:	0845 600 9 006	Business Link
Getting back to work:	0845 606 0234	JobCentre Plus
Changing jobs, updating skills:	0800 027 7944	nextstep

[www.realhelpnortheast.co.uk](http://www.realhelpnortheast.co.uk)

Local Authorities also have a crucial role to play in responding to the challenges posed by the economic climate. The Association of North East Councils have established an Economic Climate Task and Finish Group to explore how local authorities can maximise the impact of local interventions in response to the economic downturn. This is an opportunity to build on work already underway such as the Association's 'Call to Action', to disseminate areas of good practice, and to consider how local government as a sector can work collectively and collaboratively, and in partnership with other organisations, to alleviate the impact of the downturn.

## PRIORITY ACTION PLANS

This section sets out the current and planned activity within the region under each of the four priorities, plus intelligence and communications.

### 1. RESILIENCE

This section sets out the core offer to support businesses to retain as much of their current workforce as possible during the economic downturn through measures to increase productivity and organisational efficiency, and to promote their ability to cope with the new economic environment.

#### Current RESILIENCE provision

At national level, Government action has rightly focussed on measures to improve the supply of credit to businesses, alongside interventions such as the VAT reduction to boost consumer spending, and commitment for the public sector to pay invoices within 10 working days. Within the region, One North East are responsible for managing a range of Access to Finance initiatives including:

- the Grant for Business Investment (GBI), (previously **Selective Finance for Investment** grant programme) which supports SMEs to expand, create and safeguard jobs, for which eligibility has been extended to all SMEs across the region with potential for high growth and clear long term investment viability whose investment plans are being constrained by current economic conditions. An

additional £2.5m is being made available to help small and medium-sized firms to sustain and grow. It is anticipated that this will support 10 additional companies, safeguard 500 jobs and encourage over £110m worth of additional capital investment in the region.

- The **North East Investment and Co-Investment Funds** have been expanded, with an additional £6.25m to give vital access to finance for growing firms. Grant support is expected to encourage around £9.5m of additional investment funds in the region, created/safeguarded 270 jobs, and assist 28 businesses.
- A **Transition Loan Fund** was introduced to provide short term loan assistance to SMEs in December, and subsequently expanded. The loan fund has experienced very high demand, is now fully allocated and has now been closed.

The Agency has also expanded the activity of Business and Enterprise North East, the regional Business Link delivery organisation, to respond to increased demand and provide an enhanced 'Healthcheck' diagnostic service for SMEs to help identify issues and opportunities to see businesses through a difficult economic climate, supported by an enhanced programme of workshops, mentoring, debt management, and support on new market and product development.

The above measures aim to help business to 'trade their way through' the recession, and are complemented by a range of measures to support employers to also 'train their way through', including:

- through the **Skills Brokerage** service, delivered by BENE and provider-brokers, employers are encouraged and supported to access the LSC's core **Train to Gain** provision, which offers employers significant support to increase productivity. This includes the following enhancements:
  - national **Train to Gain flexibilities** allowing funding for 138 business critical units of qualifications at levels two, three, and four, for which learners employed in SMEs will not be required to complete a full qualification.
  - **ESF Enhanced Train to Gain** programme will fully fund learners who already have a level two, to achieve an additional level two, and will fund the delivery of qualifications that are not necessarily on the Qualification Credit Framework.
- employers with up to 20 staff can access the **Leadership and Management** offer which supports key managers and leaders in an organisation to undertake accredited and non-accredited training.
- the **Apprenticeships** programme remains a key resource for both the employer and individuals to support training in employment. The new National Apprenticeship Service will have a regional presence from April09 onwards and will focus on boosting apprenticeships.

The LSC also funds a **Skills Solution Fund**, channelled through BENE (Business Link) to fund training needs analysis and the resulting training solutions, over and above what can be supported through the core Train to Gain offer. It can be used to support the employees of all private sector companies, regardless of size or sector, and funding is for up to 100% of the costs.

Work Wise North East are running a StaffShare scheme. This enables organisations to 'buy the services' of individuals who are currently under-utilised or in a redeployment pool, on a short or medium term secondment basis.

Sub regional and local partners also provide a direct interface for businesses, signposting them to sources of advice and support. Many local authorities provide emergency rate relief to businesses experiencing difficulties.

## Next Steps for RESILIENCE

### a) Partner activity underway on RESILIENCE

A range of measures are in development to strengthen, deepen and broaden the business support offer in response to the recession. These include:

- development of a new **Economic Shock Response** fund to support business resilience
- a dedicated **call for proposals for ERDF** funding so that the region's businesses are more resilient to changes in the economy and market and have access to appropriate advice and support
- development of a **Horizons** project which will support export activities by the region's businesses, working closely with the regional UKTI international trade team to improve the export credit guarantee and export insurance schemes
- in the longer term, consideration of the creation of **new funding mechanisms** to help support businesses via the JEREMIE programme.

The focus of SERG and this Action Plan, however, is on integrating employment and skills measures within this wider business support 'resilience' offer. Work is well underway at national and regional levels to strengthen joint working protocols between Jobcentre Plus and Business Link brokers. This will enable us to establish more robust processes for referring employers between organisations to provide employers with the business, skills and employment advice they need regardless of the initial point of contact.

### b) SERG Priority Actions for RESILIENCE

Action	Outcomes	Lead	Timescale
Review provision and identify any gaps not already being addressed	Gaps identified and plans agreed to address these if appropriate	ONE	June 09
Monitor capacity and capability of BENE brokers in handling increased demand and complex new provision	Any capacity or capability issues identified and addressed if needed	ONE	Ongoing
Consider extension of wage compensation to all SMEs involved in TtG and Enhanced TtG to support employers to train rather than make redundancies or cut hours.	Increased take up of TtG training, and reduced reductions in workforces	LSC	July 09
Maximise use of ACAS services in supporting employers in potential redundancy situations	Reduced levels of redundancies, and improved management of redundancy processes	JCP	June 09

## 2. REDUNDANCY AND REDEPLOYMENT

This section sets out the core offer to react to potential redundancy situations, to enable employers to manage the situation effectively and to provide support to the individuals affected so that they have the best chance of moving into alternative employment either directly or as soon as possible, with appropriate training where necessary.

### Current REDUNDANCY AND REDEPLOYMENT provision

The North East benefits from a track-record in delivering **co-ordinated redundancy responses**. Typically, for significant redundancies, a "Response Group" is formed of the key public sector agencies working alongside the employer and any other support agencies which it wishes to involve (eg. an outplacement support provider). The Response Group designs and manages a package of support. Core partners involved in every case over the last year have been Jobcentre Plus, BENE, the LSC, One North East, the North East Chamber of Commerce and the relevant Local Authority, or its economic development agency. A further component of the response also involves a review of supply chain implications by BENE.

Redundancies of over twenty are notified to BERR via the HR1 form, who pass them to JCP, triggering this co-ordinated response. In addition, information on business impacts is gathered through JCP, ONE strategic account managers, Trades Unions, BENE and via press coverage. Information is reviewed collectively to ensure support is offered as soon as is practicable, which may in some cases be in advance of formal HR1 notification.

The core elements of the public sector support package in a redundancy situation (regardless of size or nature of redundancy) are:

- 1) Train to Gain Skills Brokerage delivered by BENE, giving access to the Train to Gain core offer
- 2) Jobcentre Plus support for redundancy, including Rapid response funding<sup>1</sup> which can support individuals within 13 weeks pre or post redundancy to get new skills if these are needed in order to compete in the current labour market
- 3) "Skills Solutions" funding channelled from LSC via BENE to fund training needs analysis and resulting training requirements, over and above what can be supported by the core Train to Gain offer and JCP rapid response funding.
- 4) Nextstep support for adults to access a range of careers information and advice services, delivered in the workplace and in work time if agreed by the employer.

A clear statement of the support available from the above sources, based on employer size and nature of the redundancy, has been developed by JobCentre Plus, and is available to employers.

Additional support over and above this core offer can be brought in if needed from a variety of other regionally and locally managed sources. Similar mechanisms can also be applied to smaller scale redundancies that enable employers and employees to access the available support, through BENE, Nextstep and Local Authorities. For very small scale and individual redundancies, the support is accessed either through JCP, the Train to Gain skills brokerage service, Nextstep service, learning providers or a self referral.

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<sup>1</sup> in the case of an HR1 or a declared "community redundancy", which in the NE covers the whole of County Durham

A package of measures aimed at retaining Apprentices has been agreed with DIUS, with the National Apprentice Service now offering continuation support post redundancy, increased provider flexibility and framework and funding rates flexibility.

Work Wise North East's StaffShare scheme mentioned under RESILIENCE can effectively act as a **staff loan scheme** between companies to allow experienced staff at risk to be seconded out to SMEs as an alternative to redundancies.

Local authorities and their partners play a crucial role at local level, bringing together a range of statutory and voluntary support in redundancy situations (addressing debt, housing and health issues for example). They can provide resource centres, and will often intervene for smaller redundancies, or groups of redundancies in a local area.

## **Next Steps for REDUNDANCY AND REDEPLOYMENT**

### **a) Partner activity underway on REDUNDANCY AND REDEPLOYMENT**

Key issues for strengthening the response include:

- maintaining an overview of the capacity of agencies to respond
- accelerating responses based on 'real time' intelligence
- improving response arrangements to encompass smaller scale redundancies and to encompass situations in which the contracts of temporary workers are terminated as a result of the economic downturn or wider redundancy situations.
- Development and implementation of working protocols to ensure that the new nextstep service - and the specific offer it can make to employers and employees in a redundancy situation - is more routinely brokered in to redundancy response arrangements by key partner agencies or accessed directly by employers or individuals themselves.

One NorthEast are considering applying to the European Globalisation Adjustment fund (EGAF) following the redundancies announced by Nissan that will also impact on Nissan's supply chain. Key considerations include how EGAF funding would add value to and complement ESF and national funded support and help assess the longer-term needs caused by Nissan redundancies.

Extra support is being made available for apprentices that have been made redundant or became unemployed via hardship funds. For learners aged 16-18 they are to be treated as Programme Led Apprentices and offered the same support as anyone in this group. This includes the expectation that they will apply for EMA and would qualify for the benefits associated with someone in that age group. For learners aged 19-24 funding should be made available for up to 6 months to a maximum of £80 per week (based on 30hrs/wk).

The LSC are developing an additional enhancement offer of a wage subsidy similar to that available through T2G for Apprentices, to be funded through ESF.

### **b) SERG Priority Actions for REDUNDANCY AND REDEPLOYMENT**

<b>Action</b>	<b>Outcomes</b>	<b>Lead</b>	<b>Timescale</b>
Review provision and	Gaps identified and plans	ONE	June 09

identify any gaps not already being addressed	agreed to address these if appropriate		
Oversee the capacity and capability of nextstep, Jobcentres and Business Enterprise North East to respond to needs	Ensuring quality of offer is maintained	JCP, ONE, LSC	Ongoing <sup>2</sup>

### 3. RECRUITMENT AND RETENTION

This sections sets out the core regional offer to ensure that entry or re-entry to the world of work is as swift as possible for individuals who are unemployed (whether as a result of the current economic downturn or on a longer term basis) and that they are supported once in employment to maximise their chances of retention and progression in employment.

#### Current RECRUITMENT AND RETENTION provision

Nationally, provision for unemployed or workless people to move towards sustainable employment whilst improving their skills and qualifications is primarily delivered through Job Centre Plus and the LSC, with these two areas of provision being brought closer together through the **Integrated Employment and Skills** (IES) programme. The IES complements and supports long-standing arrangements for joint working in the North East through the **Regional Employability Framework** (REF). The REF reflects the principles of IES, but in addition addresses the employment and skills activity of a wider range of partners, including Local Authorities, the voluntary sector and employers themselves.

In the context of the recession, the REF partnership is striving to develop and implement:

- a framework for joint planning of resources and provision at Regional and local level.
- strategies to identify and engage those customers who are furthest away from the labour market.
- a streamlined recruitment and support service for employers, to encourage the employment and retention of workless people.

This is ensuring that relevant responsive provision is in place across the region, with appropriate support to access relevant job opportunities. IES style referral processes have been established between Jobcentre plus and nextstep along with co-location arrangements in several of the Jobcentre Plus offices. Nextstep are providing an additional careers advice and aspirations programme for longer term workless adults.

For **individuals** seeking work, the core offer is:

- JobCentre Plus adviser support and advice on job and training opportunities, supported by an Adviser Discretionary Fund where needed for priority clients
- Access to JCP Programme Centres providing job search advice and support
- Tailored provision for priority clients through the New Deal programmes for JSA customers, and Pathways to Work for IB customers

<sup>2</sup> Here and elsewhere, 'Ongoing' means until SERG are satisfied that the action can be satisfactorily addressed through alternative permanent arrangements, or the recovery is sufficiently advanced that the action is no longer required.

- LSC mainstream core funded provision which can be accessed directly, and includes provision for academic and vocational provision and literacy, language and numeracy skills.
- The **nextstep** service gives adults a range of careers information and advice services, with additional provision for job-seekers
- A range of learner support measures is available through FE providers including Education Maintenance Allowance, Adult Learning Grant and Childcare Grant.
- The **Employability Skills Programme** for JCP customers
- The national **Apprenticeship Programme** is available for people of all ages.
- A range of enterprise start up advice and training accessible either through BENE, JCP or directly from a range of local providers
- **sector routeways** programmes which train those furthest away from the jobs market and move them towards sustainable employment
- a range of **volunteering support programmes**, including Personal Best linked to the 2012 Olympic and Paralympic Games, using volunteering to bring the unemployed closer to the jobs market whilst delivering accredited learning.
- **employability training** provided by small VCS organisations via the LSC Community Grants programme and other sources

For **employers** looking to recruit, the offer is:

- **Local Employment Partnerships (LEPs)**, offering a range of support services to provide employers with access to job-ready recruits, now covering all unemployed people
- **Golden Hello's** providing incentives of up to £2,500 for employers taking on and training long-term unemployed clients
- **Apprenticeships** are also an important form of entry to employment for both young people and adults, for which the new National Apprentice Service are providing increased promotion and support

Local partners provide a wide range of specialised services which 'wrap-around' the core JobCentre Plus/LSC offer, in line with the Regional Employability Framework. Typically, such services are targeted at those groups and areas that are hardest hit or furthest from the labour market, and provide flexible, discretionary support on a case-by-case basis.

## **Next Steps for RECRUITMENT AND RETENTION**

### **a) Partner activity underway on RECRUITMENT AND RETENTION**

A very wide range of measures are being introduced to respond to the increasing numbers of jobseekers, to support them in developing new skills and help them seek new employment.

Enhancements to arrangements for training will include:

- Additional LSC funding for training in FE Colleges to be targeted at the six month-plus unemployed (JSA claimants)
- Additional ESF funding for a range of providers to deliver 'Pre Employment Training' to support employer recruitment, training individuals to access vacancies and then progress through Train to Gain in the context of LEPs.

- The National Apprenticeship Service will be actively marketing apprenticeships to individuals and employers, and additional apprenticeship places have been announced. A package of measures aimed at recruitment of **Apprentices** is under consideration, including:
  - Leadership and Promotion via CBI etc
  - Wage Subsidy similar to T2G,
  - Overtraining support across supply chains
  - Golden Hello
  - Continuation support post redundancy
  - Provider flexibility
  - Framework and funding rates flexibility
- The Career Development Loan Programme will be enhanced and Skills Account trials will be extended to the North East as part of the National roll out in the latter part of 2009.

In terms of support to access employment, new arrangements for JobCentre Plus will include:

- Skills Health checks will be introduced, ensuring that newly unemployed customers requiring support will be identified at their New Jobseeker Interview. Depending on their level of need advisers will offer them:
  - Jobcentre Plus led group information sessions (around 1 hour in duration)
  - Advice and coaching sessions (around 1 day in duration) delivered by organisations (including recruitment agencies) specialising in support for professionals and executives, or by contracted providers for non professionals
  - Referral to other provision as appropriate (e.g. Programme Centre or ESF provision)
- As part of the tailored support for "higher end" jobseekers a training support package is being developed for newly unemployed customers with no recent experience of seeking work. The "offer" to job seekers is expected to include a wide range of assistance such as:
  - Course type provision providing practical guidance on issues such as CV writing, job search techniques and understanding the local jobs market.
  - One to one sessions
  - On line support
  - Possibility of some additional ongoing guidance and updates on job opportunities
- Additional funding and support will be made available to help people set up in business: advice on creating a business plan, plus funding for the first months of trading.

One NorthEast are developing new forms of support for enterprise promotion and development through Business Enterprise North East and its partners, including linking individuals with high business potential to ideas and finance to stimulate business starts, creation of temporary 'arcades' for micro-businesses and developing 'employed entrepreneurs' who draw a modest income and contribute a percentage of profits back to the host organisation.

Local Authorities are developing a wide range of provision designed to complement the LSC and JCP offer at local level, through a combination of Working Neighbourhoods, One North East and other investment. Generally, this activity is focussed on engaging the hardest to reach, and on supporting job placement and job retention. This will be expanded through the **Future Jobs Fund**, focussed on 19-24 year-olds who have been unemployed for 12 months or more.

This focus on young people will be enhanced by a new project to identify and share best practice on supporting young people – especially pre-19 – into employment and training. The Association of North East Councils, through the Regional Improvement and Efficiency Partnership, has submitted a proposal to DWP and CLG to draw down £200,000 over two years under the Worklessness Programme. This project will build capacity and technical capability to link the REF with the wrap-around service offered by the Connexions Services in the region to produce a single, seamless package of support for all workless adults, supporting the NEET agenda and building on recommendations in the Houghton Review. This is particularly beneficial in the current climate given that the greatest increases in levels of unemployment are occurring in the 18-24 age group.

Particular attention will be paid to the impact of the end of the current academic year, when additional support may be needed to advise and support those leaving schools and colleges to find employment opportunities (whether through the Future Jobs Fund or elsewhere), to avoid a significant increase in the number of young people not in employment, education or training (NEET).

#### **b) SERG Priority Actions for RECRUITMENT AND RETENTION**

<b>Action</b>	<b>Outcomes</b>	<b>Lead</b>	<b>Timescale</b>
Analyse provision to identify any gaps that need to be filled	Understanding of gaps in provision and plan to address these	REF Strategy Group	June 09
Utilise Future Jobs Fund from DWP/CLG to create constructive work related provision for long term unemployed/target customer groups	Additional provision designed to meet the needs of those furthest from the labour market.	ONE/Local Authorities/VCS	June 09 and ongoing
Local authorities to deliver flexible responsive community outreach and engagement provision at local levels		Local Authorities and JCP	June – Sept 09
Improve awareness and understanding of the full range of non-statutory services	Increased referrals to additional voluntary services for those who need them	VONNE	June 09
Monitor the impact of the end of the 08/9 academic year on young people who are NEET, and bring forward additional responses if necessary	Increase in young people who are NEET is minimised	LSC/JCP	July 09

#### 4. READINESS FOR THE UPTURN

This section sets out the core regional offer that maximises the region's readiness to emerge in a strong position beyond the current downturn, to pursue its ambitions for upskilling, employment and productivity growth.

##### Current READINESS FOR THE UPTURN provision

To some extent, this encompasses all of the activities to deliver the Regional Economic Strategy, through which the region is committed to identifying and supporting those parts of the economy that have potential for significant growth in employment and/or productivity. The impact of the recession means that we must redouble these efforts to promote and support innovation in areas of key sectoral strength, support the start-up and growth of new businesses, and match the supply of skilled employees to the needs of employers.

Many of the business support and training measures described in the RESILIENCE section will also support businesses to prepare for the upturn. For example:

- Train to Gain provision will also support businesses and employees to increase skills levels in preparation for future changes to the employment market
- RDA investment in support for innovation within businesses through placements, skills development and commercialisation will increase demand for highly skilled individuals and help businesses position themselves to exploit new opportunities.

(Further details on such measures are set out in the RESILIENCE section.)

Joint working with key employers and groups of employers by the sectoral teams in the LSC and RDA, and the RDA's Strategic Account Management team will continue to provide proactive support for key sectors and large companies that will maximise their readiness for growth. SERG's role will be to engage with this work to ensure that any employment and skills issues are identified and addressed.

The key area of focus for Skills and Employment response in preparation for the upturn is to match the supply of trained people to the anticipated demands of employers. This is being achieved through:

- Improved capturing and sharing of labour market information and forecasts (explained further in the section on Intelligence Gathering and Sharing below)
- High quality, forward-looking careers information, advice and guidance for adults delivered by nextstep, supported by longer-term activity to raise young peoples' aspirations and encourage take up of STEM subjects
- Flexible, responsive training provision, including
  - Focussing LSC mainstream provision on supporting people back into work in sectors and occupations where recovery and growth is taking place or expected.
  - Routeway programmes which have an element of 'training for stock' to provide unemployed but skilled individuals ready to take jobs in expected sectors or occupations of growth within the region's economy, as and when they become available.

- Building the region's strategic capacity to support our priority sectors through targeted programmes of investment such as the regional Talent Programme, the higher level skills capacity fund

## Next Steps for READINESS FOR THE UPTURN

### a) Partner activity underway on READINESS FOR THE UPTURN

ONE is developing a £15m programme which will support innovation in companies interested in new markets, focussed on offshore wind, carbon capture and storage, printed electronics and digital and media.

It is also working with universities and other partners to help them to respond to the downturn, by flexing and expanding their business-focussed interventions. This includes Economic Challenge Investment Fund (ECIF) supported measures in each University, which will offer a range of support such as:

- creating additional opportunities for people from businesses to work and/or study in HE to support the transfer of technology and know-how during the downturn, so maximising opportunities for growth in the upturn
- increasing placements of students and graduates from universities into companies, also to support transfer of technology and know-how
- bespoke training for companies' staff in technical issues and management capabilities
- additional enterprise awareness and aptitude development and mentoring
- enhanced advice and guidance services available to a wider audience

At sub-regional local level, Local Strategic Partnerships, Local Authorities and groups of businesses play a crucial role in formulating and implementing plans for area development and sectoral growth, which will form the bedrock of recovery when it begins. Linking regeneration and development activity into employment opportunities through Section 106 agreements, promotion of Apprenticeships etc will play an increasingly important role.

One North East has prepared sector snapshots providing simple information for individuals and their advisors on the prospects for employment opportunities within each sector. These will be disseminated widely to encourage take up of training relevant to the expected sectoral demand in the upturn. Future Jobs Fund proposals will also be encouraged to align to these opportunities. Where necessary and possible, sector routeways will be brought forward to fund bespoke training for priority groups of unemployed people to meet anticipated employment demand.

### b) SERG Priority Actions for READINESS FOR THE UPTURN

Action	Outcomes	Lead	Timescale
Analyse provision to identify any gaps that need to be filled	Understanding of gaps in provision and plan to address these	ONE	June09
Implement Talent Challenge interventions to support skills retention	Skilled people retained in the region, helping businesses prepare for upturn	ONE	June 09

Disseminate information on employment opportunities and expected changes	Awareness of employment opportunities maximised	ONE	June 09
Establish mechanisms to identify and respond to emerging growth areas with sector routeways etc	Recovering businesses and sectors supported to grow	ONE	July 09
Engage with and influence activities to promote innovation and stimulate sectoral growth, e.g. through 'Industrial Activism' approach	Links between innovation and skills in the upturn are strengthened	ONE	June – September 09

## 5. INTELLIGENCE GATHERING AND SHARING

This section sets out the region's approach to the collation, analysis, interpretation and dissemination of intelligence to support informed, responsive decision-making, which underpins our four priorities (resilience, response to redundancy, recruitment & retention and readiness for the upturn).

### a) Intelligence gathering

The North East has developed a strong information sharing network to capture both soft and hard intelligence, engaging Business Link Brokers, Jobcentre Plus, RDA Business Account managers, LSC sector Teams, Sector Skills Council data, employer organisations and forums, the TUC, FE colleges, sub regional partnerships and media information. This captures information on the vulnerability of key employers, sectors or geographical locations so that early interventions can be planned and initiated. The network is also working to identify trends in job vacancies, potential growth sectors, and sectors of rapid staff turnover in the labour market.

The key elements in putting together our assessment of the regional economy include gathering business intelligence from:

- strategic account managers at ONE NorthEast who maintain close contact with around 500 companies in the region
- Business and Enterprise North East (BENE) who have extensive contacts with SMEs across the region
- LSC sector team who are working with the employers within their sector footprint, giving both a regional and national picture.
- monthly contact with the lead business organisations including the North East Chamber of Commerce (NECC), CBI and the Engineering Employers Federation (EEF)

Our assessment of the regional economy is further enhanced by:

- analysis of all the major economic and labour market surveys and datasets from ONS, Government, and employer organisations etc.;
- a flow of information from Jobcentre Plus on their activities;
- recent work by the regional observatory (NERIP) to compile a press cutting service on jobs losses and gains;
- information from National Skills Academies and Sector Skills Councils

- information from learning providers as to the impact of the recession on the demand for learning
- information gleaned through the LSC sector case conferences and sector specific learning participation data
- analysis of job vacancies notified to JCP categorised in relation to skills gaps and shortages, growth sectors and sectors with rapid staff turnover
- information from the TUC's 'workplace survey'
- information from local and sub-regional area analysis

### **b) Intelligence sharing**

Arrangements are in place to disseminate this information widely across the region, through provision of:

- an assessment of emerging trends in the regional economy
- a detailed labour market analysis report
- identified and potential growth and rapid turnover sectors
- identified skills gaps and shortages
- solutions and responses, sector specific in some cases
- sub-regional and local details where possible

Finally, SERG plays a key role in informing Ministers on the impact of the recession on the North East, and on the experiences of the region in responding to those. This in turn enables Government to reflect in their ongoing initiatives at national level.

### **c) SERG Priority Actions for INTELLIGENCE GATHERING AND SHARING**

<b>Action</b>	<b>Outcomes</b>	<b>Lead</b>	<b>Timescale</b>
Establish mechanisms to share sources of intelligence between partners more effectively	Greater shared evidence of changing economic conditions	ONE	June 09
Produce and share clear briefings across stakeholders	Increased shared awareness of changing conditions	ONE	Ongoing
Influencing and informing national policy on employment and skills response to recession	Better understanding by Government of regional priorities, activity and experiences	GONE	Ongoing

## **6. COMMUNICATIONS**

A communications strategy has been developed to ensure businesses and individuals within the North East are aware of the range of support services available to them during the economic downturn. This is primarily concerned with the 'Real Help for Business and People NOW' campaign, but also...

The SERG Communications Group is working to agree and deliver both individual and joint marketing and communications activity to inform target audiences including staff, providers/delivery partners, stakeholders, individuals and businesses of the solutions

available to them. This coordinated approach ensures consistent communications across the product offer with streamlined points of access for the employer and the individual.

Activity is underway through Business Link, JobCentre Plus and nextstep to raise awareness of the available support and to encourage employers and individuals to come forward for assistance.

Key activities include:

- Promotion of information about the offer under the 'REAL HELP for people and business NOW'
- Development and monitoring of joint marketing and communications plan and subsequent campaign plan aimed at targeting all of the key target audiences
- Development of a stakeholder communications toolkit to cascade relevant information about the range of support available, to individual partners/stakeholders involved in delivering products/services to the key target audiences

Alongside this activity, each organisation continues to promote its individual products and services through existing arrangements and channels. This includes the promotion of Business Link, JobCentre Plus services and Train to Gain via regional and national media, the marketing of the Apprenticeship programme and Vacancy Matching Service (AVMS), national and regional promotion of the careers advice service and nextstep, and direct promotion of Local Employment Partnerships to employers.

BERR is running a national campaign for Real Help For Business Now. One NorthEast plays a major part in this campaign, and has adapted this brand for use within the region, to provide one coherent offer of support. Positive news stories are used in a regular series, badged under the Real Help For Business Now logo, based on robust analysis of the economic position of the region. This information can be used to counter the anecdotal reports that may affect wider business confidence.

Marketing materials have been produced and distributed to promote the three main routes to support for people and business, including advertising posters, flyers and credit/business card, print media supplements, and radio advertising. A single communication point is being developed via a SERG website to provide a 'pulse' of activity within region, a source of information about the changing economic position, and an access point to information on available support.

Sub-regional and local partners play an important role in disseminating this information through a wide range of local routes and activities, particularly via Local Authorities who are often the first port of call for businesses and individuals seeking support and advice.

### **SERG Priority Actions for COMMUNICATIONS**

<b>Action</b>	<b>Outcomes</b>	<b>Lead</b>	<b>Timescale</b>
Implement agreed Communications Plan	Increased awareness of available help	SERG COMMS	
Share emerging economic intelligence	Improved understanding of challenges and opportunities	ONE	
Monitor changes in support	Information remains up to	SERG	

offer and feed into Communications Group	date	Secretariat	
Monitor effectiveness of Communications Plan	Effectiveness of Communications maintained	SERG COMMS	

## **EXIT STRATEGY**

This Action Plan is time-limited, as is the SERG structure which is responsible for its preparation and implementation. Once the actions set out in this document are complete, SERG will cease to meet. Where the actions are described as 'ongoing', responsibility for ongoing co-ordination and monitoring will pass back to the Regional Employment and Skills Partnership Board.

## North East Skills and Employment Response Group

### Terms of reference

The Skills and Employment Response Group (SERG) is a time-limited sub-group of Skills North East, the Regional Skills Partnership. It has been established to coordinate a clear and robust response by the regional/region-wide government agencies to the economic downturn in relation to employment and skills.

It reports directly to the Board of the RSP (Chaired jointly by Chris Thompson/RDA and James Ramsbotham/LSC) but will also provide regular updates to, and seek input from, the North East's Public Sector Economy Forum (PSEF). PSEF is itself a time-limited group established to co-ordinate response to the recession, comprising CEOs of all of the key public sector agencies in the region, including GONE, LSC, JCP, Homes and Communities Agency, Strategic Health Authority, Department of Transport and the Association of North East Councils (ANEC).

**SERG's overall mission is** to minimise the negative impacts of the recession on progress towards our key goals of increasing levels of skills, employment and productivity, and in doing this to maximise the region's prospects for recovery.

SERG operates to key **underpinning principles** in designing and delivering the skills/employment response to the economic downturn:

- the shared responsibility between employers, individuals and the state/taxpayer to invest in skills and employability provision.
- ensuring that public funds are effectively targeted in order to have the maximum impact/benefit
- the need to simplify and streamline the support which is available to businesses in the region and the access routes to it in line with Business Support Simplification principles

In order to fulfil this Mission, SERG's **key objectives are**, through the implementation of a suite of employment and skills measures:

5. **Resilience** – To help the region's employers to retain as much of their current workforce as possible during the economic downturn.
6. **Redundancy and Redeployment** – To minimise the number of people who become unemployed, if and when redundancies become necessary. Or, to put it another way, to move as many people as possible directly “from a job, to a job”.
7. **Recruitment/Retention** – To ensure that entry or re-entry to the world of work is as swift as possible for anyone who is unemployed (whether as a result of the current economic downturn or on a longer term basis) and that they have ongoing support to maximise their chances of staying in work and progressing in employment.
8. **Readiness for the upturn** – To look beyond the current downturn and maximise the region's readiness to emerge in a strong position to pursue its ambitions relating to upskilling, employment and productivity growth.

**SERG's key roles and responsibilities are** to oversee the design and implementation of a coherent package of employment and skills measures to achieve the above objectives, by:

- a) Having a shared high level understanding of the 'offer' of support measures to employers and individuals
- b) Mapping and monitoring the implementation of existing measures
- c) Identifying, commissioning and deploying solutions to fill gaps or weaknesses in existing provision
- d) Influencing regional and national policy makers and funders in order to respond to the region's needs
- e) Assimilating and implementing any future changes in national policy and programmes in order to best meet regional employers' and individuals' needs
- f) Ensuring appropriate, consistent and timely communications to key stakeholders, customers (employers and individuals), delivery partners and colleagues
- g) Creating, maintaining and sharing a comprehensive data base from which to populate responses to briefing requests – including:
  - mapping of the measures which are being put in place;
  - key business processes and customer journeys
  - case studies
  - underpinning intelligence re. key labour market/skills changes arising from the economic downturn
- h) Raising the profile of the North East region's response with regards to employment and skills - both within the region and nationally
- i) Sharing information with other regions and actively seeking to learn lessons from their experience and expertise of what does/does not work
- j) identifying and embedding examples of best practice in terms of ways of working and new delivery flexibilities into the mainstream/longer term offer

The core **membership of the group** comprises regional/region-wide government agencies with a significant strategic interest in employment and skills issues. In the first instance this will be as follows (leads in **bold**):

Jobcentre Plus	<b>Brenda Grey</b> , Dave Wright, Patricia Coombes
LSC	<b>Gillian Miller</b> , Nick James
GONE	<b>Sue Houston</b>
One NorthEast	<b>Lesley Calder</b> , Robin Beveridge, Michelle Lowes
ANEC	<b>Rob Mitchell</b> , Keith Lamb

Other partners are invited to join the group as and when appropriate to the agenda under consideration. In addition contact is made with other partners on an ongoing basis through existing regional structures, particularly the RSP and Business Link arrangements, and through day-to-day business. Key relationships include the REF coordinator/REF Groups, sub-regional groups (ESBs/City Regions), Colleges/training providers, Business and Enterprise North East/Business Link, NextStep service, and key employer groups.

**Ways of working:** the group meets on a regular basis (at least monthly) and maintains day to day communications via email/telephone. The RSP secretariat (c/o RDA) act as overall coordinator and convenor of meetings, ensure implementation of agreed actions and appropriate communications with the wider RSP. The group is chaired by Lesley Calder, the RDA's Head of Europe, Skills and Strategy. Sue Houston acts as the point of liaison with the Public Sector Economy Forum and, as and when required, in providing briefing for the regional Minister.