

Redditch Borough Council

This report is the product of the Leisure, Tourism & Economy Overview & Scrutiny Committee's investigation into Jobs, Employment and the Economy in the Redditch area.

November 2005



Overview & Scrutiny

Executive Report

What we did We set out to articulate the challenges and priorities in the Redditch economy as they affect employers, the people working here, and those who will be seeking jobs in Redditch in the future.

We called in expert witnesses to challenge / validate our findings.

We identified priority needs and practical steps to tackle them; these steps are detailed in our recommendation.



Executive Report

What we found

Education, work experience and careers choice

Young people in Redditch do not have access to enough careers advice.

Pressures on schools create a climate where exam results are seen as the key outcome rather than training for jobs, except in the case of students who are expected to get low exam grades.

Links between schools and businesses are poor.

The majority of young people in Redditch perceive that there are no good jobs here so aspire to leave.

Local employers cannot attract bright students to train for progressive careers. The skills base for the local economy is inadequate and is under threat from the “vicious circle” described above.



Executive Report

What we found Employers' Needs

Business support and advice is accessible from a multitude of agencies, none of which are located in Redditch.

Employers need a “gateway” or single point of contact for ongoing advice on business support, grants etc.

Employers need better public transport and local amenities and they look to the Council for support.

Employers cannot solve the skills gap without our help.



Executive Report

Conclusion Our findings confirm that issues previously identified by the Economic Development Service (EDS) are still relevant. If nothing is done, employers will continue to suffer from an exodus of talent and the local economy will be weaker than it is now. We feel that a modest additional resource in the EDS would be invaluable in addressing the key issues highlighted in a new way.



Executive Report

Recommendation The Committee is asked to RESOLVE that

One additional full-time post (suggested grade SO1/SO2) is established in the Economic Development Service immediately, with the following key responsibilities:

To work with partners to achieve better / more effective work placements for young people in Redditch businesses throughout the academic year.

To work with Head Teachers and school governors to extend the provision of careers guidance from Year 7; to address the cultural bias against non-academic training / education and to improve teachers' understanding of the local economy.

To champion and develop links between Redditch Schools and local employers so that businesses have a greater stake in our community.

To investigate organising a Redditch "Jobs Fair", bringing together local school leavers and local businesses.

To revive and implement the Economic Development Services marketing strategy to promote Redditch as a business location (abandoned in October 2004).

To act as a signpost for support for local businesses.

To work, via our Local Strategic Partnership, to ensure educational / training services are delivered effectively to our young people in a way which reflects and promotes training and career opportunities in the Redditch area.



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Appendix 1

Context

Setting the Scene

The connection between skills and economic success has been acknowledged for some time; we are now in an economic climate where people are aware of the threat posed by rapidly growing economic powers such as China and India. Economists have long established that European manufacturing companies are ill equipped to compete with the East on cost alone, and with this realisation looked to Europe's strengths; that is, its skills and its knowledge base.

Recently, increasing the skills base of the nation has been at the forefront of the Government agenda; in March 2005, the Prime Minister along with the Secretaries of State for Education and Skills, Trade and Industry, Work and Pensions and the Chancellor of the Exchequer, signed up to the "Skills: Getting on in business, getting on at work" White Paper. In this paper the Government stated that:

"Skills are fundamental to achieving social justice and economic success, which are at the heart of the Government's vision for the future...we are investing heavily to equip young people and adults to succeed."

In December 2004, the former Secretary of State for Education and Skills commissioned a report entitled "Where are the Gaps" which looked at the UK's Skills and Education Strategy and provided an analysis of the strengths and weaknesses of the UK's education and training provision compared to the rest of Europe. In this report ***the English system was singled out in Europe for its inequality and low status of vocational training***. The report suggested that there needed to be a parity of esteem between academic and vocational routes.

Of course it is not just the national system that is at fault; the national mindset also needs to be addressed. Vocational training is seen as the "poor relation" of its academic sibling; the general



Appendix 1 Context

consensus is that apprenticeships are only available to people who have failed or are likely to fail their exams. Young people today are bombarded by the media in every aspect of their lives and so it is hardly surprising that they are opting for the “glamorous jobs” such as a Lawyer (think Ally McBeal), Doctor (ER) or Journalist.

The former Secretary of State for Work and Pensions stated at the Learning and Skills Council Summit in July 2005, that the Government should:

“take on the challenge of inspiring young people to want to be engaged in vocational education”

In the paper “A Modern Social Dimension for Europe: Principles for reform” by the Secretary of State for Trade and Industry and the former Secretary of State for Work and Pensions, it states:

“Education and training policies must deliver the skills needed by business”.

Legislation

To give these aspirations a legislative context, the Local Government Act 2000 introduced a new power on all Councils

“to promote the economic, environmental and social well-being of their area”.

To make a distinction between a duty and a power: a duty is a statutory requirement and leads to enforcement action if it is not undertaken; a power provides legal authorisation for a particular action.



Appendix 1

Context

How this affects Redditch

In the 2005 Corporate and Performance Plan Redditch Borough Council states that:

“The Council expects itself to be at the heart of developing the local economy, environment and community”.

This plan also details that:

“The Authority seeks to represent the people of Redditch on all issues including those which are not its direct responsibility. The Council will continue to work with its partners to deliver improvements in the...local environment, transport and economy.”

In Redditch the proportion of employment in the manufacturing sector is ***twice the national average***. We should therefore be promoting the manufacturing industry as a viable career to the youth of Redditch, as by doing this we will be securing our future.

We should try to match the education and training policies in the region to the skills required in local businesses; we should encourage relationships between the education and business sector; we should encourage schools and careers advisors to promote ***local*** careers; and we should strive to redress the balance between vocational and academic training.

This is nothing new; in 20:20 Vision, Redditch’s Community Strategy 2003; the Council’s aim was:

“To encourage a thriving sustainable economy within the borough...we want businesses to be embedded in the area with a skilled local workforce that can readily meet their needs”



Appendix 1 Context

In this strategy, the Council also pledged:

“To increase engagement with schools on business related projects”

We have the vision; we now need to do something about it.



Appendix 2 Procedure

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Appendix 2 Procedure

Brief Synopsis

In order to find more out about jobs, employment and the local economy, the former Economy Overview & Scrutiny Committee decided to carry out a series of interviews with local manufacturing companies, and attended a meeting of the Redditch Student Council to hear about the aspirations of young people in relation to their economic future. Through its investigation the Committee made a number of stark findings relating to business support and the education, training and skills of the residents of Redditch as have been detailed in the report.

The Committee (now part of the Leisure, Tourism & Economy Overview & Scrutiny Committee) decided to call in key organisations and partners to questions them with regards to these findings; the Committee hosted a Business Support Forum and an Education, Training & Skills Forum, at which the Committee co-opted two members of the Redditch Student Council to see their concerns raised first hand.

Following the Forums, the Committee discussed its findings and formulated its recommendation; the Committee then contacted each of the key organisations who had contributed to the Forum, to seek their comments and support for the recommendation.

The key organisations have been very supportive of the Committee's recommendation and are very keen to engage with the Council on how best this matter can be brought forward.



Appendix 2 Procedure

Manufacturing Sector

Company Visit Questions

1. What are the key issues facing your sector over the next five to ten years?
2. Is Redditch likely to lose a significant number of jobs in your sector over the next five to ten years?
3. Do you have difficulties recruiting?
 - a) Do any of these difficulties relate to potential employees not wishing to relocate to Redditch?
 - b) Do any of these difficulties relate to a lack of affordable housing in the area?
4. What proportion of your employees live in Redditch?
5. Is Redditch perceived as an attractive location for businesses and their potential workforce? If not, what could the Council do about this?
6. Do you find it difficult to find suitably qualified and experienced workers?
7. Does a lack of suitable public transport in the area have any impact on your workforce?
8. What could the Council do to help your business grow?



Appendix 2 Procedure

Business Support Forum

Witness Questions

1. What support is available to companies in Redditch that need to compete on cost with businesses from the Far East and Eastern Europe?
2. Local companies have reported that not enough funding or grants have been made available to manufacturing firms to aid with diversification. We are aware that some funding and support is available so can you explain what this support is, how it can be accessed and why you think some local companies might have this opinion?
3. How do you communicate access to your services?
4. How many companies from Redditch have you helped in the last twelve months?
5. How well do you think your existing policies meet the needs of the businesses in Redditch?
6. What role do you think the Council should play in improving support to businesses in Redditch?



Appendix 2 Procedure

Education, Training & Skills Forum

Witness Questions

1. Following a discussion with Redditch Student Council it transpired that none of them had received advice regarding the types of careers available locally; why do you think this is?
2. The Student Council indicated that careers advice was variable across schools in Redditch; what is your experience of this and why do you think this may be the case?
3. The organisation of work experience programmes for students does not appear to meet the needs of young people; they are generally expected to organise placements themselves. What do you think can be done to improve this?
4. What steps are local schools taking to form links with local businesses?
5. What steps do you believe are being taken to attract people to careers in the manufacturing industry?
6. What information do you have on what young people do when they leave school or college?
7. How many graduates do you think return to Redditch after University?
8. Do you consider there are skills shortages in Redditch? If so, what are they?
9. Do you feel that the people you interview for current vacancies have a high enough level of literacy and numeracy?
10. What role do you feel the Council could play in improving education, training and skills in Redditch?



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Appendix 3 Evidence

Expert Witnesses Manufacturing Sector

The manufacturing sector companies who were interviewed by Members as part of their initial information gathering exercise were as follows:

BSA Precision Castings

Cirrus Technologies

Compair Hydravane

Intier Automotives

Johnson Controls

Pre-Met (incorporates the former Lewis Springs)

Machined Component Systems

Protex Fasteners

Terry of Redditch

Business Support Forum

The expert witnesses who contributed to the Business Support Forum were as follows:

Janice Barton, Business Relationships Manager, Advantage West Midlands (AWM)

Wayne Langford, Partnerships Manager, Skills and Sustainable Development, AWM

Christopher Harvey, Policy and Representation Manager, Chamber of Commerce & Business Link Herefordshire & Worcestershire

David Wright, Chief Executive, West Midlands Manufacturing Advisory Service



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Education, Training & Skills Forum

The expert witnesses who contributed to the Education, Training & Skills Forum were as follows:

Alison Stanton, Commercial Consultant, ASC Connections

Roger Little, Chief Executive, Connexions, Herefordshire & Worcestershire

Dave Waldron, Director of Performance & Standards, Learning & Skills Council Herefordshire & Worcestershire

Neil Bromley, Principal, North East Worcestershire College

Ray Westwood, Principal Inspector, Education Services, Worcestershire County Council

Redditch Student Council

Redditch Student Council was consulted as part of the Economy Task & Finish Group's initial information gathering, the following Student Councillors were then co-opted onto the Group for Education, Training & Skills Forum:

Student Councillor Claire Robinson

Student Councillor Ben White

Expression of thanks

We would like to thank all of the people who contributed to this review.



Appendix 3 Evidence

Minute Extract Interviewing Local Companies

The following is an extract of the Minutes of the Economic Overview & Scrutiny Committee (now the Leisure, Tourism & Economy Overview & Scrutiny Committee) that was held on the 16th February 2005.

Key Issues

Members of the Committee gave individual feedback on the visits they had undertaken to local manufacturing companies. The general points that arose from the feedback are detailed below.

Members reported that the majority of companies interviewed felt that they were losing business contracts to the Far East and Eastern Europe. The companies believed that this was mostly down to the problems they had in competing on cost. Most of the companies felt that the only way they would be able to stay in business long-term would be to diversify their market. Members reported that many of these businesses felt that not enough funding or grants had been made available to manufacturing firms to aid with diversification.

Job Losses

A Member reported that one of the companies he had interviewed would be losing a large number of jobs in the near future as the manufacturing section of the company would be relocating to Sweden and Holland. However, in general, the Committee felt that the jobs in this sector were fairly secure but that some companies may be vulnerable to a significant change in market forces.

Recruitment

Members reported that the majority of companies interviewed felt they did not have a recruitment problem; there had recently been a number of redundancies in the sector and so there were plenty of possible applicants in the area to choose from. The companies did feel, however, that they had great difficulties in enticing new recruits to the sector which they believed posed a greater long-term threat to the industry. It was felt that young people were not keen on working in



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“dirty” jobs, instead favouring jobs in IT and Commerce. Many of the companies interviewed felt that schools in the area were preparing pupils poorly for a manufacturing vocation.

Proportion of workers living in Redditch

The Committee heard different trends emerge from Members’ feedback on this subject. The majority of companies reported that their employees mainly lived in Redditch or within easy commuting distance in Bromsgrove and Birmingham. In other companies, the trend was to bus in workers from Birmingham and to employ foreign workers, particularly from Poland.

Is Redditch an attractive location for Businesses?

The general consensus from the feedback was that there were not many amenities in Redditch to attract new workers and businesses to the area. The feedback from one of the companies was very favourable towards the proposed Abbey Stadium development; they thought it would prove to be very good for the morale of the Borough, providing better leisure opportunities in the town. It was also felt that better bus services and housing choices would help overcome the negative image of the Town as a place to live.

Public Transport

The general consensus from the discussion on this topic was that none of the companies’ employees relied on public transport to get them to work. The reasons cited were that there were no regular bus services to and from the Town, or, in the cases where a bus service was available, the buses were not running at suitable times. The Committee felt that manufacturers as a group were not making a strong enough case to the bus companies to remedy this matter.

What can the Council do?

It was felt that the Council could take on a role of lobbying for more effective funding and support from government agencies. The Council could then ensure any grants were well spent and were making a difference.



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Redditch Student Council Visit

As part of the ongoing review, the Chair and the Head of Economic Development reported back on their recent visit to the Redditch Student Council as detailed below.

When asked what they saw themselves doing in ten years time all of the Student Councillors cited professional occupations such as a barrister, pilot or forensic scientist. Only one Student Councillor wanted to work in Redditch, with one other saying that they would not mind working in Redditch; the rest of the Student Council definitely did not want to live or work in Redditch. Various reasons were given for this including wanting to experience living elsewhere, lack of entertainment facilities and lack of career opportunities.

The amount of careers advice received was variable across the high schools in Redditch, with some students receiving detailed and ongoing advice from Year 9 and others only receiving one guidance session in Year 10. It was commented that in other parts of Worcestershire where there was a two tier education system, students were receiving careers advice from as early as Year 7. It was felt that careers advice should start in middle schools. All careers advice given was general in nature, with no advice given as to the type of industry and opportunities available locally. There was a general lack of knowledge regarding employment opportunities generally in Redditch. The Committee expressed concern at the lack of information seemingly provided by the schools in the area regarding job opportunities in Redditch.

On the whole students found work experience in Year 10 to be very rushed and not always useful. The onus was on students to find their own work experience placements, which they found very difficult to do. Many students found placements outside Redditch, often through family contacts. Students commented on the additional difficulty that all schools' work experience took place at around the same time, which made it even harder to find placements. Only one school reported having any real links with businesses and then only with a couple of companies.



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Business Support Forum : Notes

The following is an extract of the Notes of the Economic Task & Finish Group (a sub-group of the Leisure, Tourism & Economy Overview & Scrutiny Committee) Business Support Forum that was held on the 27th September 2005.

Following a brief set of introductions, the Chair asked each Expert Witness to make a short presentation to introduce themselves and their work.

Mr D Wright Manufacturing Advisory Service

Mr Wright presented the Group with some additional papers in support of his presentation. Members heard that the Manufacturing Advisory Service (MAS) was part of a national Department of Trade and Industry (DTI) initiative, with 10 branches in the UK and one soon to open in Scotland; each of the regional MAS were funded by the relevant Regional Development Agency (RDA); the West Midlands branch of MAS (MAS-WM), of which Mr Wright was the Chief Executive, was jointly funded by Advantage West Midlands, who provided more than 50% of the overall funding.

Mr Wright explained that MAS was a unique advisory service in that it was specialised and dealt exclusively with manufacturers; most of which were from small to medium enterprises (SME's).

Members were informed that MAS-WM offered five levels of activity to its customers:

Level 1: Inquiries; businesses were given free access to information regardless of their location.

Level 2: Manufacturing Reviews; informal meetings were available to carry out further investigations and provide advice and support.

Level 3: Workshops and Seminars; focussed on best practice for manufacturing, international marketing and purchasing.

Level 4: Project Interventions; specialist advisors offered up to five days of high level support.

Level 5: Referrals; advisors would gauge the most appropriate partner in either the technology or industry sectors who would then offer specialist advice.



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It was highlighted that MAS's Level 4 activities provided support in the most important area for businesses; through this, MAS provided solution delivery support, helped businesses apply for funding and acted as a broker to identify the most appropriate associate to solve the businesses' problems, whether they were regional Universities, Technology locations, or specialist institutes. MAS would offer funding for the application of that expertise for up to five full days.

Mr W Langford and Ms J Barton Advantage West Midlands

Mr Langford introduced himself and explained that the aim of Advantage West Midlands (AWM) was to develop and deliver the West Midlands Economic Strategy in relation with others; AWM was committed to promoting and encouraging organisations to source regional services where ever possible.

As an agency, AWM targeted its resources where it was identified that they were most needed and would have the most impact; it had specified 6 Regeneration Zones, 10 Business Clusters and 3 High-tech Corridors; the nearest of which to Redditch was the A38 Corridor running from Aston University to Malvern Business Park.

It was explained that AWM supported businesses by financing various support agencies such as Business Link, providing some 85% of their total funding. Members heard that AWM also had a Capital Grant Scheme, the Selective Finance for Investment (SFI), and provided grants for Research & Development to encourage people to be dynamic and innovative in their business.

Mr Langford introduced his colleague, Ms Barton, who, as a member of AWM's Business Relationship Team, encouraged and assisted businesses to tap into the knowledge base of the region.

The Committee heard how AWM had assisted in setting up a number of industrial estate



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learning zones, one of which was in Redditch, as part of its Skills 4 Adults scheme.

Mr Langford informed the Group that the West Midlands Economic Strategy would be up for review in the coming year and strongly urged Members to have an input in the process.

Economy Task & Finish Group Presentation

Councillor Smithers addressed the Forum on behalf of the Economy Task & Finish Group, and outlined the Group's findings from its review into Jobs, Employment and the Economy.

The Forum heard that in the course of its investigation, the Economy Task & Finish Group had conducted a series of interviews with local companies and, attended a meeting of the Redditch Student Council to find out about the aspirations of young people in the Redditch area in relation to their economic future.

Members had found that the majority of companies they had interviewed felt that they were losing business contracts to the Far East and Eastern Europe. The companies had believed that this was mostly down to the problems they had in competing on cost; with most of them feeling that the only way they would be able to stay in business long-term would be to diversify. Members informed the Forum that many of these businesses felt that not enough funding or grants had been made available to manufacturing firms in the area to aid with their diversification.

Councillor Smithers told the Forum, that through its enquiries, the Group had found that the majority of companies interviewed felt they did not have a recruitment problem. As had been widely reported, there had recently been a number of redundancies in the manufacturing sector and so there were plenty of possible applicants in the area to choose from. However, Councillor Smithers stressed that one of the Group's major concerns was that these companies had great



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difficulties in enticing new recruits to the sector, which Members believed posed a greater long-term threat to the industry. It was suggested that young people were not keen on working in “dirty” jobs; instead they favoured jobs in IT and Commerce. The Forum heard that many of the companies interviewed by the Group felt that schools in the area were preparing pupils poorly for a manufacturing vocation.

When the Group had asked the local companies how attractive a location they thought Redditch was for new businesses, the general consensus had been that it was not; citing a lack of amenities and a lack of incentives to attract new businesses, workers and their families to the area.

Councillor Smithers informed the Forum that many of the Companies who had been interviewed felt that the Council could take on a role of lobbying for more effective funding and support from government agencies; and that this had been the Group’s motivation for inviting the Expert Witnesses to the Business Support Forum.

Witness Questions Question 1

What support is available to companies in Redditch that need to compete on cost with businesses from the Far East and Eastern Europe?

Mr Wright responded to this question by informing the Group that it would be very difficult for a Western company to compete with the East on cost alone and strongly urged businesses not to attempt this; instead it was suggested that local businesses take a broader view of competition and enhance their product, by improving its value, quality or recognition. It was suggested that there were a number of organisations who could provide both advice and support to local businesses who wished to improve their business in this way.



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Mr Langford informed the Group that AWM as an agency worked at a strategic level and so provided support via agencies such as Business Link and via Major Development Grants for Research and Development. This support encouraged a development in the West Midlands knowledge base, and encouraged businesses not to compete on cost alone.

Members queried how these grants could be accessed; Mr Langford responded that AWM had finite resources and so had targeted them in the areas where it felt they would have the most benefit. Large amounts of funding was targeted at specific areas and challenges in the region; although, this practice had recently changed and funds such as Accelerate and the Strategic Finance for Investment were available.

Members voiced the concerns of the companies that had previously been interviewed by the Group by saying that it was generally felt that Business Link was inaccessible and not very proactive. Mr Langford informed Members of impending changes in business support funding; a Business Support Transformation Review had been undertaken at the request of the Regional Enterprise Board. Members then asked for an assurance that the Council and the businesses in Redditch would be made aware of any changes to business funding and how it could be accessed regionally.

Mr Wright asked if the businesses had expressed a preference for how they could be kept informed of any changes. Members felt that there should be just one point of contact, where businesses could be informed of what help was available.

Question 2 Local companies have reported that not enough funding or grants have been made available to manufacturing firms to aid with diversification. We are aware that some funding and support is available so can you explain what this support is, how it can be



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accessed and why you think some local companies might have this opinion?

Mr Langford informed the Group that support around diversification was an activity that originated at the time of the original Rover Taskforce; the diversification programme had since expanded and funds had been made available across the region to assist SME's with up to 250 employees; with sub-regional funding accessed via Business Link. Mr Langford felt that some of the onus for communicating the different funding programmes lay with Business Link.

Mr Wright agreed with Members earlier comments stating that manufacturers needed a clear and obvious access point. 60% of the companies MAS-WM had assisted had never previously engaged in business support. Mr Wright felt that MAS was an ideal first point of contact for manufacturing firms as they specialised in manufacturing and could act as a broker to help businesses access other support agencies, act as a guide for diversification schemes, and help companies decide what else was available.

Members felt that some businesses talked about "Diversification", when what they meant was "Business Improvement". Mr Wright agreed that diversification was only part of the picture, adding that the transformation process involved a huge amount of choice. In order to address this matter, target their responses and advise businesses accordingly, MAS first asked businesses what it was that they wanted to do, and which direction they wished to take to improve their business.

Members stated that many of the businesses in Redditch felt that they were not entitled to funding from AWM as they were located outside of the A38 corridor; Mr Langford stated that AWM was committed to economically drive and develop the whole West Midlands region and even though Redditch lay on the periphery of the corridor, any scheme that was in line with AWM



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objectives would be considered. Members felt that this had not been effectively communicated to local businesses; Mr Langford and Ms Barton said that they would take back Members' comments to Business Link and the dedicated Business Link Client Account Manager for Redditch.

Question 3 How do you communicate access to your services?

Members of the Forum discussed the difficulties in communicating access to business support as many of the businesses who would benefit from the funding and support were too busy to actively seek it.

It was acknowledged that it was often difficult to access companies by a phone call, and that paper based notifications were often ignored.

Question 4 How many companies from Redditch have you helped in the last twelve months?

Ms Barton informed the Group that as part of the Rover Taskforce, any business that had had contact with Rover was targeted for help; North Worcestershire had set up an MG Rover Response Group to monitor and organise some of the support provided in terms of training and job opportunities and support to affected companies. It was found that former Rover employees in North Worcestershire had fared far better in terms of the support provided than those in other heavily affected areas.

Members queried how many companies had been assisted prior to the Rover collapse; Members were informed that AWM, through Business Link had been in contact with 864 businesses in the Redditch area, had assisted in starting up 16 new business, and of 9 regional Inward Investment



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Enquiries, had presented Redditch as a preferred location to 5.

Question 5 How well do you think your existing policies meet the needs of the businesses in Redditch?

Mr Wright informed the Group that MAS-WM did not and would not focus its priorities sub-regionally; stating that he felt that MAS's strength was that it had chosen not to be sub-regionally focussed as manufacturing was a nationwide issue.

The Head of Economic Development confirmed this and highlighted how impressed she had been with MAS-WM, who despite not being sub-regionally focussed had been very amenable to getting involved with the Redditch Manufacturers Association and the Council.

The Forum heard that MAS-WM would be happy to engage and create network opportunities for businesses who shared a similar focus.

Mr Langford highlighted that AWM used its influence to promote and encourage organisations to source regional services where ever possible; future opportunities to do this were via Local Area Agreements and by trying to influence local supply chains and procurement.

Question 6 What role do you think the Council should play in improving support to businesses in Redditch?

In his answer to the above question, Mr Wright felt that the Council had two options; one was to stimulate engagement and help local businesses to know what help was available; the second option was to provide funding, not to try an independent scheme but to apply the funding



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to support services where there was already an infrastructure in place rather than to create new business support schemes.

Members wanted to ensure that any approach adopted would be Redditch focussed, Officers suggested that if the Council informed the businesses in Redditch what was available, then the businesses in Redditch would be the ones accessing and benefiting from the services.

Mr Langford felt that the Council could take a lead role to promote links between manufacturing businesses and local schools. Each of the witnesses recommended Inside Manufacturing Enterprise (IME) as an organisation who would visit schools and promote manufacturing as a career. It was suggested by Mr Langford that the Council could also get involved in shaping new policies by having input into the Local Strategic Partnership and the Worcestershire Partnership.

Expression of thanks

The Chair thanked each of the Expert Witnesses for attending the Economy Task & Finish Group Business Support Forum and stated that he had found the discussions very useful.



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Education, Training & Skills Forum : Notes

The following is an extract of the Notes of the Economic Task & Finish Group (a sub-group of the Leisure, Tourism & Economy Overview & Scrutiny Committee) Education, Training & Skills Forum that was held on the 28th September 2005.

Following a brief set of introductions, the Chair asked each Expert Witness to make a short presentation to introduce themselves and their work.

Mr D Waldron Learning & Skills Council

Mr Waldron explained that the Learning & Skills Council (LSC) had been created in 2001, as an amalgamation of the Further Education Funding Council and a multitude of private sector Training and Enterprise Councils; to plan, fund and seek quality improvement of the post-16 learner sector.

The LSC in Herefordshire & Worcestershire was mainly funded by Central Government and had a budget of £110 circa million annually. With its budget, the LSC funded organisations such as NEW College; passed money for school sixth forms across the Local Education Authority (LEA); and funded a network of providers to run the modern apprenticeship programme. Mr Waldron explained that as an agent of the government, the LSC operated within defined parameters, and had a clear set of priorities. The current priority of the LSC was to get as many 16-18 year olds to continue in education and/or training following their Year 11 of school. The LSC was working with a wide range of partners and providers to achieve its priorities; some of these partners included Advantage West Midlands (AWM) and the Government Office of the West Midlands (GOWM); especially through the European Social Fund (ESF).

The Forum heard that the LSC would be undergoing significant changes in the next few months; that is, it would be shedding 20-25% of its workforce by next summer. The LSC would then be moving to a more strategic role, planning education for post-16 year olds.



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Mr N Bromley NEW College

Mr Bromley informed the Forum that North East Worcestershire College (NEW College) had campuses in both Redditch and Bromsgrove, and currently recruited 9000 residents of Redditch to be students, out of a possible 18,000/19,000. Mr Bromley added that the Redditch Campus was the larger of the two sites housing 65% of the college.

The NEW College had a clear priority, similar to that of the LSC to recruit more post-16 year olds. This year, NEW College had recruited more than 50% of all sixth formers in Redditch.

Mr Bromley explained that one of the objectives of NEW College had been to be a viable source and destination for learners in North East Worcestershire. At the Redditch campus, NEW College offered a wide range of courses from A-levels to their vocational equivalent; Child Care, Sports and Catering for example, and also had a large provision for groups with learning difficulties. The NEW College Business School was located at the Bromsgrove campus, along with a number of adult training courses, engineering, and a school of Art & Design. The Forum heard that students were able to travel between the two campuses on the College's free bus service.

Mr Bromley informed the Forum that the joint venture between the NEW College and the Council to create the new ConstructIT Training Centre had been very successful; 160 people had enrolled in this, its first year; the centre was also full every day of the week.

In addition, the NEW College was also involved in teaching in community venues, offering a wide range of courses from recreational up to Honours Degrees.

Mr Bromley was keen to highlight the economic benefit of the NEW College in addition to its educational expertise. Mr Bromley informed the Forum that NEW College took its role as a



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Mr R Westwood Educational Services, Worcestershire County Council

community player seriously; it had been awarded a Charter Mark in the summer mainly for the role it played in community provision. The NEW College brought 10,000 people every week to Redditch Town Centre, employed over 700 people, and spent £20 million a year, mostly in Redditch.

Mr Westwood informed the Forum that the Local Education Authority (LEA) at Worcestershire County Council and those across the Country would soon be restructured and would be known as Local Authorities (LA) from October when Educational Services would be amalgamated into the Children's Services Directorate. This was part of a national movement as it was felt that schools should play a more central part in young people's development; the department would include other aspects of children's lives, such as health and social care rather than just their education.

Mr Westwood told the Forum that his current role was principally to improve schools and their functions; ensuring that there was an adequate supply of school places to match local needs.

The Forum heard that the responsibility of the LEA was to secure school improvement; each school had an inspection every 4-5 years, via Ofsted. Mr Westwood explained that although schools were seen as freestanding organisations; if the Ofsted inspection highlighted issues that the school itself could not address, the LEA had a statutory requirement to assist. The LEA monitored each school for early warning signs; monitoring school performance data such as exam results, identifying strengths and weaknesses, and directing schools to good practice in neighbouring schools if it was deemed appropriate.

Mr Westwood told the Group that within the Worcestershire LEA there were 20 Inspectors supporting the 300 schools in the area.



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The Forum heard that the LEA worked closely with the LSC to achieve the government improvement strategies to offer a broader provision for academic and vocational study from Key Stage 4 (14 years old onwards). It had been acknowledged within the LEA that in order to offer a depth and breadth of options, partnerships needed to be accessed.

It was highlighted that the LEA had supported 944 Redditch students in their work experience placements in the last school year via the Education Business Partnership (EBP); this work linked in with each school's responsibility to provide PSHE, Personal, Social and Health Education. The LEA managed a database and logged all providers of work experience and ensured that a Health & Safety check had been carried out on the premises.

One of the Members queried the LEA's decision to charge post-16 year olds for transport to and from schools when these services had previously been subsidised; it was suggested that more post-16 year olds would be encouraged to stay on at school if funding for transport was provided.

Mr Westwood explained that prior to the review, the LEA had spent £14 million of its £200 million total budget on travel costs; the LEA had felt that it would be more beneficial to spend the money on education.

Members queried the recent decision to have extended schools, and suggested that this may have been detrimental to the running of the school if staff spent a percentage of their time on community work. Mr Westwood informed the Forum that schools were responding to wider social issues; they now had a responsibility to engage with young people on many levels.

Ms A Stanton ASC Connections

Ms Stanton told the Forum that ASC Connections (ASC) was a REC (Recruitment and Employment Confederation) accredited Recruitment Agency, and was the only employment



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agency in Redditch that had achieved this standard.

The Forum heard that ASC offered a free service; recruiting for companies and securing full and part-time contracts for individuals. Ms Stanton informed the Group that she had secured some contracts for young people in Redditch at businesses where there was a training induction programme.

Ms Stanton informed the Forum that the main problem she had locally was the lack of provision for transport and said it proved very difficult to find people placements that could be accessed via public transport.

The Forum heard that ASC provided career advice and directed young people to the local Connexions service if it was felt appropriate.

It was explained that applicants had to pass a skills test with ASC Connections before being put forward for a placement; the Forum heard that ASC struggled to find work for 10% of applicants due to an insufficient skills base, in these cases Ms Stanton would direct the person to the Quadrant Training Centre for computer skills, the NEW College or the Job Centre Plus. Ms Stanton informed the Forum that recently she had been unable to fill a position for an Office Junior as there had been no applicants with sufficient skills.

Ms Stanton told the Forum that from a community point of view; this year had been the worst summer to find placements for students returning home from university; she felt that this was due to the influx of Polish Workers in the area.

Ms Stanton stressed that ASC was keen to help and that it wished to build up contacts across



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the different sectors.

Economy Task & Finish Group Presentation

Councillor Smithers addressed the Forum on behalf of the Economy Task & Finish Group, and outlined the Group's findings from its review into Jobs, Employment and the Economy.

The Forum heard that in the course of its investigation, the Economy Task & Finish Group conducted a series of interviews with local companies and attended a meeting of the Redditch Student Council to find out about the aspirations of young people in the Redditch area in relation to their economic future. Councillor Smithers explained that two Members of Redditch Student Council had been invited to be co-opted Members of the Group for the evening so that they were given the opportunity to see their concerns raised first hand.

Councillor Smithers told the Forum, that through its enquiries, the Group had found that the majority of companies interviewed felt they did not have a recruitment problem. As had been widely reported, there had recently been a number of redundancies in the manufacturing sector and so there were plenty of possible applicants in the area to choose from. However, Councillor Smithers stressed that one of the Group's major concerns was that these companies had great difficulties in enticing new recruits to the sector, which Members believed posed a greater long-term threat to the industry. It was suggested that young people were not keen on working in "dirty" jobs; instead they favoured jobs in IT and Commerce. The Forum heard that many of the companies interviewed by the Group felt that schools in the area were preparing pupils poorly for a manufacturing vocation.

When the Group had asked the local companies how attractive a location they thought Redditch was for new businesses, the general consensus had been that it was not; citing a lack of amenities and a lack of incentives to attract new businesses, workers and their families to the



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area.

It was explained that the findings from the Group's visit to Redditch Student Council compounded those that have been mentioned above; when asked what they saw themselves doing in ten years time, each of the Student Councillors had cited professional occupations such as a barrister, pilot or forensic scientist. The Group had found that only one of the Student Councillors had wanted to work in Redditch, one other had said that they did not mind working in Redditch, the remaining Student Councillors definitely did not want to live or work in Redditch. Councillors explained that the Student Councillors had cited various reasons for this, the main one of which had been a lack of career opportunities.

Councillor Smithers informed the Forum that the Student Councillors had felt that the amount of careers advice received was variable across the High Schools in Redditch; the general consensus had been that careers advice should begin in Middle Schools. It was found that all careers advice was general in nature, and that no advice had been given as to the types of industry and opportunities that were available locally.

When the Group had asked the Student Councillors about work experience placements; many of them had thought that they had been rushed and not always useful; the onus had been on the students to find their own work placements, which they had found very difficult to do. It had been commented on that there had been an additional difficulty as each of the schools' work experience took place at around the same time, which had made it even harder to find placements. Only one of the Student Councillors had reported to the Group that their school had any real links with businesses, and then it was only with a couple of companies.

In conclusion, Councillor Smithers informed the Forum that the Group was very keen to address



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the long term effects these matters would have on the Redditch economy; and that this had been the Group's motivation for inviting the Expert Witnesses to the Education, Training & Skills Forum.

Witness Questions Advice for local careers?

The Group told the forum that following a discussion with the Student Council it had transpired that none of the Members had received advice regarding the types of careers available locally; the Group asked the Expert Witnesses if they could suggest why this may have been the case.

Mr Waldron informed the Forum that eighteen months ago the LSC undertook a Strategic Area Review (StAR) and that local Officers had been involved in the consultative process. One of the issues that arose from the review was that there was no picture of a consistent delivery of careers advice to young people; as a result a partnership approach was adopted by the LEA, LSC and a network of providers from both private and public sectors. Through this collaborative approach, standards were emerging around content and consistency of delivery. Mr Waldron added that this development would be rolled out across the county, to be delivered at the "appropriate time". It had been acknowledged that the curriculum for 14 year olds onwards needed to combine both academic and vocational routes, and that consistent, constructive and accurate advice needed to be available in both of these areas.

The Forum was told that Connexions was the responsible body in conjunction with schools to address careers advice, but Mr Waldron felt that the inconsistency was partly due to a lack of focused resources.

Mr Westwood acknowledged that schools were becoming autonomous management entities and that that career advice had fallen through a hole in the system. Mr Westwood informed the Forum that all schools were under pressure from Ofsted and exam figure league tables; career



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advice was barely on the agenda.

Mr Westwood stated that Connexions was a targeted service, it now had a responsibility to target the post-16 year olds who wished to join the labour market.

Although everyone was entitled to this support, young people who decided to stay on at school rarely benefited from the service.

One Member stated that 28% of the labour market in Redditch was based in manufacturing, which was twice the national average; Members were concerned that there was a great need to encourage and sustain those businesses in the future.

Mr Westwood responded that as a nation we needed to readdress the educational priorities; at the moment the overriding target was the amount of students who achieved over 5 A-Cs at GCSE; the pressure was all educational, with seemingly no acknowledgement for achievement in vocational areas.

Members recounted that there was a culture for only the students with low predicted grades to receive advice on vocational training; for this reason there was a stigma attached to apprenticeships, people did not realise that they could be accessed by students with higher grades. It was suggested that because the majority of students were not receiving much careers advice, they tended to opt for the more glamorous jobs rather than more realistic local jobs.

The Forum felt that there needed to be a national recognition that a vocational route was equal to an academic route.



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Variable careers advice The Group reported that its findings from its visit to the Student Council suggested that careers advice was variable across the schools in Redditch; the Group asked each Expert Witness what experience they had had of this and why they thought this may have been the case.

Mr Waldron confirmed that this was indeed the case and recounted that a recent County-wide careers evening had highlighted that only 1 out of approximately 140 young people and their parents knew anything about apprenticeships.

It was generally felt across the Forum that many young people were staying in school sixth forms because they did not know what their other options were; it was felt that it needed to be clearly communicated that choosing a vocational route could still result in qualifications.

Ms Stanton informed the Forum that the hardest area to recruit for was engineering as it did not seem to exist in people's perceptions; ASC had adopted bringing in people from abroad to fill engineering vacancies. It was suggested that people were under the misconception that engineering was a "dirty" profession, when in reality some engineering firms were cleaner than most offices.

It was felt that Connexions, as the only impartial service should promote the many different areas available to young people so that informed decisions could be made about their future career. Mr Bromley told the Forum that as the principal of the NEW College he was unable to promote the college and its courses in local schools as there was a guarded attitude from educational institutions who were trying to run their schools as businesses.

The Group felt that the starting point for careers advice needed to be what was best for the learner and that this advice needed to be provided at an earlier stage in the process.



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Mr Westwood informed the Forum that there was now a requirement on schools for career advice to be done earlier. However, Mr Westwood suggested that teachers were often not in the best position to provide careers advice, having left school, to go to university, to go back to school, often without any experience of the wider labour market. The Forum heard that the LEA and the LSC were developing a Teacher Placement Programme, to widen the horizons of teachers by offering them placements in different sectors.

Outflow of young talent

Members were concerned that not enough was being done to encourage graduates to return to Redditch. Mr Waldron stated that this was a general characteristic of Herefordshire and Worcestershire; there was an outflow of young talent.

It was suggested that there was no real pull to entice people back to Redditch; there was a lack of amenities; poor levels of public transport; and it lacked glamour having been branded as an industrial new town. Ms Stanton felt that another factor attributing to the outflow of young talent was that Redditch was one of the lowest payers of salaries in the region; citing that a particular job in Redditch had a salary of £13,000 per annum, where as the same job in Droitwich paid £5,000 more.

The Group asked each of the Expert Witnesses what they felt the Council could do to improve the level of education, training and skills in Redditch.

It was suggested that the Council could further links between schools and the businesses in Redditch to encourage economic development. One Member felt that there should be a Redditch based careers fair and that local firms should be encouraged to attend rather than just a range of national companies.



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Members commented that the findings from the discussions echoed the findings from the Group's Business Support Forum on the 27th September 2005; there was generally considered to be a communication gap between the providers of the services and the receivers of the service; the consumers needed to know what was available. It was felt that the Council could investigate bringing the two sides together.

Mr Bromley suggested that the Council utilise the fact that High Schools had their own specialism, and had a sufficient injection of funds for their specialist area. Mr Bromley also commented that following the MG Rover collapse, there was a vast amalgamation of effort concentrating on providing careers advice and training for the redundant workers; Mr Bromley lamented the fact that the same joined up approach was not available to younger people who were facing the same issues but at the start of their career.

Expression of thanks The Chair thanked each of the Expert Witnesses for attending the Economy Task & Finish Group Education, Training & Skills Forum and stated that he had found the discussions very useful.



Appendix 4 Implications

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Appendix 4 Implications

Financial The financial implications for this recommendation will be in the region of £33690 for a full-time SO2 Economic Development Support Officer; the cost for reviving the Economic Development Marketing Strategy will be a further £10,000.

Policy There are no current policies within the Council with regards to Economic Development.
The development of the Council's Economic Development Service links directly with the Council's wish to "be at the heart of developing the local economy, environment and community" as laid out in the 2005 Redditch Borough Council Corporate and Performance Plan.

Legal The Local Government Act 2000 gave all Councils the power to "promote the economic, environmental and social well-being of their area".

Risk There is a risk that without sufficient resources being allocated to Redditch's Economic Development Service, the links between local businesses and local schools will decline; employers will continue to suffer from an exodus of talent and the local economy will be weakened.



Overview & Scrutiny

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