

**Report of Chief Officer, Employment and Skills**

**Report to Inner South Area Committee**

**Date: Wednesday 6<sup>th</sup> November 2013**

**Subject: Aire Valley Enterprise Zone - Employment and Skills Update**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Beeston and Holbeck, City and Hunslet, Middleton Park	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The Enterprise Zone provides targeted benefits to encourage companies to expand and to locate to Leeds .The Enterprise zone will provide support for local people to access the jobs created in the zone.
2. The Enterprise Zone offers a package of incentives to stimulate the development of the 4 key sites covering a total of 142 hectares of prime development land with planning consents in place for a range of employment uses including large scale manufacturing, distribution and high quality offices.
3. The Enterprise Zone will act as a catalyst for the regeneration of the Aire Valley Leeds which, fully developed could deliver £550m of additional economic output and a significant number of new jobs, accessible to households across the City.
4. The proposed activity outlined in the report will contribute to the achievement of objectives set out in the Best Council plan 2013-2017 of “promoting g sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses” with a specific focus on helping people into jobs and boosting the local economy.

**Recommendations**

The Area Committee is asked to:

- a) Note the contents of the report

- b) Comment on the planned approach to support businesses locating to the Enterprise Zone and how local people will be connected to subsequent employment opportunities
- c) Instruct officers to liaise with and support the Employment, Skills and Welfare Area Lead member to maintain an overview of the developing approach and provision to support local people to access training and employment through the Inner South Employment & Skills Board.

## **1 Purpose of this report**

- 1.1 This report summarises the work recently undertaken by the Employment and Skills Service to support businesses in the Aire Valley and outlines the services that can be provided to business to support the achievement of the Aire Valley Enterprise Zone objectives and link local residents from surrounding communities to employment opportunities.

## **2 Background information**

- 2.1 The Aire Valley Leeds Enterprise Zone presents a significant opportunity to deliver economic growth that will have a major impact on the economy of Leeds and the wider city region. The Enterprise Zone has the potential to create 9,500 new jobs and deliver a £550m boost to the local economy. It also has the potential to act as a catalyst for the development of adjacent areas, with the Zone projected to influence the delivery of a further 40,000 jobs in the region by 2025.
- 2.2 The continued development of the area is important to driving continued economic growth and employment creation across Leeds. Companies that are locating within the Enterprise Zone also benefit from a range of incentives including reduced business rates, worth up to £275,000 over a five year period, simplified planning, superfast broadband of up to 100 MB, plus a bespoke package of recruitment and business support.
- 2.3 The local business base includes manufacturing, engineering, transport, distribution and a wide range of business to business service industries, including large national operations and smaller specialist firms. Key companies currently based in the Aire Valley include Arla Foods, the UK's largest dairy foods producer, dried foods manufacturer Symingtons, Hesco Bastion, Everbuild, Allied Glass, Cameron, Roberts Mart, Omega Signs, Mitsubishi PES and Siemens.

## **3 Working with Business**

- 3.1 Through partnerships with agencies in the city, Employment Leeds provides a single point of contact and a more coherent offer of training and recruitment services to businesses located in Leeds and to companies wishing to expand or relocate to Leeds. The team seeks to link job ready individuals registered with the service to these vacancies. The team supports businesses to run information sessions and recruitment and assessment centres in local communities, and source local providers for pre-employment and customised training to meet their specific needs.
- 3.2 The team already works with a number of the large employers in the City covering a wide range of job roles in health and care; engineering and manufacturing;

printing; food and drink; financial and business services and retail at different levels but largely focused on entry level, semi-skilled and skilled jobs.

**3.3** The Employment Leeds team is currently supporting the delivery of employment and skills and supply chain obligations on a number of high value contracts and S106 planning agreements where these requirements had been introduced by the Procurement and Planning services of the Council. These included the Leeds Arena, a number of retail developments across the city, and the recently approved PFI schemes for the recycling and energy recovery facility and the housing developments in Beeston Hill and Little London.

**3.4** Where obligations are placed on developers and their site end users and contractors, the service will agree an Employment and Skills plan with them which details the employment profile i.e. the number and type of job / training opportunities against a timescale for recruitment and delivery. This enables the service to work with local partner agencies to provide skills training and or customised programmes to support individuals and businesses to access these opportunities. Early intervention with developers and contractors is key to securing and maximising employment outcomes.

#### **4 Recent activity**

4.1 Support has been provided to 30 businesses in the Aire Valley during April 2012 – July 2013. These cover a range of sectors including manufacturing / services to manufacturing sector with the remaining spread across construction, media, catering, wholesale distribution, other public and the financial and business services sectors.

4.2 The above activity supported 40 people to secure employment in a variety of roles and an additional 55 young people have accessed apprenticeships. All vacancies are notified to registered Jobshop customers and the provider network across Leeds and advertised on the Council website.

#### **5 Current Business Activity**

5.1 The planned development by Veolia at Newmarket Lane and the proposed developments by Watershed Packaging and Symington's at Thornes Farm will potentially generate between 300 to 500 job opportunities over the next 2 years. While Symington's will expand at the new site, new job roles will be created in other parts of the business in Leeds. These discussions are at an early stage and updates on progress will be provided as the developments move forward.

5.2 The contract for the new waste and recycling facility to be developed by Veolia includes employment and skills obligations. Two engagement events have been delivered with partners including Veolia, Clugston Construction, Construction Yorkshire and Housing, the Work Programme providers and Jobcentre Plus to support the delivery of these obligations. The community event focused on the range of job opportunities available, the skills required for the roles and the timeframes involved. The meet the buyer event was aimed at engaging local businesses in the supply chain and provided local businesses with the opportunity to meet with Veolia and their main contractor, Clugston construction.

- 5.3 The 2 events were held on the 5 August at the Richmond Hill Community Centre and the Leeds Mega Centre .The community event attracted 114 residents from across the city as detailed in Table 1 below and the supply chain event attracted 15 local businesses interested in finding out more about the construction and ancillary contracting and supply opportunities.
- 5.4 The employment and skills obligations included in the contract for the construction and operation of the waste and recycling facility are set out below in Table 2. Those attending the community event have registered their interest in these jobs with Construction Yorkshire and will be advised as different trades are required for site works and will continue to be matched to them.

**Table 1 Number of residents by ward attending the Veolia Community Information Event**

Ward	No	Ward	No
Ardsley and Robin Hood	1	Killingbeck and Seacroft	2
Beeston and Holbeck	3	Kippax and Methley	1
Burmantofts and Richmond	43	Kirkstall	2
Chapel Allerton	3	Middleton Park	2
City and Hunslet	7	Not known	5
Crossgates and Whinmoor	2	Pudsey	1
Farnley and Wortley	4	Rothwell	1
Gipton and Harehills	8	Temple Newsam	21
Guiseley and Rawdon	1	Weetwood	1
Headingley	1	Wetherby	1
Hyde Park and Woodhouse	4		

**Table 2 Employment & Skills Targets – Veolia Waste and Recycling Facility.**

Skills Areas	Construction Phase Targets	Operational Phase Targets
<b>New Entrants – skills development</b>		
School/college site visits	20	500
School/college workshops	10	250
Education research projects	2	30
Work experience 16 – 17 years	10	125
Work experience/entry and level 1 qualifications 18 years plus	2	25
Apprentices – project initiated – no of years equivalent	2	25
Project initiated Higher Level Skills	2	25
<b>Existing workforce – Skills development</b>		
Health & safety tests (100%)	250 (max)	25
National Vocational Qualifications (50%)	125 (max)	30
Construction Skills Certification Scheme (CSCS) cards (100%)	250 (max)	15
<b>Employment</b>		
Employment (local)	170	30
Employment (others)	290	28
Total jobs created – Directly engaged on project	300 (at peak level)	43
Total jobs created	55	278

Total (14 + 15)	355	321
Target direct employees sourced from long-term unemployed	50	15
<b>Business Engagement</b>		
Business event held	5	5
Leeds businesses engaged on project	10	25
Yorkshire and Humber businesses engaged on project	15	30

## **6 Future Activity**

- 6.1 Individual businesses locating in the Enterprise Zone will have individual workforce development plans and skills needs. These may depend on whether they are transferring the workforce from another site or growing their overall workforce, existing or potential future skills gaps. Businesses may wish to recruit to a small or a larger number of job roles at different levels requiring generic or specialist skills.
- 6.2 Discussions will take place with businesses choosing to locate in the Enterprise Zone at an early stage to identify their workforce plans and how Employment Leeds can support their implementation particularly through the recruitment of local residents to new opportunities.
- 6.3 The Jobshop network, website and social media plus outreach activity can be used to target opportunities to particular communities and or disseminate information city-wide where appropriate. The team also link with a network of local partners and FE and HE learning providers where specialist and higher level skills are required by businesses. . Members can support this process by encouraging local people seeking employment to register with the Jobshop ( at Hunslet Library and Dewsbury Road One Stop Centre) or the Job Club at St George's Centre Middleton where individuals can access a wide range of skills programmes and undertake preparatory work to complete up-to-date CVs, assessment centre and interview preparation.
- 6.4 The team will continue to work closely with Aire Valley Enterprise Zone Project Director to ensure that support is provided at the appropriate stage to ensure a seamless service and that opportunities are maximised for local residents to access training and job opportunities.

## **7 Corporate Considerations**

### **7.1 Consultation and Engagement**

- 7.1.1 Consultation on the Enterprise Zone has taken place at key stages with stakeholders and ward members. The most recent engagement with local communities and ward members was on the Waste and Recycling facility on the 5 August accessed by both local residents and businesses

### **7.2 Equality and Diversity / Cohesion and Integration**

- 7.2.1 An equality impact assessment screening document has previously been produced for the development of the Aire Valley Enterprise Zone. This

recognised that a targeted approach to those areas with the highest rates of out-of-work claimants is required to ensure equality of opportunity for those furthest from labour market. Targeted information and support will be provided based on data on claimant numbers in and across localities and includes inner south Leeds.

### **7.3 Council policies and City Priorities**

7.3.1 The Enterprise Zone contributes to the city's Growth Strategy and will contribute to the achievement of objectives set out in the Best Council plan 2013-2017 of "promoting sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses" with a specific focus on helping people into jobs and boosting the local economy.

### **7.4 Resources and value for money**

7.4.1 Collaborative working with business and other partners will ensure that employment opportunities created through investment in the Enterprise Zone can be accessed by the adjacent communities. Support to enable local people to access job opportunities through publicly funded programmes, will reduce their benefit claim period and help them to develop the skills to secure, stay and progress in work and improve their lives.

### **7.5 Legal Implications.**

7.5.1 There are no legal implications arising from the content of this update report.

### **7.6 Risk Management**

7.6.1 There are no new risk management issues associated with this update

## **8.0 Conclusions**

8.1 The Employment and Skills service has undertaken targeted work to support local people from communities with the highest levels of out-of-work claimants to acquire skills and move into work and is well placed to support access to jobs in the Enterprise Zone. Over 7,000 adult learners were supported to acquire new skills and over 3,000 people were supported to secure employment in 2012/13. This has been supported by partnership working and the use of employment and skills obligations e.g. over 300 jobs and apprenticeships at the First Direct Arena and 500 jobs and apprenticeships at Trinity Leeds.

8.2 Early discussions with inward investors, expanding businesses and developers will enable the service to draw up skills and employability support programmes and recruitment plans that meet their business needs. Priority will be given to providing training and employment opportunities for local people during construction and on completion of the schemes with end users in the Aire Valley Enterprise Zone. A range of methods will be used to make local people aware of these opportunities including jobshops, the Council website, social media and notifying local ward members.

## **9. Recommendations**

The Area Committee is asked to:

- a) Note the contents of the report;
- b) Comment on the planned approach to support businesses locating to the Enterprise Zone and how local people will be connected to subsequent employment opportunities;
- c) Instruct officers to liaise with and support the Employment, Skills and Welfare Area Lead member to maintain an overview of the developing approach and provision to support local people to access training and employment through the Inner South Employment & Skills Board.

## **10.0 Background documents<sup>1</sup>**

10.1 There are no background documents associated with this report.

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<sup>1</sup> The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.