

Kent Economic Board

Name of Meeting: Skills for business growth
Darent Room, Sessions House, Maidstone

Date: 28/3/2011
Chair: Paul Carter
Notetaker: Roger Gabriel

Present & Apologies: Attached.

	Notes	Actions
1	<p>Introductions. Paul Carter welcomed all to this the first meeting of the skills for business growth group, and asked everyone to introduce themselves and to give a short idea of what they wanted to achieve from these meetings.</p>	
2	<p>Current context and emerging arrangements Paul Carter began by setting the scene explaining the objectives of the group was to try and match the skills and training opportunities in the county with the employment needs of industry, commerce and business. His hope is to establish those very important relationships between skills provision and business needs, and that the contributions from this group would be very useful here. KCC was in the process of writing a number of sector strategies and this group would also usefully feed in to this process of trying to understand business needs. He explained that the county had made a start in trying to match the choices that young people in school sixth forms and FE took, with the potential local employment opportunities. Work done so far was highlighting this mismatch. Along side this was the drive to increase the numbers starting apprenticeships. He also suggested that we might look at what HE offered in Kent, and how this also matched the demands of the local economy. The membership of the group was now more focused, with a much higher number of employers, which he hoped would meet this challenging agenda facing schools / FE / HE in an open 'critical friend' way. Paul then highlighted some of the changes in funding which would be impacting on this agenda; the increase in student fees; the overall reduction in funding for all FE; the removal of post 19 FE funding; the potential reduction in sixth form school funding; and the changes to welfare to work programme. Roger Gabriel pointed out that there were proposals to introduce a loan scheme in 2 years time, similar to that which currently students accessed, to address the removal of funding for the post 19 FE education. He also commented on the mismatch between school post 16 curricula and local business expectation, sixth form courses were geared to higher education progression, not necessarily directed to employment. He also commented on the mechanisms young people employed when choosing courses, what was their major source of influence and knowledge; careers</p>	

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<p>service, teachers, parents, or peer group pressure. Understanding this process and applying positive influence here might be something this group might investigate.</p> <p>Roger gave the example of modern apprenticeships, and the general lack of understanding of their scope and potential as routes to further and higher education.</p> <p>Tony Allan commented that as a result of the Common Spending Revue adult further education funding would be cut by 25% over the next 4 years. This group would need to understand the changes to funding as it would frame the context in which it might operate. The new government had dropped skills targets, with the exception of apprenticeships. This had freed up providers who should now be able to meet the needs of local employers. FE will have less direct funding, but they will be able to make up this gap in funding though full cost recovery courses that can directly meet the needs of employers and business. He also commented on the perceived 'lack of work ethic' in our young people, this was more to do with fashion, and social circumstances, than lack of education. He pointed out that in the budget the government had announce an additional 40,000 apprenticeships, whilst on the face of it this looked positive, he was worried that as they are targeted at the young unemployed, would this change the perception of the value of apprenticeships with some employers, devaluing them. Meeting these numbers would also be a challenge for the agencies involved. He also agreed that this group could be useful in 'myth busting' some of the hearsay, as some of the facts, taken out of context were not helpful, as an example to commented that we are 'currently as a nation producing graduates at 7 times the rate that as a country we need, and that these graduates were also studying the wrong subjects'. To address this mismatch he suggested we need to establish parity between vocational study routes to HE, (with A levels) and to encourage their take up. He stated that we need a situation where HE accepts 3 A levels or a Higher apprenticeship as equal entry qualifications.</p> <p>Suzanna Wood lamented the demise of the HND route, these did appear to meet employer needs for a mix of vocational and theoretical skills.</p> <p>Gioia Pescetto commented that at her university (CCCU) they did recognise a large range of entry qualifications. It was true that most 18 year olds entered university with A levels, but that older entrants did have a wider range of qualifications.</p> <p>Tony Allan pointed out that public perception was still that A levels were the route to HE, and this was what need to change.</p> <p>Miranda Chapman commented that universities were obviously not for everybody, and that there's was a need for an extensive communications campaign to raise the public perception of apprenticeships, some good case studies taken from Kent for Kent businesses. Her company was moving to a more digital base she explained, and she was experiencing great difficulty recruiting young people with the qualifications she needed, her conversations with FE lead to her believe that NO Kent FE intuitions are currently teaching the skills her company require, this exemplifies the problems with the system in that providers are not keeping pace with the rapid changes industry is making to remain competitive. She also highlighted some of the excellent practice that CCCU is undertaking to find out what skills business needed, and are changing their courses to meet these needs. She was unaware of some of the</p>	<p>RG and Miranda to look at communications</p> <p>Miranda and</p>

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	<p>undergraduate schemes Gioia had mentions that were available this again highlighted the need for better communication.</p> <p>Elias Denker commented that as a company if he was able to recruit a graduate who had an apprenticeship practical background as well, was 'like gold dust'. Their mix of theoretical and practical skills meant they were more productive at an early stage.</p> <p>Paul Carter wondered whether in Kent we could encourage more companies to recruit at 18, and use the universities to supply distance learning as and when required, provided the quality was available.</p> <p>Gioia Pescetto added that some of the larger companies were already doing this, but that smaller companies would need to work together if they were to access this type of course, to ensure numbers were viable.</p> <p>Megan McKibbin highlighted that we seemed to have identified a market failure here, this should be something the group should investigate and report back to the next meeting; to define the characteristic of this market failure, and thus identify the opportunities which might be exploited, which she suggested might be around FE and vocational education routes.</p> <p>Paul Carter summed up that the impending changes in the funding regime would potentially have a dramatic effect and thinking now about how we in Kent can respond to this, to make it 'user friendly' for the business community. We needed to achieving both a positive outcome for business growth and a win for young people.</p> <p>Terry Mitchell suggested the potential of use of some of the construction projects in Kent which had embraced young people in training, as exemplars in any communication strategy for the wider business community, and to make the engagement with providers 'easy'. The Skills Funding Agency document circulated with the agenda he thought was a classic example of how we are getting this communication wrong, it was too complicated, too long and not a good read. He also made a plea not to forget those harder to reach young people, those who may have been excluded from school, as in his experience these individuals can sometimes be the most inventive and productive individuals, it just needed to have their talents channelled correctly.</p> <p>Michael Bax reiterated the lack of 'work ethic' point in UK young people, as he had seen demonstrated at Thanet Earth, they cannot find local people who will stay as employees for more than a few weeks. This was also mirrored around the soft fruit farms in Kent every summer, who also try to employ locals but they fail.</p> <p>Megan McKibbin pointed out that much of this was due the benefit trap rather than 'work ethic', but this was something the 'myth busting' statement could look at.</p> <p>Wayne Gough agreed that for a lot of people on welfare take on a casual job would just not be economically sensible. However for a lot of younger people the lack of 'work ethic' might also be due to lack of expectation, work is actually quite hard, and a first job might not be well paid, but the second and third might gradually meet expectations. For some people they needed a chance to show their worth in that first job, and they might need some intensive support through the first few weeks.</p>	<p>Gioia to look at publicising undergraduate schemes</p> <p>RG and MM to produce draft statement for next meeting</p> <p>RG to work with MC to scope some examples.</p>
3 & 4	Draft terms of reference and Role and Purpose and Draft programme	

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<p>Roger Gabriel started by drawing the group attention to the terms of reference circulated with the agenda, he highlighted section 4, and that in the light of the discussion so far that this might need some refining and strengthening. He agreed to undertake this and circulate a revised copy.</p> <p>Roger then went through a short presentation where he outlined the goals for the group which should be to get closer to business, to understand more closely their needs, and to reflect this for the public sector to consider. He explained that this could be achieved through 2 broad approaches; providing strategic leadership at the local level and enabling employers and learning providers to work effectively together to improve business growth.</p> <p>From this he developed 4 priorities:</p> <ul style="list-style-type: none"> • Engaging strategically with employers, <i>Examples being the work with Vattenfall, in Thanet and the GradsKent project.</i> • Improving basic skills, to ensure Kent jobs for all, <i>Examples here given was the work undertaken with the apprenticeship scheme, 100 in a 100, work with young offenders and single parents, and potential work with contractors affected through the closure of Pfizer.</i> • Being responsive to local employer need, <i>Example here was in the report from the 16-24 unit, which highlighted the mismatch between courses offered and local employer demand. Disseminating this information to providers would go a long way to resolving this mismatch. In logistics it is forecast that there will be 38,000 new jobs over the next 5 years, with many jobs at level 3 and above, but currently there were only 42 courses on offer to meet this demand in Kent, and only 10 of these at level 3. The report also highlighted that where FE is being responsive to local need the NEETS figures are also correspondingly low, demonstrating a positive outcome.</i> • Being responsive to the future needs of business. <i>Some of the early results that were emanating from the sector conversations programme, which had currently met with the Rural sector and the Construction sector were highlighting these needs, we would need to look at how these were actioned.</i> <p>Paul Carter was keen that as the largest local authority we used our size and influence to model some potential changes, to really 'move and shake' the system, and then report back to government some potential solutions to 'fix' the main stream issues facing 19-24 year olds who can't get a job and have the wrong qualifications to get a job.</p> <p>Tony Allen agreed that the work planned as a result of the Pfizer closure, using ESF funds might be something that we could use to experiment with new models or relevant, timely, training.</p> <p>Laura Froude explained that the Wolf report, highlighted some of these issues, and suggested a radical change of approach, putting employers at the centre, trying to match learners to the employer, and as a group we should look at these recommendations and see where they could work for us in Kent. Young people needed more preparation for society, more relevance in the curriculum, in order to cope with the change from school to work.</p> <p>Suzanne Wood made a plea that the curriculum must be relevant and practical, applied maths worked.</p>	<p>RG to revise and send new ToR.</p> <p>RG/MM to investigate the labour market 'failure' statement defining potential opportunities</p> <p>LF to prepare a short session for the next meeting on the 16-24 report.</p> <p>WG, TA and RG to investigate and report back suggestions.</p>

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	<p>Tony Allan agreed that having an applied curriculum did aid learning, however, measuring these skills was much harder than assessing qualifications, and that the current system was predicated to 'payment by results' linked to qualifications. The challenge therefore was to make qualification relevant, more skill based.</p> <p>Roger suggested the following actions:</p> <ul style="list-style-type: none"> • Simplify the employer engagement process, • Simplify the work experience process, • Meeting the challenge over apprenticeships, • Working to resolve the mismatch between providers and employers, • To start addressing issues from the business growth meetings. <p>Megan McKibbin suggested we add to this a communication champion, also to researching the notion of market failure. She suggested that we look closely at the Wolf report with a view to referencing potential Kent opportunities.</p>	<p>RG to circulate Wolf report and work with LF to prepare feedback</p>
5	<p>Active capturing of contribution</p> <p>Paul Carter championed the work already achieved in the county, over the last 5 years, with 8500 young people 14-16 completing a vocational course of their choice one a day a week, nobody else in the country has done that, leading to outcomes of less NEETS than the national average, and raising ambition in our young people. He suggested we look at how this group could be used to inspire all young people to think more vocationally, using the business community to champion and motivate in schools about what the world of work can offer.</p> <p>Terry Mitchell agreed that if businesses could promote their own good case studies they would probably wish to get involved.</p> <p>Miranda Chapman agreed that work experience was failing, and gave examples from her company. She also gave an example of where school business engagement was working really well, but when she offered this to other schools she was met with indifference.</p> <p>Suzanne Wood raised the point of whether school teachers really understood the world of work? Shouldn't they do work experience? She had offered to help locally and was also met with indifference.</p> <p>Megan McKibbin saw this as a challenge to the business community, the school 'process' culture was not meeting the needs of business, we in this group might wish to rise to this challenge.</p> <p>Tony Allan agreed that work experience was an important milestone in the school work interface and was something that this group might wish to engage with.</p> <p>Miranda Chapman suggested that we look at releasing a positive press story demonstrating where the Kent schools and businesses were meeting the demands laid out in the Wolf report.</p>	<p>RG to work with Miranda to investigate this</p> <p>RG to investigate work experience.</p> <p>RG and MC to look at this</p>
6	<p>Date of next meeting.</p> <p>RG to investigate bringing the next meeting forward, which is currently planned for 15th June.</p>	

Strategic Skills Group
Monday 28th March 2011
5.00 – 7.00 p.m.
Darent, Sessions House

Attendees

Paul Carter	Leader	Kent County Council
Tony Allen	Senior Account and Skills Service Director	South East, SFA
Michael Bax	Senior Partner Director	BTF Kent Wool Growers Ltd
Miranda Chapman	Director	Pillory Barn Creative
Elias Dencker	O&M Project Manager London Array	DONG Energy
Laura Froude	14-18 unit	Kent County Council
Roger Gabriel	ESB Manager	Kent Economic Board
Wayne Gough	Interim County Manager (Supporting Independence Programme)	Kent County Council
Megan McKibbin	Executive Director	Kent Economic Board
Terry Mitchell	Project Director	SKANSKA Infrastructure
Development		
Prof. Gioia Pescetto University	Dean (Faculty of Business & Management)	Canterbury Christ Church
Suzanne Wood	Director	Medway Fibreglass Ltd

Apologies

Jane England	Recruitment and development manager	John Lewis, Bluewater
Sue Flavin	Learning and Development Operations Manager	SKANSKA Infrastructure
Development		
Roger House	Director Regional Chairman	Partnership-Working Ltd FSB Kent and Medway
Helen Kaye	HR Director	Henry Schein, Pharma
Suppliers		
Mark Lumsdon-Taylor		Hadlow College
Paul Winter	Managing Director	Wire Belt Company Limited