

A Local Plan for Lancaster District 2011-2031

Employment and Skills Plans – Supplementary Planning Document

February 2018



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Foreword

- i. Lancaster City Council are consulting on this Supplementary Planning Document (SPD) in relation to Employment and Skills Plans. This follows previous consultation on a draft SPD – this version seeks to take account of comments received at this earlier stage of consultation and represents, in the view of the Council, a final version of the SPD. The Council will welcome further comments and representations on this SPD for a four week period, commencing on Monday 26th February and concluding at 5pm on Monday 26th March 2018.
- ii. The SPD, Consultation Statement and any other relevant background information has been made available on the Council's website, at www.lancaster.gov.uk/planningpolicy and hard copies are available at both Lancaster and Morecambe Town Halls. Any further information and advice on this matter please do not hesitate to contact the Planning and Housing Policy Team on planningpolicy@lancaster.gov.uk or 01524 582383.

1. Background

- 1.1 This document has been prepared by Lancaster City Council to supplement Policy DM48 (Community Infrastructure) to provide further guidance on the preparation and implementation of an Employment and Skills Plan (ESP). It will also seek to supplement more detailed policy on ESPs which is contained within the Publication Version of the revised Development Management DPD, in particular Policy DM27.
- 1.2 This Supplementary Planning Document (SPD) will assist anyone whose development proposal triggers the requirement for an Employment and Skills Plan (as defined in Policy DM48 of the Development Management DPD and DM27 of the emerging DPD).

2. Introduction

- 2.1 Lancaster City Council wishes to play a leading role in improving educational attainment and skills and raise aspirations within the district. It is important to ensure that local people get the right education, skills and inspiration to enable them to get jobs. Lancaster City Council wants to work with developers to ensure that local people have the skills and the opportunity to access employment generated from major new developments in the district. Preparing and implementing an Employment and Skills Plan (E&SP) from major new development is one of the ways to achieve this.
- 2.2 The council is following the Construction Industry Training Board (CITB) best practice on the strategy and protocols public bodies can use to deliver against the skills and employment agenda. The route to securing training and employment opportunities is through the implementation of planning policy and underpinning protocols. Examples of other local authorities' work with CITB in this field shows that the requirement for a developer to seek approval for, agree and implement an ESP as part of the planning application and implementation of the delivery process is key.
- 2.3 The council has also attained CITB's National Skills Academy for Construction status and will be using construction industry developed / approved frameworks and toolkits to assist the implementation of the SPD requirements. The approach adopted by the council is a product of the Academy and

presents an industry solution to embedding employment, skills and apprenticeships into public policy strategies.

- 2.4 The implementation of the ESP is to be made subject to planning condition which would form part of any planning permission. The condition will ensure that local labour will be used during the construction phases of the scheme and that local people will be provided with the opportunity for training and apprenticeships in accordance with an approved ESP.
- 2.5 This Supplementary Planning Document (SPD) sets out why ESPs are needed, what would go into such a plan, what type and size of development this would apply to and the process involved in requesting, preparing and implementing a plan. Dealing with the delivery of employment and skills plans via the planning process (and particularly via the preparation of an SPD) is not a unique approach taken by Lancaster. There are already many local authorities using the planning process to deliver improved training opportunities via the planning process including Stockport, Portsmouth, Reading and Havant councils.
- 2.6 The council's Corporate Plan and Economic Regeneration Vision both recognise the need to improve skills and access to jobs for people in the district. As part of its Economic Vision the Development Management DPD, adopted in December 2014, notes that:

'The Council will seek to meet the challenges of sustainable growth with both the district and regional economy, creating conditions which will enable managed growth and establish a strong, diverse and vibrant local economy.'

- 2.7 'Wellbeing' powers are included within the Local Government Act of 2000 and have also been prominent in recent legislation and obligations under the Public Services (Social Value) Act 2012. The Social Value Act requires all public bodies in England and Wales to consider:
- How may what been proposed locally improve the economic, social and environmental well-being of the local area; and
 - How a public body might act with a view to securing that improvement, in conducting its own procurement processes.
- 2.8 In terms of the legislation 'social value' can encompass: education, training and skills, work, income, living standards, health, participation and social wellbeing (a positive physical, social and mental). The council and its partners will work to a high level Construction Employment and Skills Strategy focussing on the following opportunities and needs:
- The high number of young people who are not in employment, education or training (NEET) is a significant problem and reducing this figure is a key priority for the local stakeholders.
 - Apprenticeships are high on the local agenda and stakeholders are keen that young people are more aware of and have access / support to secure worthwhile apprenticeship opportunities.
 - The construction sector can potentially provide a large number of entry level training positions and formal apprenticeships aimed predominantly at young people. This would help young people enter the labour market and help address youth employment issues.
 - There is a mismatch between the skill levels of local adults and the skill levels required by major contractors and sub-contractors. This is a major reason for a high level of 'commuting in' by lead contractors' suppliers and sub-contractors on major construction jobs.

- The formal provision and arrangement of work trials, interview guarantees and delivery pre-employment training will be useful in securing roles in construction projects for local people.
- The provision and placement of local students in employment roles leading to long term job offers in professional / technical roles is a key aim in maintaining a strong local skills base.

2.9 Lancaster City Council will seek to facilitate the use of ESPs by working with developer / applicants of major development to determine firstly whether a plan is necessary and appropriate and then (if found to be necessary and appropriate) to work with the developer / applicant to successfully complete the plan. The Economic Development team and its partner bodies and agencies will help facilitate the discussions with training providers to ensure that the plan seeks to address genuine training and skills gaps. The differing roles of the authority (and other key stakeholders) is set out in Table 2 of this SPD.

3. Planning Background

- 3.1 The planning system plays an important role in creating the conditions for economic growth. It can also be used as a powerful tool to directly promote the use of local people through the construction and implementation of proposals which can generate significant levels of employment through the development phase. The council's emerging strategy envisages significant housing, retail and economic growth, the employment and skills potential of which should be captured to ensure maximum local benefit.
- 3.2 Strategic principles of including a requirement to define and deliver employment and skills outcomes through major development proposals has been agreed by the council via the adopted Development Management DPD. In Policy DM48, the DPD states that:

'The Council will support and promote the use of local people and business through the construction and implementation stages of proposals, particularly major proposals which can generate significant levels of employment through the development phase.'

'To achieve sustainable economic development, applications for major development will be expected to develop and implement an 'Employment and Skills Plan' (ESP) identifying opportunities for employment and up-skilling of local people through the implementation of their development proposal. The ESP should be informed by priorities identified through liaison with the council, local employment and skills agencies. The target outcome of the ESP will be commensurate with, and assessed against the construction industry standard benchmarks of the employment / skills outcomes expected from the particular size and type of construction proposed.'

4. When will an Employment and Skills Plan be requested?

- 4.1 New development in the city can contribute towards providing training and employment opportunities for local residents. To ensure that development is not overburdened, employment and skills plans will only be requested from developments of a certain scale and also those with the council have a leading role and/or interest. This will cover residential development a commercial development (i.e. office, retail and leisure, hotels, industrial and warehousing) and also associated infrastructure projects where the scale of the scheme is considered to be significant enough as to warrant an ESP, for example the construction of schools, hospitals, sea and river defences and other engineering works.

- 4.2 The Government define major development as 10 or more residential units or more than 1,000sqm of commercial floorspace. It is considered that the development of 10 residential units is relatively small with regards to this issue and therefore requiring employment and skills plans from these developments could prove over burdensome. The Council therefore suggest that a more appropriate threshold for residential development would be 20 or more units. It is therefore proposed that the following thresholds should be applied by this SPD in relation to the preparation and implementation of an Employment and Skills Plan.

Residential Development	20 or more residential units
Commercial Development	The creation of 1,000sqm of new commercial floorspace.

Table 1: Thresholds for the delivery of Employment and Skills Plans (Policy DM48 of the Development Management DPD)

- 4.4 The council will not overburden development, in accordance with paragraph 153 of the National Planning Policy Framework. However, all proposals which exceed the thresholds set in Table 1 will be considered for their suitability to undertake an Employment and Skills Plan as the benchmark requirements have been led and approved by the construction industry providing confidence that the demands on construction projects/developments are reasonable, relevant, proportionate and achievable. Consideration will be given to the merits of each proposal and flexibility may be applied in exceptional circumstances, particularly where developers may have an appropriate training scheme already in place.

5. Preparing and Implementing Employment and Skills Plans

- 5.1 The requirement for an ESP will be ideally raised with the developer by the case officer at the pre-application stage or alternatively following the submission of a planning application. This supplementary planning document will be used to assess whether an ESP is required and appropriate for any development proposal. The Council's Economic Development Team will seek to work with the applicant to agree the content of the ESP and will also assist the applicant to implement the plan providing links to key partners such as jobcentre plus, schools and colleges and other training organisations.
- 5.2 The requirement for an ESP will be considered through the application process, using this supplementary planning document to assess whether an ESP is required and appropriate for any development proposal. Should the Council consider such a requirement necessary then a condition will be applied to any form of planning approval.
- 5.3 It is critical the content of the ESP is prepared and agreed with the authority prior to the commencement of development and the condition is formally discharged. This is necessary as the requirements of the ESP specifically relate to matters of demolition and construction which should be effectively being delivered on the day of commencement right through to the completion of the development. The Council (or an approved third party) will monitor, evaluate and maintain dialogue with the development throughout the implementation of the ESP.
- 5.4 Table 2, set out over page, identifies the indicative process involved in agreeing and securing an ESP. The process may be subject to change depending on the level of integration, knowledge and commitment the developer / applicant already has with employment and skills outcomes and links with CITB and its partner bodies.

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Pre-Application*	Application	Delivery	Completion
Developer contacts the Planning Policy Team / Development Management Team to establish whether an ESP is required.	Application received by the DM Team and consultation issued to the Economic Development Team and Planning Policy Team who will advise on the need and delivery of an ESP.	Draft method statement supporting the ESP is submitted by the developer / applicant to the Council's Economic Development Team and referred on to CSTEP.	Employment and Skills Plan is signed off on completion of all targets for construction phase by the Council's Economic Development Team/CSTEP.
Pre-application advice can be provided by the Development Management Team (please see charging schedules for pre-application advice).	Negotiations between the developer / applicant and the Development Management Team on the measures and requirements of an ESP. This will be advised by the Economic Development Team and CSTEP.	ESP is supported by a final method statement including detailed measures and requirements approved by the Council prior to the commencement of development.	Employment and Skills Plan is signed off on completion of any targets for post-occupation phase by the Council's Economic Development Team.
Economic Development Team can advise on the appropriate benchmarking required based on build costs and construction type.	The Economic Development Team will liaise with CSTEP on measures and requirement for ESP.	CSTEP to work with the Skills Funding Agency and potential delivery partners on training procurement and any necessary support to applicant / developer.	Plan evaluation by the Council and CSTEP delivery partners with feedback on best practice.
Economic Development Team can liaise with the local Construction Skills and Employment Partnership (CSTEP).	CSTEP liaise with agreed training / delivery partners.	Monitoring Framework and delivery log agreed with the Council's Economic Development Team and CSTEP.	Number of completed ESPs reported in an annual report.
CSTEP can liaise with relevant training / delivery partners.	A planning condition will be attached to any planning permission which will require the completion, approval and implementation of the ESP prior to commencement of development.	CSTEP work with the developer / applicant / sub-contractors on the delivery of measures and requirements during construction phase.	
		CSTEP to initiate support with training / delivery partners.	
		Regular site surgeries run on-site by CSTEP partners for developer and sub-contractors.	
		Delivery partners work with developer / applicant / sub-contractors on delivery of measures and requirements during occupation phase.	

Table 2: The Process for Securing Approval and Implementation of the Employment and Skills Plans.

** The recommended actions provided within the pre-application advice section are subject to the developer / applicant seeking pre-application advice*

6. The Need for Employment and Skills Plans

- 6.1 Lancaster District is the second largest in Lancashire in geographic terms, covering 576 square kilometres, has 28 wards, and in 2012 had a population of 139,700. The number of people per square kilometre is the second lowest in Lancashire, well below the county and national averages.
- 6.2 Lancaster has the most self-contained local labour market in Lancashire, with nearly 83% of employed residents living and working in the area. Linked to this, a relatively high proportion (53%) of people travel less than 5km to work, reflecting the district's self-contained nature and the significant impact of local employers (such as Lancaster University and Heysham Nuclear Power Station) have on the local area. There are also limited flows out of Lancaster into Preston but the district's strongest travel to work linkages are with South Lakeland.
- 6.3 Employee numbers in Lancaster grew at a rate of just above the county and national average in the decade to 2008. Between 2009 and 2012. The employment numbers in the authority area saw little change and as of 2012 the number stood at 53,900. In Lancaster District, as in most places, the manufacturing sector has shed jobs over the years whilst the service sector has growth to become a far greater source of employee jobs.
- 6.4 Whilst jobs growth has matched the national or regional averages this should not detract from recognising that there are a significant pockets of unemployment and deprivation within the district, in particular areas of Morecambe and North Lancaster. Morecambe in particular has some of the highest rates of unemployment in the county.
- 6.5 Income support claims are disproportionately high amongst younger people in the district, registered at 22.7% as of August 2013 of residents aged 16 to 24. A wider measure of worklessness in the district is the number of people claiming the key out-of-work benefits such as Employment and Support allowance. In August 2013 there were 11,840 key out-of-work claimants which is approximately 13% of the resident population of working age. This is lower than the Lancashire average (which is 14%) but again, this masks significant ward based claims which are well above all averages.
- 6.6 The percentage of the working age population who are claiming benefits in part of the district have been consistently higher than the regional averages for a long period. The high numbers of young people who are no in employment, education or training (NEET) is a significant problem for the district and reducing this figure is a key priority for local stakeholders in the training and skills sector.
- 6.7 Young people entering the labour market were particularly affected by the recession with limited employment opportunities available to them in both public and private sector. Research has shown that people who experience extended periods of economic inactivity when young suffer disproportionately from unemployment later on in their working life.
- 6.8 The numbers of 16 to 18 year olds not in education, employment or training (NEET) is high in some parts of Lancaster and Morecambe. Certain groups are at higher risk than others of becoming and/or remaining NEET. Risk of NEET is associated with low attainment, teenage pregnancy and young

motherhood, young people in public care / care leavers, those with learning disabilities and young offenders.

- 6.9 There is a significant percentage of the working age population that has no formal academic or professional qualifications (20.6% of the working age population) which, whilst below the national average still remains a fifth of the resident population. Again the district-wide figures mask the wards where significant problems exist.
- 6.10 Apprenticeships offer formal training alongside the practical acquisition of important skill sets, and in Lancashire was the highest qualification held for over 4% of persons over 16 (compared with 3.6% nationally). However, apprenticeship numbers for the district as a whole are 3.7% of the working age population, which are far below the county average (4.7%) and the national average (5.7%). This is most likely reflective of lower training opportunities / links with employment and industry locally.

7. Content of the Employment and Skills Plan

- 7.1 The council is seeking a range of local employment and training measures through the formal ESP process, including the following:
- Recruitment through Jobcentre Plus and other local employment vehicles;
 - Work trials and interview guarantees;
 - Pre-employment training;
 - Apprenticeships;
 - Vocational Training (NVQ);
 - Work experience (14-16 years, 16-19 years and 19+ years);
 - School, college and university site visits;
 - Construction Skills Certification Scheme (CSCS) Cards;
 - Supervisor training;
 - Leadership and Management Training;
 - Support with transport, childcare and work equipment; and
 - In-house training schemes.
- 7.2 The details of the measures to be included in the ESP will be negotiated flexibly and on a site-by-site basis with the developer. These measures will be individually tailored to ensure that the right skills and employment opportunities are provided at the right time to benefit both the developer and the local community. Specific activities, target numbers, supervision responsibilities and time parameters will be agreed before construction begins. Reference will need to be made to sub-contractors working on different parts of the construction project and how they will implement the measures and requirements of the plan.
- 7.3 The council recognises that many companies already have well established training programmes. These will be taken fully into account when determining the appropriateness and drawing up of Employment and Skills Plans at both the construction and occupancy stages.
- 7.4 The council are working in partnership with the Construction Skills Industrial Training Board (CITB) and will use the benchmarks set out within Annex A and B of the CITB / National Skills Academy Construction document 'Client Based Approach to Developing and Implementing and Employment

and Skills Strategy on Construction Projects: Local Client Guidance – England” (June 2016) as an initial starting point with developers on the construction phase of development. These benchmarks have been formulated for a range of construction types and value bands. The benchmarks provide target outputs for a range of employment and skills areas such as apprenticeships and entry into employment. For example, the benchmark table for “residential” developments is illustrated below:

RESIDENTIAL		Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Band 9	Band 10	Band 11	Band 12	Band 13
		£1m - £3.5m	£3.6m - £6m	£6.1m - £10m	£10.1m - £15m	£15.1m - £20m	£20.1m - £30m	£30.1m - £40m	£40.1m - £50m	£50.1m - £60m	£60.1m - £70m	£70.1m - £80m	£80.1m - £90m	£90.1m - £100m
1	Work Placements (Persons)	3	6	8	11	14	16	20	22	23	25	25	26	26
2	Jobs Created by NSAFc	1	4	7	12	14	16	18	19	22	23	25	26	28
3	Construction Careers Info, Advice & Guidance Events	1	2	4	5	6	7	9	10	11	12	12	13	14
4	Training Weeks on Site	47	99	167	261	365	522	731	939	1148	1357	1656	1775	1984
5	Qualifying the Workforce – Project Workforce	6	9	15	20	24	29	32	36	39	43	45	50	51
5a 5b	Qualifications Gained (equiv. NVQ2 and above).	1	2	5	8	11	13	16	18	20	22	24	26	27
5c 5d	Industry Certification Gained	5	7	10	12	13	16	16	18	19	21	21	24	24
6	Training Plans	4	4	5	5	5	6	6	6	7	7	7	8	8
7	Case Studies	Project Specific – to be agreed at Pre-Approval												

Table 3: Residential Development Benchmarks (Source: Client Based Approach: Local Client Guidance – CITB 2016)

- 7.5 The applicant will be made aware at the earliest possible stage of the likely “ask” in terms of type and size of requirements.
- 7.6 A template for an ESP is set out in Appendix 1 of this SPD. This includes a matrix, which set out the local employment and training measures to be secured in the plan along with the targets and milestones. A method statement would also be required to support the plan, which would be assessed by the council’s Economic Development Team and partners of the local Construction Skills Training and Employment Partnership (CSTEP).
- 7.7 A number of deliver partners will be involved in the formulation of an ESP. The CSTEP will be a key delivery partner advising on the measures and requirements for the construction phase of the plan based on key performance indicators set out in the ‘Local Client Guidance’ document. CSTEP includes DWP/Jobcentre Plus representatives who will also be a key delivery partner advising on recruitment, work trials, interview guarantees and pre-employment training both at the construction and occupancy phases of the development. Educational activity will be delivered in partnership with local colleges and other training partners who are also part of CSTEP.
- 7.8 A method statement supporting the plan will need to be submitted to the Economic Development Team who will refer it on to CSTEP for comments. The finalised plan will be signed by the developer and senior officer within the council’s Economic Development Team. It is the responsibility of the developer to liaise with sub-contractors to ensure the implementation of the plan. The delivery specifications will be agreed and a monitoring framework put in place.
- 7.9 The Economic Development Team along with CSTEP will be responsible for monitoring the ESP and ensuring that the measures and requirements are implemented. The developer should let the team

know as early as possible when development is likely to start. The plan will relate to the whole construction phase of the project up to completion.

- 7.10 It will be important for the council, developers, sub-contractors and delivery partners to evaluate the outcomes of ESPs once they have been put into place and completed. Examples of best practice both within Lancaster District and in other areas will be used to inform the preparation of future plans for the benefit of local people and will be reported annually.

Appendix 1: Lancaster City Council Employment and Skills Plan Template

Site	
Landowner / Developer	
Planning Application No.	
This document forms the developer's response to Sections XX of the Section 106 Agreement between XX and XX dated XX.	
Development	
Please give a description of the proposed development including identifying what is being built, the estimated construction cost, the start date, the period of construction and what the end use(s) of the development will be.	
Opportunities (Construction Phase)	
Please state the approximate number and type of jobs that will be created during the construction stage of the development. Please provide a copy of the labour forecasting tool if available.	
Opportunities (Occupation Phase)	
Please state the approximate number and type of jobs that will be created during the occupation stage of the development. Please provide a copy of the labour forecasting tool if available.	
Contact Details (Please provide full contact details for the developer's project team)	
Delivery	
Please complete the employment and skills matrices below with details of the following employment and training measures that will be provided for local people during the construction phase of the development. Please provide any relevant information to support the employment and skills plan.	
Monitoring (Please provide details on how the Employment and Skills Plan will be monitored)	

Appendix 2: Employment and Skills Matrices

Category	NSAfC – CBA Benchmark	Activity	Number of People	Supervision	Dates	Notes
Work Placements – Persons						
Jobs created by National Skills Academy for Construction projects						
Construction Careers Information Advice & Guidance (CCIAAG) Events						
Training Weeks on site						
Qualifying the Workforce						
Training Plans						
Case Studies						

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EMPLOYMENT AND SKILLS AREAS		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Summary Number
1	Work Placements – Persons													
1a	Work Placements (In Education) – Persons													
1b	Work Placements (Not in Education) – Persons													
2	Jobs Created by NSAfC Projects													
2a	Jobs created by NSAfC Projects (Apprentices)													
2b	Jobs created by NSAfC Projects (New Entrants)													
2c	Jobs created by NSAfC Projects (Graduates)													
3	Construction Careers Information, Advice and Guidance Events													
4	Training Weeks on Site													
4a	Training Weeks on Site (Apprenticeships)													
4b	Training Weeks on Site (Traineeships)													
4c	Training Weeks on Site (New Entrants)													
5	Qualifying the Workforce – Project Workforce													
5a	Qualifications gained (NVQ2 or above) – Main Contractor													
5b	Qualifications gained (NVQ2 or above) – Sub Contractor													
5c	Industry Certification Gained (Main Contractor)													
5d	Industry Certification Gained (Sub Contractor)													
6	Training Plans													
7	Case Studies													