HOUNSLOW SKILLS AND EMPLOYMENT STRATEGY
Hounslow is a vibrant and successful borough, with international headquarters, dynamic small businesses, and higher than average rates of employment. As Cabinet Member for Communities and Economic Development, I am proud of the opportunities for growth and employment presented by development along the Golden Mile, at Heathrow Airport, and in our town centres.

But we must work hard to ensure that all of our residents benefit from these opportunities. Our young people need support to develop their skills, gain experience of the workplace, and ensure they get the best possible start to their working lives. Residents with additional barriers to work such as disabilities need tailored support. And there are many people in work who could progress their careers and boost their incomes if they could access the right training.

We also need to support our businesses, large and small, to grow, by helping them to find talented, skilled and motivated people. We know that many companies are experiencing skills shortages, and that growth in some sectors isn’t matched by the number of people who are properly qualified and experienced.

This new Skills and Employment Strategy sets out how we plan to work with residents, employers, training providers, schools and other partners to better coordinate training, recruitment, work experience, apprenticeships and much more in Hounslow. We aim to ensure that everyone benefits from the prosperity and opportunities in the borough, and to contribute to the growth and development of our local employers.

Councillor Sue Sampson
Responsibilities include:
- Community Engagement
- Voluntary Sector funding and commissioning
- Youth engagement and youth services
- Jobs, skills, training and apprenticeships
- Domestic Violence
In an increasingly global economy, where goods and services are traded across the world and where we will rely more and more on our capacity to innovate, to compete, investment in skills is critical to economic success.¹

In light of national skills reform, including a sharper focus on economically valuable skills, a more demand-led system, and a welfare system with a stronger than ever emphasis on claimants actively seeking employment, Hounslow Council has developed this new Skills and Employment Strategy.

Produced in consultation with local employers, skills providers, residents, and other key partners such as Jobcentre Plus, the Strategy sets out a new approach to working with employers in the borough, to improve residents’ skills and access to the labour market.

The strategy has four key aims:

1. To support local employment growth and enterprise through improving access to skills and reducing mismatch between demand and supply

2. Improving all young people’s achievement and progression into employment

3. Improving pathways into work for the unemployed and progression in work for low paid residents

4. Improving access to information, advice and guidance and labour market information

These aims will be delivered through a number of key strands of activity which will help drive improvement in local skills provision, increase employer responsiveness, and facilitate residents’ ability to access employment.

Activity

- Developing shared responsibility for skills with Hounslow partners – businesses, public sector, voluntary sector, training providers, residents – and creating a local commitment to moving people into work, and giving them opportunities to progress in work

- Building strong and creative relationships between business and schools, further education and higher education to support skills, innovation and competitiveness

- Adding value to the Council’s role as an employer, and in particular the way we recruit, retain and develop staff

- Developing local partnerships and skills and training models which enable businesses to take ownership of and drive the skills agenda

- Supporting residents and businesses to access information and services, and to be better informed customers

THE LOCAL CONTEXT:

PEOPLE

Diverse and expanding, the working age population in Hounslow is set to increase at a faster rate than London and the rest of the country in the next decade, with international migration continuing to be an important contributor to population growth.

Hounslow has above average rates of economic activity and employment, with high and improving levels of qualifications amongst the population overall.

But labour market participation among young people and people from ethnic minority groups is lower, particularly among women, and there remains a relatively high rate of residents without formal qualifications or with ‘other’ qualifications (particularly among residents born outside the UK).

In September 2013 the female employment rate in Hounslow was 65.7%, compared to the male employment rate of 83%. The national gender employment gap rate is 9.6 per cent.

Over 70% of all job openings in London in the next decade will require at least an ordinary degree. Jobs suitable for those with no qualifications will reduce to 6% of all jobs by 2020.
THE LOCAL CONTEXT:
EMPLOYERS

Well placed between central London and Heathrow Airport, with significant centres of economic activity such as Chiswick Business Park and the Golden Mile, and excellent transport connections, Hounslow has a strong local economy.

A significant proportion of employment in the Hounslow area is found in three key sectors: information and communication, business administration and support, and transport and storage.

Together these sectors - linked to Heathrow Airport and businesses along the Golden Mile - account for 38% of local employment, compared to 17% nationally.

In addition to a significant number of international companies, there is also a large SME sector, with 70% of businesses employing fewer than five people, and many of them trading solely within the borough.

Many employees of the large companies commute to work from other boroughs – nearly 10,000 more people travel to work in Hounslow than leave the borough to work elsewhere.

Those employed in the borough are more likely to be highly skilled and earn more on average than the resident population, who are more likely to work in lower skilled roles.

% of employment, top 10 Hounslow sectors (2012)

Source: ONS BRES
Employment in Hounslow is set to increase by just 3,000 jobs between 2011 and 2021, mainly due to the low proportion of business services jobs in the borough. Only three other London boroughs will see a slower rate of growth during this time. Longer term the picture is more positive, with 16,500 new jobs forecast by 2031.

Although the percentage of working age residents with no formal qualifications in Hounslow fell from 12% to 10% between 2001-11, the rate is still higher than the average for both London and England. Of those with no qualifications, 56% are workless.

355,000 new jobs are forecast to be created in London between 2010 and 2020. The majority of new jobs are expected to be in business services (280,000 jobs) followed by trade, accommodation and transport (72,000 jobs).

**EMployer Skills Needs**

The skills needs of employers change quickly, and we need a local skills system which is responsive and ensures businesses can access high quality relevant provision.

Employers are confused by the local skills landscape. They don’t have a clear sense of local skills and employment priorities, or how to access local schools and providers, and they need a simple route to communicate information about their skills shortages and recruitment issues to local skills providers and wider partners.

This would in turn provide specific advice to skills providers about what is needed for the labour market both now and in the future, so their ability to respond to and meet the needs of employers would be boosted.

We also need to enable employers to be more involved in the design of qualifications. Commissioning of new qualifications is cumbersome, and skills go out of date quickly.

The system needs to become more demand led: we need innovative models of business/provider collaboration, and to support structural changes locally by enabling businesses to drive the agenda.
We need to streamline contacts to employers, which are currently being made on behalf of different groups and by a variety of organisations. Coordinating these approaches behind a single employer facing portal would be more efficient for both employers and residents looking for work.

In Hounslow in 2013, one in four employers had skill shortage vacancies or skills gaps in their workforce. More than a quarter of vacancies across Hounslow are hard to fill due to skill shortages in the available labour pool.

“We would be very interested in a strategic discussion on technology skills shortages.”

Large technology employer

“There is no systematic gathering of intelligence about employer needs.”

Skills provider

ACCESS TO SKILLS AND EMPLOYMENT INFORMATION FOR RESIDENTS

Local public and community services do not currently have a clear route to refer people to skills and employment services, or clear information on the content and quality of provision.

However, a resident could potentially have trusting and supportive relationships with a range of council officers, including social workers, housing officers, floating support workers or disability advisers, which could be harnessed to create a wider impact.

These relationships could then become part of the access chain and help signpost people into skills and employment.

Basic skills and occupational skills are often delivered separately which means lower skilled residents are not offered the bridges towards higher skilled occupations, which are increasingly important. We need to create better signposting to vocational provision and to create career ladders to support residents’ progression in work.
**VULNERABLE GROUPS**

We need a better local approach to support residents who are vulnerable or have additional needs. Increasing conditionality and sanctions as part of welfare reform, mean that there is an urgent and increased need to provide routes back into employment for the long term unemployed and vulnerable groups.

There is good work going on to identify families and individuals that are at risk from the changes to welfare reform, however, this needs to link practically to skills, training and jobs and be adequately resourced.

The Work Programme is struggling to place people with disabilities or those who have complex and multiple barriers into employment. In Hounslow just 2.4% of people with a significant illness or disability are being placed in work, compared to the expected success rate of 16.9%. A local approach to supporting these individuals should be developed to maximise their opportunities to access suitable training and employment.

"The local priority is to support the social justice agenda and help residents who would not otherwise get the opportunity – those with mental health issues, lone parents, care leavers, offenders." — Jobcentre Plus

**YOUNG PEOPLE**

Hounslow’s young people need to be better informed and supported to make a positive start to their working life.

Vulnerable young people lack supported opportunities and find it difficult to get a start in work, which impedes their future life chances. Public services and private business should work together to deliver an ambitious programme delivering positive skills and work outcomes.

"Young people’s aspiration levels are low in Hounslow." — Large employer

The range and quality of post-16 vocational education options needs to be reviewed in light of youth unemployment, raising the Participation Age, and the need to provide a range of suitable choices at 16+. Young people need better advice and information about the full range of post-16 options, including apprenticeships at advanced and higher levels, and to be able to gain experience of the workplace to develop their employability skills.

Apprenticeship take up in the borough is lower than comparator boroughs across all age groups. SMEs have difficulty engaging with apprenticeships, and there is a lack of higher level and advanced opportunities. We need a regular and systematic approach to measure starts by sector, to ensure that overall provision fits with business needs, and that apprenticeships can support and respond to growth.

"The entitlement to impartial guidance on careers is uneven across schools." — Education staff member
INFORMATION, ADVICE AND CAREERS GUIDANCE

There is a wide range of information, advice, careers guidance, basic skills and employment support on offer in Hounslow. However residents and staff working with vulnerable groups lack a single point of access which brings this all together.

In order to ensure that all clients are receiving the most relevant high quality support, the consistency and impartiality of the careers guidance offer needs to be improved, through setting a local standard and linking it to wider education and business links.

This particularly applies to young people. Schools, careers guidance staff, teachers, parents and young people themselves are not aware of the range of employment that is available locally and regionally, and the nature of the local and London labour market is not well understood.

In addition, parents and young people need to be better informed about non-academic and vocational routes, for example opportunities for higher level apprenticeships and the possibility of professional careers through work based routes.

“We need all the opportunities and vacancies in one place.”

Skills provider

“We struggle with technology skills and we struggle with encouraging women into the media industry – we had six marketing apprenticeships and couldn’t attract local people.”

Major Hounslow employer

HEATHROW AIRPORT

Hounslow is heavily dependent on employment at Heathrow Airport. 11,000 Hounslow residents are directly employed at Heathrow Airport, predominantly in lower skilled occupations.

The structure of employment at the airport is likely to change over time with increased use of technology, creating both opportunities and a risk for resident employment in the future.

The Council and partners need to work with Heathrow Airport, including through ongoing partnership with the Heathrow Academy, to help diversify employment at the airport for Hounslow residents, and ensure residents can access suitable training to progress into higher skilled roles.

“The total combined impact of Heathrow-related direct, indirect and induced employment for Hounslow residents is 16,014 jobs, which is 12.8% of the borough workforce.”
THE ROLE OF THE COUNCIL – LEADING BY EXAMPLE

As a major local employer and purchaser the Council has a significant opportunity and responsibility to lead by example and maximise the training and employment prospects delivered through its own policies and activities.

Building on the Council’s Sustainable Procurement Strategy and introduction of the London Living Wage into all new contracts, a comprehensive policy will be developed to ensure that employment and skills considerations are built into all council commissioning.

Building on its apprenticeships scheme, the Council will provide practical leadership on skills and employment and create imaginative work experience and work placement schemes for vulnerable residents to help move them back into work. The Council will continue to maximise the jobs and training opportunities created through the planning process, working with developers and contractors to coordinate local schemes and ensure employees are suitably skilled and trained.

Through the Local Strategic Partnership, Hounslow Together Board, the Council will maximise employment opportunities for those affected by changes to the welfare system.

The Council is leading on the development of a pilot project to address the skills needs of residents that are employed but on a low income and a low skill level, particularly those receiving housing benefit in the private rented sector.

The Council and partners will make more of Hounslow’s superb business assets, including Brentford Football Club, BSkyB and GSK amongst many others, to support and promote their Corporate Social Responsibility commitments and wider skills and recruitment initiatives, and help these businesses embed a local focus and provide positive relationship opportunities.
Funding to support the delivery of the Strategy will be sought from a variety of sources, including the London Enterprise Panel, the European Structural and Investment Fund, the Council’s Section 106 funds, and NESTA.

**AIM 1** -
To support local employment growth and enterprise through improving access to skills and reducing mismatch between demand and supply

- Set up a borough wide job brokerage mechanism to make it easier for employers to recruit locally, with at least 50 employers receiving support from the brokerage in the first year.
- Review local skills partnerships and revise to enable employers to shape and drive skills provision, with at least 10 businesses working actively with the Council and local providers in the first year.
- Set up sector skills groups with local employers to identify and take action on sector skills issues in IT, Media, Creative, Science and Tourism sectors.
- Monitor the borough’s economic, skills and employment forecasts at sector level, cascading the results to the provider network, employers and wider partners.
- Work with Heathrow Airport to ensure continued access to jobs, and support for progression in jobs, particularly in light of potential changes in occupational structure in airport jobs in the future.
- Create a local procurement skills charter to drive up employment and skills opportunities in the Council’s supply chain, increasing the number of apprenticeships and other employment opportunities created through the Council’s procurement and planning processes to at least 100 per year.

**AIM 2** -
Improving all young people’s achievement and progression into employment

- Develop a local construction training agreement and plan and improved coordination on local construction training – linking major developments such as BSkyB, smaller sites and housing developments, and lobby for new training to be developed.
- Develop a more strategic approach to apprenticeships and establish a borough wide apprenticeships programme in liaison with the National Apprenticeship Service to create an additional 400 apprenticeships over the next four years.
- Support a local drive to create opportunities for young people to prevent ‘scarring’ or long term effects of recession, for example traineeships and work experience, creating at least 50 additional opportunities per year.
- Improve the post-16 vocational offer in the light of Raising of the Participation Age, youth unemployment and the national policy drive on apprenticeships, by providing better access to employers, increasing the number of local opportunities for young people, and improving young people’s awareness of the local job market.
- Support capital and facilities development bids for West Thames College Skills Centre to ensure a high quality vocational offer for young people. Cost to remodel the existing centre is £1 million.
- Develop better links and engagement between business and schools and the further and higher education sectors, through, for example, improving links between head teachers and local business leaders, encouraging businesses to visit education establishments, and their employees to become mentors for young people.
Develop a **consistent careers guidance offer**, enriched by business involvement and meaningful experiences of the workplace. This will be offered to all secondary schools in the borough and has the potential to reach over 8,000 pupils aged 14-18

**Support vulnerable young people’s access** and achievement and progression into work, by for example delivering traineeships for Looked-After Children and Care Leavers in the borough. We aim to reduce the percentage of Looked-After Children and Care Leavers that are NEET, currently 35%, towards the London average for all young people aged 16-24 (11.4%)

**AIM 3-**
Improve pathways into work for the unemployed and progression in work for low paid workers

**Establish a provider partnership** to support the brokerage which will meet at least four times a year with working groups to deliver targeted projects and develop an agreement on employer engagement and vacancy management

**Tackle unemployment and underemployment in the west of the borough in particular, and among specific ethnic groups and those with complex barriers to employment.** We aim to close the gap in the employment rate between men and women, which currently stands at 17%, to the national average or better (9.6%)

We aim to improve, to at least the London average, the employment rate of ethnic groups where it is below average. Currently 49% of Hounslow’s Black and Black British residents are employed, compared to 59% in London overall. We aim to increase the economic activity rate in wards in the west of the borough (currently 70%), by 2% year on year to bring it in line with rate for the borough overall (currently 75%)

Establish the Council as an **exemplar employer**, for example increasing the number of apprentices employed to at least 30 at any one time, offering more work experience placements, and ensuring that local residents are encouraged and supported to apply for jobs with the Council

Provide **tailored and responsive support to those affected by welfare reform changes** by working with partners to develop personalised packages of support, including supporting people in low-paid work to improve their skills

Encourage **employer investment in skills and progression** for low paid staff into higher level roles, by for example promoting Higher Apprenticeships, developing funding models to support employers to fund training, and encouraging employers to sign up to Investors in People. We will aim to increase the percentage of people working in Hounslow that receive in-work training from 17.7% to at least the national average of 19%

Promote **part time, flexible and self-employment** and social enterprise development as routes out of unemployment, through identifying sectors that require high levels of part time labour, promoting initiatives such as Timewise and Women Like Us, and encouraging the development of social enterprises and mutuals by and for the long-term unemployed

We aim to reduce the percentage of **residents with no qualifications** to the London average or better – currently 9.6% of Hounslow residents have no qualifications, compared to 8.4% in London overall
AIM 4 -
Improve access to information, advice and guidance and labour market information

Set up a **Hounslow skills and employment information and signposting portal**

**Improve resident access to**
information and advice provided through the **National Careers Service** as well as awareness of local provision

Set up **systematic monitoring and dissemination of labour market information**

**Improve provider awareness of**
and ability to respond to **labour market needs**

This strategy was developed by Hounslow Council and its business, employment, skills and community partners between December 2013 and February 2014.

The process included a review of UK, London and local policies on skills and employment, meetings with key local and regional partnerships and individuals and further group consultation on and refinement of proposals.

It follows from the publication of Hounslow’s Local Economic Assessment (2011) and updates to this which were produced in 2013 and presented to members of Hounslow’s Economic and Business Forum and Hounslow’s Skills, Employment and Training Partnership.

The strategy sits within the framework of the Council’s Economic Development Strategy and wider regeneration plans; the former was published in 2013 and had the following priorities:

- Establish a dynamic and extensive business and enterprise network
- Support economic growth in the local economy
- Drive innovation and enterprise
- Improve local skills and workforce capabilities
- Support start-ups and existing businesses
- Promote Hounslow for investment
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