

## **Local Government and Communities Committee**

### **City Region Deals**

#### **Submission from Skills Development Scotland**

##### **Introduction**

We welcome the opportunity to provide evidence to members of the Local Government and Communities Committee on their enquiry into City Region Deals and local growth deals.

SDS is Scotland's skills body, focused on contributing to the delivery of the Scottish Government's Economic and Skills Strategies. SDS's key aims include the delivery of support to young people and small and medium sized businesses. SDS has a key role in both supporting people towards and into employment, and enabling individuals to progress within their jobs. SDS is working collaboratively with individuals, employers, training providers and partners throughout Scotland to raise aspirations and create a more skilled workforce, thus contributing to the Scottish Government's overarching purpose of increasing sustainable economic growth with opportunities for all to flourish.

##### **The role of SDS**

As the national skills body for Scotland, we have a pivotal role in shaping the skills and education system. We place inclusive growth at the heart of service delivery, ensuring our work with employers, individuals and partners continues to contribute to achieving Scotland's long-term economic goals and to the delivery of the Scottish Government's economic and skills strategies.

This submission will focus on our observations on the extent to which skills feature in City Region Deals and local growth deals. It aims to highlight issues relating to skills and city and regional deals which will give the Committee a wider perspective of the challenges which should be addressed in the City Regional Deals and local growth deals process.

##### **Regional Skills Planning and City Deals**

SDS had started its regional skills work before the advent of City Deals – but City Region deals have provided a coherent local partnership with whom to work. Since the introduction of City Deals, the focus for SDS has been to ensure skills play a prominent role in the planning process. We have worked together with partners to ensure that there is a focus on skills at the earliest stages of City Region Deals and local growth deals planning.

Building on the work in Aberdeen City and Shire, and to support the process of regional skills planning and the skills element of the emerging City Deals in other areas, SDS has appointed a team of Regional Skills Planning Leads (RSPLs) to provide capacity in planning at regional level which has built upon the work of Regional Skills Assessments.

The aim of Regional Skills Assessments (RSAs) is to provide a coherent evidence base on which to formulate future investment in skills, built up from existing datasets. They highlight economic and labour market data, and for the first time offer trends and forecasts at both regional and local authority level. The data covered includes demand for skills, supply of people, provision of skills and skills challenges.

RSAs are developed and used by SDS and its partners including: Highlands and Islands Enterprise, Scottish Enterprise, the Scottish Funding Council and the Scottish Local Authorities Economic Development Group.

Early examples of progress include utilising RSAs to engage with partners to support City Region Deals and the development of Regional Skills Investment Plans include:

### **Glasgow and Clyde Valley City Deal**

Although primarily an infrastructure investment programme, three employability projects were included and a Skills and Employment Group was established as part of the governance process. SDS has worked with this group to develop a comprehensive Skills Investment Plan for the city region that builds upon both the City Deal and the wider economic development opportunities for the city region.

This Plan has been agreed by the all eight authorities' chief executives, and by political leaders through the City Deal Cabinet.

The model of using the City Deal structures has been adopted to develop and publish a regional economic strategy and action plan for Glasgow City Region, which is wholly complementary to the Skills Investment Plan for the City Region.

### **Edinburgh and South East Scotland City Region Deal**

The information in the current RSAs and in the data refresh has been utilised alongside economic modelling by Ernst and Young to inform the skills workstreams of the City Deal programme and the recent Regional Skills Investment Plan for Edinburgh and the South East of Scotland. We support local skills planning such as in Midlothian where a local skills plan is being developed. The RSPL is also involved in supporting skills action planning within West Lothian and Border Council.

There are seven City Region Deal skills proposals – Labour Market Intelligence; Online Skills and Talent Bank; Workforce mobility travel subsidy; Integrated Case Management (partner data sharing); Integrated Business and Client Support

Services; Business Led Academies and Up-skilling; Developing the Young Workforce. In addition two Innovation projects will focus on the skills needs around Data Driven Innovation and construction. SDS will support these proposals through our RSPLs and our wider team.

### **Tay Cities Region Deal**

This is likely to be a more modest proposal and our Regional Skills Planning Lead is providing support on inclusive growth element.

### **Inverness City Deal**

Under the skills and employability theme, SDS is involved in discussion with Rocket Science, which has been commissioned by Highland Council to review the current situation. A discussion is taking place around employability and skills issues across the local authority area and drawing on experiences from across Scotland and the UK. This helps to identify key features of good practice and high performance, linking both to the issues facing the area and listing key options for a new locally aligned, high performance service.

### **Stirling and Clackmannanshire City Deal**

SDS was not initially involved in the development of the initial Stirling and Clackmannanshire City Deal however, following submission, RSPL was invited to attend the first workshop in May 2016 to look at developing a skills workstream to support the proposed projects. This was facilitated by Forth Valley College and the output presented to the Stirling City Commissioners as a 'Skills Ambition'. As a follow up our RSPL and NSPL met with Stacey Burlett, Director of Communities, Children and Enterprise (and leading on the bid) at Stirling Council to discuss how we could effectively support the bid – particularly in terms of the evidence base through the refreshed RSAs. This engagement was welcomed and we will work to support Forth Valley College who will lead on the skills workstream as it develops. The RSA evidence was used to help shape the questions posed of employers at the Employer Skills Summit at Forth Valley College in March 2017.

Our RSPL has met with the Head of Economic Development and the Evidence Base team has provided some support to Clackmannanshire Council who are seeking to develop their projects within the Stirling and Clackmannanshire City Deal. Our RSPL and Key Sector Manager for Food and Drink have participated in two development workshops and ongoing support has been offered around the skills evidence base.

**Falkirk Investment Zone**

The RSPL attended a workshop to outline the proposals for a Falkirk Investment Zone. Following agreement of the local Economic partnership to pursue this approach the RSPL has been invited to meet with Douglas Duff, Head of Economic Development at Falkirk Council to help to support skills development within the context of the proposal as it develops. Support has also been offered through the Key Sector Managers in Chemical and Life Sciences, Energy and Tourism, all areas which are central to the bid.

**Ayrshire Growth Deal**

Our Director for Enterprise and Industry Networks and the RSPL, have been heavily engaged with the development process of the Ayrshire Growth Deal (AGD), which started in December 2016, from the outset. This has included, at the programme level, attendance at Steering Group meetings and the PMO, but also providing both data and expertise from our RSPL and Key Sector Managers to support the development of the individual projects requiring a skills input. We envisage that a regional Skills Plan will be developed with partners in due course.

**Conclusion**

We hope that this provides a helpful contribution to the Committee's discussion and look forward to following the proceedings of this important inquiry.

Skills Development Scotland  
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