

Report to: Lewes District Council Planning Applications Committee

Date: 10 June 2020

Title: Newhaven Local Employment and Training Technical Guidance Note

Report of: Ian Fitzpatrick, Director of Regeneration and Planning

Cabinet member: Cllr Emily O'Brien and Cllr James MacCleary

Ward(s): All Newhaven Wards

Purpose of report: To endorse the proposed Newhaven Local Employment and Training Technical Guidance Note (TGN) and recommend to Cabinet that it is adopted for use.

Officer recommendation(s):

1. To endorse the Newhaven Local Employment and Training Technical Guidance Note as set out in Appendix 1, and recommend its adoption by Cabinet.
2. That Planning Applications Committee recommends to Cabinet that any minor or technical adjustments found necessary in the Newhaven Local Employment and Training Guidance Note be delegated to the Head of Regeneration, in consultation with the Lead Cabinet Member for Planning and Director of Regeneration and Planning.

Reasons for recommendations: Newhaven is a focus for regeneration and is home to an Enterprise Zone. There is a high level of development planned. Equally, Newhaven has lower skills on average amongst its working age population compared to surrounding areas.

The level of development planned is likely to generate employment in the construction and operational phases of development. This is an opportunity to recruit local people and offer training and development, particularly for those who are seeking employment or a career change. Pre-employment programmes provide dedicated training and a guaranteed interview to those who are often furthest from the job market. The adoption of the pilot TGN will enable local employment and training policy to be tested to establish if it is beneficial for Newhaven residents.

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1 Introduction

- 1.1 Every development creates jobs, whether solely through the construction phase or additionally through the end use. The Council working in partnership with developers and, where relevant, end users will help to link physical regeneration to employment opportunities for local people and promote procurement opportunities for local businesses. This will be achieved through planning obligations secured by Section 106 Agreements, Unilateral Undertakings or planning conditions. Such activity has been successfully implemented by Eastbourne Borough Council since 2013.
- 1.2 Newhaven has the highest rate of Job Seekers/Universal Credit claimants within the Lewes District and deprivation reporting for the education, training and skills domain. This highlights areas of Newhaven that fall within the most deprived 10% nationally.
- 1.3 A Technical Guidance Note is advisory and provides further detail to policy. The Newhaven Local Employment and Training TGN adds detail to the Lewes District Local Plan Part 1, Joint Core Strategy 2010 – 2030, May 2016. It formalises the Council's approach by:
 - Establishing a framework as to how local labour agreements will be secured
 - Indicating the financial contribution in advance and outlining the delivery process
 - Providing site specific obligations
 - Providing a mechanism to ensure essential early discussions occur as may otherwise be too late to implement
 - Highlighting the range of free labour market support available to help the developer, construction supply chain and operator with their recruitment and training needs, all of which adds value to the local economy.
- 1.4 The TGN is a pilot seeking to improve employment and training in Newhaven. Newhaven has been identified for this pilot based on the employment potential offered through development and post the Covid-19 pandemic it will be a mechanism to ensure employment and training measures remain a priority. The following findings also support the need for a TGN in Newhaven:

As at February 2020¹ Newhaven had the highest number (total 365) of Jobseeker Allowance/Universal Claimant Count in the Lewes District.

¹ East Sussex in Figures - Claimant Count including JSA and Universal Credit, 2018-2020 - wards

Area	Feb 20
South East	120980
East Sussex	9175
Lewes	1380
Barcombe and Hamsey	25
Chailey and Wivelsfield	30
Ditchling and Westmeston	5
East Saltdean and Telscombe Cliffs	100
Kingston	5
Lewes Bridge	70
Lewes Castle	75
Lewes Priory	110
Newhaven Denton and Meeching	230
Newhaven Valley	135
Newick	10
Ouse Valley and Ringmer	80
Peacehaven East	110
Peacehaven North	80
Peacehaven West	65
Plumpton	15
Seaford Central	80
Seaford East	35
Seaford North	55
Seaford South	40
Seaford West	30

The Index of Multiple Deprivation (IMD)² 2019 has seven domains namely: income, employment, health and disability, education, training and skills, barriers to housing and services, living environment and crime. People may be counted in one or more of the domains. In Newhaven four areas fall within the top 20%³ of most deprived nationally. In two areas reporting for the education, training and skills domain⁴ falls with the most deprived 10% nationally.

- 1.5 Nationally, the Covid-19 lockdown has caused a sharp rise in unemployment claimants, has had serious implications on the nation's health and a significant impact on business and the economy. Financial business support packages have been put in place and the County Council in conjunction with Districts, Boroughs and partners have established an economic recovery plan. Locally, the TGN will assist in the recovery by capitalising on employment and training initiatives associated with new developments.

² East Sussex in Figures, ID 2019, IMD – Super Output Area

³ The IMD provides an overall score of multiple deprivation based on a weighted combination of the seven domains. IMD scores are recorded by Super Output Areas (SOAs) and ranked across England from 1 (most deprived) to 34,844 (least deprived). Two SOAs in Newhaven Valley ward score 5223 and 6735 and two SOAs in Newhaven Denton and Meeching ward score 7680 and 8166

⁴ East Sussex in Figures, ID 2019, Education, Skills and Training Domain, Super Output Area

- 1.6 Reporting on apprenticeship starts for all sectors for quarters 1 – 2 ending January 2020 for Lewes Parliamentary Constituency⁵ returns 220 starts. Full year reporting for 2018/19 returned 420 starts. Apprentice starts reporting in Lewes District Authority⁶ for the construction, planning and the built environment to quarter 2 ending January 2020 returns 20 starts. The introduction of the Apprenticeship Levy and changes in funding arrangements for SMEs has impacted apprenticeship starts with the National Audit Office's Apprenticeship Starts report dated 6 March 2019 reporting an overall 26% fall for seven sectors since the introduction of the levy in 2017. It is anticipated that the Covid-19 pandemic is likely to have a negative impact on apprenticeship starts and completions within the District.

The implementation of the TGN will assist in encouraging apprenticeships in the construction sector.

2 Proposal

- 2.1 Lewes District Council is proposing a Newhaven Local Employment and Training Technical Guidance Note (TGN) to assist in securing local labour agreements as part of development proposals. The level of development planned in Newhaven in the forthcoming years will create a significant number of jobs and this TGN will play an important role in helping to secure local employment at both construction and operational stages of these developments.
- 2.2 The TGN is directly linked to the requirements in the Lewes District Local Plan Part 1, Joint Core Strategy 2010 – 2030.
- 2.3 Where proposed developments reach the thresholds, the Council will seek a local labour agreement which will include:
- Employment and training measures
 - An Employment and Training Plan (ETP) that sets out how relevant employment and training measures will be delivered
 - A financial contribution
- 2.4 It is important to note that LDC will not be employing staff recruited during the implementation of a S106 for a development. Officers will encourage developers and end operators to commit to paying the Real Living Wage, however Members should note that this is not legally enforceable via the TGN/S106 mechanisms.

⁵ Apprenticeship Starts since May 2010 and May 2015 by Region, local authority and parliamentary constituency as of Q2 2019/20 (web link as footnote 6)

⁶ Apprenticeship and Traineeship statistical data sourced from Gov.uk website:

<https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships#apprenticeship-and-traineeships-current-data>

3 Outcome expected and performance management

- 3.1 To ensure deliverability, the Newhaven TGN will only apply to larger commercial and residential developments. Prescribed thresholds have been set for commercial developments of 1,000 sq m. or more that create 25 jobs or more and those deemed of strategic importance, and residential development that involve ten or more units. At this scale of development, the opportunities for local employment will be significantly greater. The thresholds identified will be kept under review, to allow for future amendments as deemed appropriate.
- 3.2 The TGN sets out the types of measures and activities that the developer and operator could deliver and will be agreed appropriate to the nature and scale of each development.
- 3.3 As a minimum, the Council will expect the following types of obligations:
- Employment and use of Small and Medium Sized Enterprises (SMEs) in East Sussex during the construction phase – at least 25%
 - Agree an ETP to deliver a recruitment and training campaign linked directly to the construction and operational jobs targeted at those unemployed or seeking a career change
 - Provide apprenticeships and work experience placements for the unemployed and those in education
 - Provide NVQ (or equivalent job related tickets) training for subcontractors associated with the construction of the development only
 - Contractor and sub-contractors to be given clear written details of the labour market agree that need to be honoured
 - A financial contribution.

Members should note that each development will have obligations defined in the S106 agreement. These will vary from site to site dependent on the scale of development, as well as perceived deliverability.

4 Consultation

- 4.1 The Council's approach has been informed by:
- Desktop research undertaken on other local authority approaches
 - Feedback from Skills East Sussex Construction Task Group
 - Extensive use of local labour agreements in Eastbourne Borough Council (since April 2013)
 - Targeted consultation – Newhaven EZ Employment and Skills Task Group, Newhaven Town Council and social housing provider

5 Corporate plan and council policies

- 5.1 The Council's Sustainability Policy 2018 encourages sustainable economic growth achieved by working with private and public partners on key strategic sites and working with the East Sussex College Group to address skills gaps and employability issues. The TGN seeks the use of local businesses and suppliers within East Sussex and collaboration with local education and training providers. Local employment and partnership working reduces travel and encourages the use of public transport. It is therefore considered that the proposed TGN fits strongly with the Council's Sustainability Policy.
- 5.2 The Lewes District Local Plan Part 1, Joint Core Strategy 2010 – 2030 has been subject to wide consultation with stakeholders and the local community throughout its preparation. The Technical Guidance Note does not provide new policy, but will help to deliver one of the Council's key strategic objectives – *to stimulate and maintain a buoyant and balanced local economy through regeneration of the coastal towns.*
- 5.3 The Council's Corporate Plan 2020 – 2024 seeks to '*increase local employment opportunities by directly promoting recruitment from lower income areas*'. The pilot TGN will work with contractors and operators to offer development specific employability courses offering a guaranteed interview for those who successfully complete the training.
- 5.4 The Newhaven Enterprise Zone is a key local regeneration vehicle and is led by the South East LEP in partnership with the Council. The EZ's Strategic Framework, 2018 was developed in conjunction with local partners. It has three priorities, one being inclusive growth focussing on skills, further and higher education and business productivity. The adoption and implementation of the Local Employment and Training TGN pilot will assist in the achievement of the actions associated with the inclusive growth priority, particularly those focussing on skills, further and higher education and business productivity. As noted in paragraph 4.1, the Enterprise Zone's Employment and Skills Task Group has been engaged in the drafting of this TGN.

6 Business case and alternative option(s) considered

- 6.1 Officers have considered a range of options for implementing a local labour TGN, These include:
- A TGN covering the whole of Lewes district (ie. outside SDNPA)
 - A TGN covering coastal areas (ie. Seaford, Peacehaven and Newhaven).
- 6.2 Although the coastal part of the district typically has more substantial pockets of deprivation than some of the district's more inland areas, Newhaven was identified as having the greatest opportunity and likely impact due to the high number of JSA and UC claimants. As noted in this report, Newhaven also has higher levels of deprivation and lower levels of education, training and skills. The scale of development planned for Newhaven within the Local Plan offers an opportunity to encourage apprenticeships and maximise deliverable outputs from the TGN.

6.3 Members should note that the Newhaven Local Employment and Training TGN is a pilot scheme, which will be monitored and reviewed prior to considering any wider adoption in the District.

7 Financial appraisal

7.1 There are no immediate direct revenue consequences arising to the Council as a direct result of this report. The cost of the consultation and publication of the Newhaven Local Employment and Training Technical Guidance Note and any other costs associated with the report's recommendations are to be contained within existing department revenue budgets.

8 Legal implications

8.1 The constitution of Lewes District Council lays out the powers and duties of the Planning Applications Committee (PAC): this PAC has the power to make recommendations to Cabinet on all matters of policy arising from the exercise of its powers and duties.

LDC-8517-HM 11 May 2020

9 Risk management implications

9.1

Risk	Likelihood	Impact	Mitigation
Developer refuses to comply with Local Employment and Training TGN	Low	High	Pilot TGN will maximise employment and training opportunities for local residents
Delay in planning process	Medium	High	To ensure compliance with planning process, employment and training initiatives may be addressed via a planning condition
Additional burden stymies development	Low	High	Experience from Eastbourne BC shows that the TGN does not deter developers
Reduced development post Covid-19	High	High	Council support and co-ordination with contracting, employment and training initiatives

10 Equality analysis

- 10.1 An Equality Screening has been completed. The proposed Local Employment and Training TGN for Lewes District builds on a successful model operational in Eastbourne since 2013. Following consultation with Newhaven partners the obligations for extra curricula, careers activities and working with local unemployed people via various programmes has been enhanced to strengthen the commitment to those who are disadvantaged and/or who have additional needs or support.

11 Environmental sustainability implications

- 11.1 As demonstrated in paragraph 5.1, the adoption of the Local Employment and Training TGN encourages sustainable economic growth and offers benefits in accordance with the principles of the Sustainability Policy 2018.

12 Appendices

- 12.1 Appendix 1 – Newhaven Local Employment and Training Technical Guidance Note

13 Background papers

- 13.1 The background papers used in compiling this report were as follows:

- Lewes District Local Plan Part 1, Joint Core Strategy 2010 – 2030, May 2016
- Re-imagining Lewes District - Corporate Plan 2020 – 2024
<https://www.lewes-eastbourne.gov.uk/resources/assets/inline/full/0/286143.pdf>
- Equality and Fairness Screening