

## ***Convention Policy Paper: People and Good Jobs***

This paper sets out a series of policy propositions on People and Good Jobs, for discussion at the 2023 Convention of the North.

It has been drafted by a group of policy officers from across the North of England, drawing on the expertise of local authorities, combined authorities and partner organisations.

### **People and Good Jobs: Why the North should act**

Employment, economic inactivity and skills levels across the North lag national rates and have done so for many years despite the efforts of so many to close the gaps. Talent is evenly distributed across the country but opportunities, pathways and routes to deliver on that talent are not. The latent potential of people and businesses across the North can be unleashed to add value to local and national levels of productivity with additional support. This will also help to deliver the opportunities set out on in the other policy proposition papers that have been drafted in support of the Conventions.

Given the high levels of interconnectedness and overlap between Northern labour markets, it makes sense to look to work across local and devolved authority boundaries in this field at the pan-Northern level.

### **Northern Assets**

There are a strong range of effective partnerships and delivery arrangements in place across all areas of the North, which bring together local civic, business and provider leaders. Curated by Combined Authorities, LEPs and Local Authorities, these enable effective, timely, impactful and efficient support to be implemented which meet local needs, whether based around employment, education or skills.

There is no desire to replace these arrangements, but instead to enhance the links between them to ensure that they are able to better meet their local areas and through bespoke discussions with Government, identify further resources to enable the delivery of these local priorities: the deeper devolution deal being negotiated by Greater Manchester is seen as a first step to extend existing deals with a series of potential County Deals under discussion.

With the rise of remote and hybrid work, economic and social geography is changing rapidly. The North has extensive cultural and heritage assets to draw on in attracting and retaining people to the North, alongside a strong quality of life offer. Capitalising on these assets will be key to making the best of the post-pandemic opportunity, offering the North as an attractive place to live, work and study.

### **Barriers**

The localities of the North need to be resourced and enabled to deliver against these opportunities and to tackle this need. The delivery structures are already in place in local areas stretching from Hexham to Huyton, and from Rotherham to Rothesay. They need to be resourced properly in order for them to deliver effectively, integrating support around the needs and opportunities of people, communities and businesses.



However, there are a limited number of areas where a pan-Northern network approach can be effective in coordinating efforts and securing greater impact, and these are set out below.

## Policy Propositions

### Proposition 1: Driving good employment across the North

The 2019 Convention's 'Manifesto for the North' proposed the adoption of Good Employment Charters (GECs) as a key priority for the region.<sup>1</sup> These have been widely adopted by local areas under various names,<sup>2</sup> and have driven an increase in inclusive, fairly compensated and secure jobs. This proposal builds on the success of GECs' implementation across the North and makes the case for further proactive collaboration across the public, private and VCSE (Voluntary, Community and Social Enterprise) sectors to drive the creation of high-quality jobs, and build accessible pathways into these jobs for workers.

We propose that, building on the widespread adoption of Good Employment Charters across the North, the North acts to build and deepen anchor and other place-based networks that convene public, private and VCSE organisations. These networks will identify shared priorities and issues in their local areas, and coordinate more proactive interventions to both create high-quality jobs and support local residents into them.

Further actions under the core proposal include:

- Areas of the North to continue the rollout of Good Employment Charters, and increase collaboration between areas where these are already in place to ensure there is a level of cohesion and sharing of best practice across geographies at the pan-Northern level.
- Networks to focus specifically on driving good employment in the foundational economy as a priority sector, working through and expanding place-based partnerships such as Living Wage Cities.
- Public sector organisations to take a system-wide approach to driving good employment, exploring (either individually or as part of local networks) where they can use levers in other processes such as procurement to drive good employment.

Alongside GECs, anchor institutions are vital to driving good employment. Many areas across the North have existing approaches to working with large anchor organisations in their local areas, some of which have employment charters in place. There is some effective practice in place but this is not always shared widely, nor are some of the broader networks considered (e.g. civil service working across different local areas). It is therefore proposed

- To develop an Anchor Organisation Support Network to work with those key individuals who are working with Anchor Organisations in local areas to capture their further reach. This will enable the effective work in local areas to be shared more broadly across the North, which will lead to improvements in outcomes and delivery.



**Creating and deepening local networks is central to this proposal**, as with the others in this paper: large institutions and networks have significant capacity to shape the employment landscape in their local areas, for the benefit of employees, employers and the wider economy.

Anchor institution networks convene those organisations that make a substantial contribution to the local economy, enabling a collaborative and systematic approach to achieving shared priorities.<sup>3</sup> Existing anchor networks are usually comprised solely of large public sector institutions,<sup>4</sup> but there is an opportunity to make ‘good employment’ the core purpose of place-based networks that cut across the public, private and VCSE sectors.

**The proposed networks can introduce a level of strategic planning and coordination** across employers, creating spaces to set shared priorities around quality of work, identify workforce problems and challenges, and engage with other parts of the system (e.g., education institutions and skills providers). **They can also support workers into employment through direct interventions:** reforming recruitment processes to make them more accessible, including targeting groups affected by labour market inequalities; identifying staffing issues in specific sectors that can be tackled cross-sectorally, supporting recruitment and retention; and directly creating employment and development opportunities where there are gaps in the local skills provision space, in collaboration with educational institutions and skills providers.

#### **Priority Area: Good Jobs in The Foundational Economy**

A specific area of focus for these networks, with pan-Northern relevance, would be **improving employment in the foundational (or everyday) economy**, comprising, for example, retail, hospitality, adult social care, and early education and childcare. Providing the goods and services on which everyone relies work in the foundational economy is often characterised by comparatively low pay, above average use of zero-hours contracts, and low rates of in-work training and progression:<sup>5</sup> with more than 40% of people working in the foundational economy, it represents a substantial prize and could add impetus to such networks forming.

Speaking to the above-mentioned strengths around strategic planning and coordination that place-based networks can bring, it is important to note that many of the functioning Good Employment Charters were set up within the context of the COVID-19 pandemic, putting them on a reactive footing by necessity, as they responded to the substantial challenges brought by the pandemic and lockdowns; therefore, this proposal, including the proposed focus on the foundational economy, **provides an opportunity to put in place longer-term plans, on a proactive footing, with priority sectors that align with local areas’ unique needs.**

Further to these direct actions, it is vital that all avenues are explored when it comes to creating high-quality jobs. For example, **public institutions in the North could develop procurement frameworks that include conditionality around good employment and wider outcomes that support inclusive growth**, as is already being implemented in some areas. On this note, it will also be important to consider how the priorities outlined in this proposal cut across other papers focusing on, for example, health inequalities and clean and affordable energy.



Examples of good practice frameworks include social benefits going beyond good employment and extending into contractors delivering against broader agendas of community resilience, health and wellbeing, net zero carbon and digital inclusion and infrastructure.

**A key strength of this proposal (as demonstrated by the success of GECs) is that it can be implemented without further devolved powers or funding from Government** – such networks are instead underpinned by the convening power of their organisers and members.

Good work is good for health as evidenced by *Build Back Fairer: The Covid-19 Marmot Review*. The report sets out a **long term** aim to establish a national goal for everyone in full-time work to receive a wage that prevents poverty and enables them to live a healthy life and a **medium term** recommendation to increase the national living wage to meet the standard for minimum income for healthy living.

In line with the Marmot report, it should become a long-term ambition for all areas of the North to become Real Living Wage Places. Becoming a Living Wage Place harnesses the power of a place by involving local employers, communities, organisations and people to extend the living wage (currently £10.90 outside of London and higher than the National Minimum Wage of £9.50).

## **Proposition 2: Growing a pipeline that matches supply of and demand for skills**

**We propose that the North act** to enable local areas to better connect their demand for skills, as set out in their Local Skills Improvement Plans with their supply of skills. This should be underpinned by accessible provision that is responsive to employer needs, enabled by skills devolution.

This would include;

- Requiring each local area to co-ordinate responses to the Local Skills Improvement Fund and to devolve Local Skills Improvement Fund to enable responses and capacity to be delivered.
- Placing a duty to co-operate on all nationally contracted careers providers to engage with local partners and areas to ensure the relevant organisations are communicating the right messages.
- Requiring Jobcentre Plus Districts to identify to local areas how their activity (including commissioning Flexible Support Fund) is delivering the priorities set out in the Local Skills Improvement Plan.

It also proposed that Government act to enable the North to deliver on skills, through the devolution of post-19 education functions across the North and to the co-design of employment support programmes;

- Build on the existing devolution agreements in Mayoral and Combined Authorities to ensure that all areas of the North receive devolution of Adult Education powers and the Adult Education Budget to enable them to shape local skills provision to respond to local needs.
- Devolution of 16-19 work-based learning revenue and investment funding streams, building on the devolution of post-19 education functions.



- Government commitment for all future DWP commissioned employment support programmes to be co-designed, co-commissioned and managed at a local level across the North. This would help programmes to better reflect local need; particularly with regards to the long term unemployed, and those with health conditions and or disabilities.

Through the Department for Education appointed Employer Representative Bodies, employers locally are articulating the specific skills that they need now and in the future. This will provide the basis for the Local Skills Improvement Plans, which will identify the facilities and developments required to deliver the provision that employers are looking for. This response needs to be cohered within local areas to ensure that there is an effective and efficient provision of capacity and resources, minimising the risk of duplication and enabling communications around future jobs and skills to be clearly delivered.

### **Skills in Prime Sectors**

Pan-Northern co-ordination on skills policy will be essential to developing the North's 'Prime Capabilities'. These are the four sectors identified by the 2016 Northern Powerhouse Independent Economic Review; Advanced Manufacturing, Life Sciences, Digital and Net Zero. These sectors are distinctive and significant across the North, and crucial to delivering the productivity growth required to close regional inequalities within the UK. Aligning and co-ordinating workforce supply across skill and local labour market geographies in these four sectors should be a priority across all relevant pan-Northern policy themes.

### **Proposition 3: Attracting and retaining talent**

We propose that partners work to strengthen partnerships across the North and with culture, heritage, and nature agencies to improve the quality of place in the North's places in order to attract and retain talent

A holistic view on building the workforce that the North needs is required, understanding how this challenge cuts across wider priorities beyond the skills space, around liveability and connectivity – proposals to make the North an outstanding place to learn and work must go hand in hand with those that describe a vision for a place where people want to live and relocate to.

A pan-Northern, cross-boundary approach to attracting and retaining talent can reap distinct benefits. The benefits of this approach were recently outlined in NP11's *'Place Strategy for the North'*. Strengthening the North's place offer through a partnership approach, comprising activities such as the sharing of best practice and provision of targeted support to those areas without local place partnerships, can encourage more people to base themselves in the region, thus creating a more sustainable supply of talent across priority sectors. Key actions could include:

- The creation of a best practice guide to place asset management
- The scaling up of creative and cultural zones



- The rolling out of a pan-Northern creative and cultural investment programme.

In the same spirit as the place-based networks proposed for ‘Driving Good Employment’, deepening partnerships across the North and its localities is essential to enhancing the region’s place offer, as a mechanism for attracting and retaining talent. With shortages of labour across the frontier and foundational economies, and businesses in the North exploring how they can enhance their employee propositions, a strategic approach to this challenge, involving public and private partners, is required to deliver the best outcomes for businesses and local areas. While certain Northern localities score highly in [talent attraction indices](#), this unified approach can help places to identify their distinctive strengths, as well as where those strengths compliment other areas, and put in place actionable priorities to improve their place offer where gaps exist.

The inclusion of this proposition is key to the success of the wider paper, as it takes a holistic view on building the workforce that the North needs, understanding how this challenge cuts across wider priorities beyond the skills space, around liveability and connectivity – proposals to make the North an outstanding place to learn and work must go hand in hand with those that describe a vision for a place where people want to live and relocate to.

### Outcomes:

Delivering these policy propositions could have the following outcomes for the North:

- Establishing a common Northern floor of good employment standards through anchor institution best practice.
- Aligning skill supply with employer need.
- Improved attraction, retention and development of talent within the North, strengthening the Northern economy and the diversity of the North’s people.

