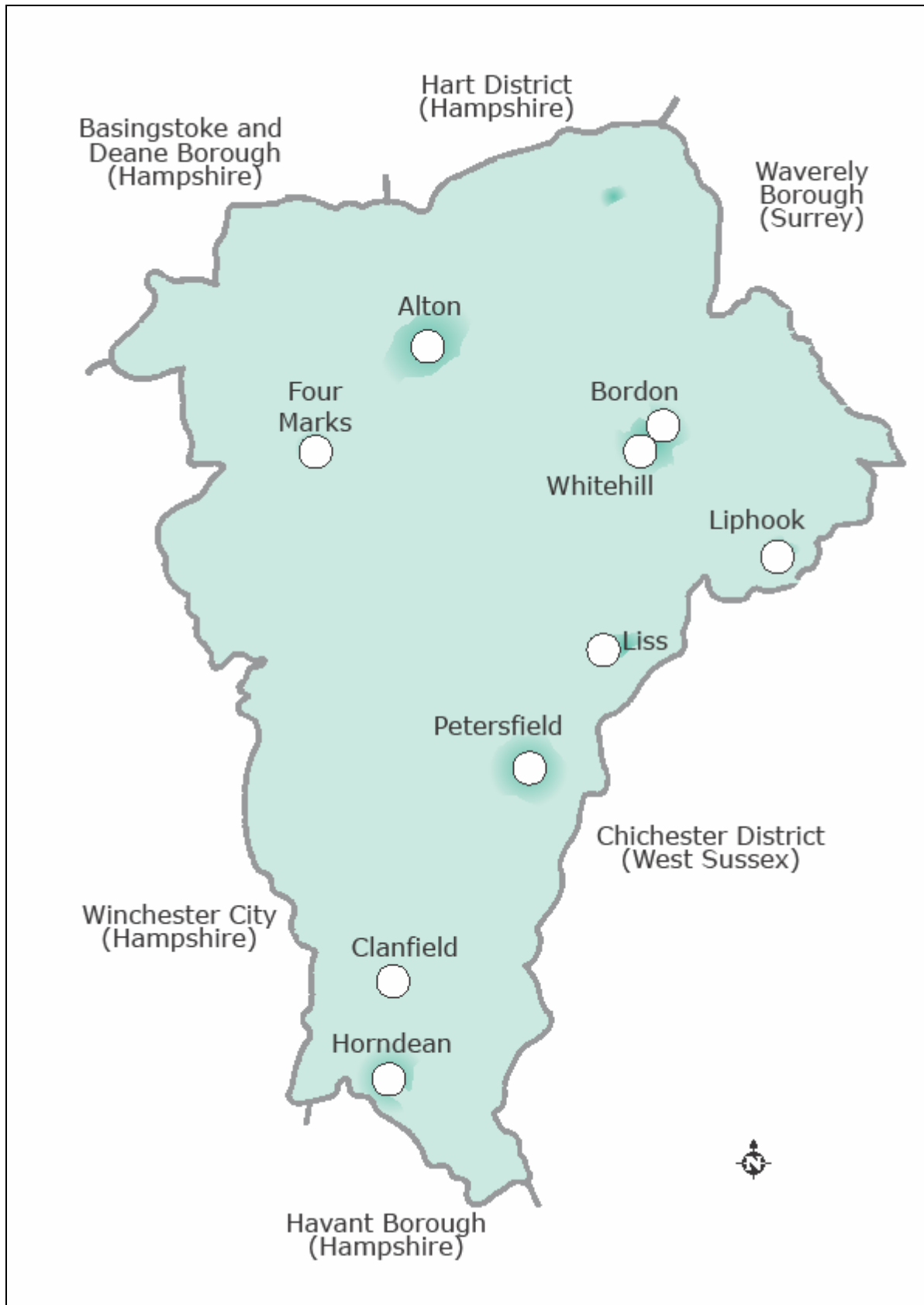


**EAST HAMPSHIRE
EMPLOYMENT AND SKILLS
AUDIT AND ACTION PLAN**

**A report by
Kingshurst Consulting**

June 2010

EAST HAMPSHIRE DISTRICT



Source: East Hampshire District Council

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EXECUTIVE SUMMARY

Introduction and background

1. In December 2009 East Hampshire District Council, working in partnership with Hampshire County Council and Alton College, appointed Kingshurst Consulting to help produce a comprehensive picture of the area's employment and skill levels, assess current and future needs and create a skills and employability action plan for the area. The study took place between January and May 2010.
2. The study involved:
 - drawing together and analysing a wide range of data to provide an accurate baseline audit of the area's key characteristics. The audit also assessed where the District stands in comparison with County, regional and national data
 - a wide ranging consultation programme with relevant organisations to test the baseline audit and examine opportunities for future action
 - a workshop for key organisations providing an opportunity for collective discussion of the issues facing the area and the testing of emerging proposals that could be incorporated in the employment and skills action plan
 - analysing the findings from the work programme, producing a study report and action plan setting out recommendations for partner organisations.
3. A particular focus for the study is the opportunities represented by the Eco Town at Whitehill Bordon following the proposed relocation of military activity from the area. It is estimated that the Eco Town development could generate some 5,500 jobs locally over the next twenty five years. Clearly the potential development of the Eco Town – and the associated jobs involved – will have a major impact on the economic, social and environmental character of the whole District.

The wider context to the study

4. The difficulties facing the national economy in the coming years and the severe pressures on public expenditure provide a challenging background to the study. At the present time national policies in respect of employment and skills issues and the future of the Eco Town initiative are still emerging and when the national picture is clearer will represent an important context to the recommendations in this study.
5. In the meantime, the wider policy context is provided by a number of key local and County strategies which have been reflected in this study. These include: the East Hampshire Sustainable Community Strategy which sets out an agreed vision and priority actions by local partners; the District Council's Core Strategy; Hampshire's employment and skills strategy; the County's strategy for developing education and learning for those aged 14-19; and Hampshire's Local Area Agreement setting out priorities and targets for improving the County as a whole.

Key points from the audit of data and consultation with partners

6. The analysis of the baseline audit and the consultation programme with partner organisations highlighted a number of important characteristics that provide a backdrop to the study's subsequent recommendations.

7. In terms of the area's strengths that provide opportunities on which to capitalise, the key points were seen to be:

a) Business and employment

- above average economic activity rates compared with national figures
- a stable business stock with long standing businesses and a strong record of employment growth (until the recent decline)
- good survival rates for local businesses, marginally better than County and South East figures
- high resident earnings and a higher proportion of managerial/senior occupations compared with the County and South East (but this involves a high degree of out-commuting: see below)
- levels of unemployment and deprivation are low compared with the County as a whole and the South East but this conceals some specific local pockets which require targeted action

b) Education and skills

- the overall proportion of the District's residents with qualifications at NVQ Level 2 or higher is above both County and South East levels
- overall, education attainment across the District is strong and compares favourably with County and national figures at both GCSE and A/AS levels
- there is a strong independent school sector locally
- local academic provision for those aged 16 plus is good and successful, with Alton College judged to be 'outstanding' by OFSTED
- there is an established and well regarded education and training infrastructure locally with good collaboration between organisations
- innovative approaches to encourage participation e.g. the subsidising of public transport for students by Alton College and Farnborough College of Technology

c) Opportunities

- the scale of new jobs predicted as a result of the Eco Town
- the importance of the Eco Town 'brand' in attracting investment to the District
- the potential of the South Downs National Park, particularly in terms of tourism and hospitality related jobs
- the new business led initiative - Business East Hants - provides an opportunity to engage the business community more effectively
- the willingness of a number of public sector bodies to be more active locally.

8. However, these various strengths and opportunities are set against a number of underlying weaknesses, threats and challenges facing the District, as follows:

a) Business and employment

- there has been a net loss of some 3,500 jobs in all sectors between 2006 and 2009, with particular reductions in manufacturing, banking, finance and insurance related jobs

- the District has an ageing population, with relatively fewer people of working age under 40 across the District as a whole
- there is a high proportion of micro businesses which are likely to have only limited growth potential – 73% of the District's businesses have an annual turnover of less than £250,000
- the impact that the high levels of out-commuting has on the availability of higher level skills locally - the overall net commuter outflow from the District is some 11,600 jobs
- there are fewer new businesses starting locally, with the District apparently lagging behind other parts of the County in new business creation
- the distributed nature of the population means there is no recognised business focus able to provide a critical mass of employment opportunities
- the transport difficulties faced by many local people as a result of the District's dispersed population and rural nature
- the District is dependent on the public sector and other service sectors for over a quarter of all jobs, with the threat of potential job losses in the future
- the effects of concerted action in neighbouring areas (e.g. PUSH and North Hants) could leave the District lagging behind and isolated from increases in prosperity in adjoining areas

b) Education and skills

- the proportion of the local population with NVQ Level 4 or 5 qualifications has remained static. The District's position in relation to higher level qualifications has declined compared with both the South East and national figures
- there is a projected decline in the number of 16-18 year olds in the District to 2019 and an increase thereafter to 2026, which has important implications for education and training provision locally
- there is a lack of accessible vocational provision within the District, both for 16-19s and for adults, resulting in a significant outflow to surrounding areas. The need to travel for vocational education and training constitutes a significant barrier to take up, particularly among the less motivated
- there is a need to raise the aspirations of young people in some areas and amongst those who face particular disadvantage
- the overall priority skill needs are seen to be for generic communication and interpersonal skills e.g. reading, writing etc
- within businesses, priority skill needs are for leadership/management training and specific areas such as marketing and adapting to new markets/opportunities
- in Whitehill Bordon the workforce is skewed to lower skill levels and jobs, with a relatively high proportion of youth unemployment and low participation in post 16 learning and Higher Education

c) Economic inactivity and worklessness

- the proportion of those economically inactive in the District (19.3%) is slightly higher than the South East figure (although below the national level)

- there are currently some 1,400 people across the District who are unemployed and claiming Jobseekers Allowance
- the District has a higher proportion of older unemployed claimants (age 50 plus) than the County or nationally
- some 900 local young people (aged 16-24) are receiving State benefits (Jobseeker's Allowance, Employment Support Allowance etc)
- the District has a higher proportion of claimants from higher skilled occupations (26%) compared with both the County and South East figures.

What does the baseline audit tell us?

9. The study identifies a number of key messages that emerged from the baseline exercise and the consultation programme with partner organisations:
- without concerted action, the District risks being left behind and losing its previous competitive advantage - becoming a 'dormitory' for its residents working elsewhere
 - in order to address present shortcomings and capitalise on the opportunities becoming available, the District needs to put learning and skills at the centre of future economic development activity if it is to maintain – and improve - its relative position in the wider Hampshire economy.
 - there needs to be an ambitious agenda set for the longer term rather than simply introducing a list of short term projects
 - the Eco Town offers a unique opportunity to improve prosperity across the District, acting as a catalyst for change and generating increased investment in the area as a whole
 - the District has a well regarded and established network of education and training provision on which to build further – many of the building blocks to move forward are already in place with good collaboration between organisations
 - there are opportunities to test new approaches to education and learning through skills programmes arising from the Eco Town's 'early wins' and to pilot proposals which capitalise on the opportunities presented by the new National Park.

The objectives to drive the action plan

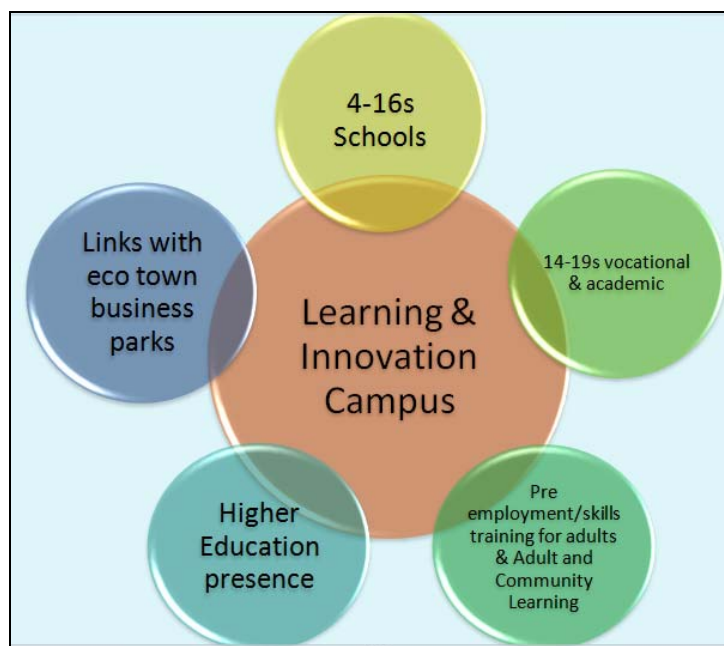
10. In order to provide the action plan with a clear strategic focus and act as a framework for local action, a set of overarching objectives are proposed as follows:
- raising aspirations and ambition (for both young people and adults)
 - equipping young people (aged 14-19) with appropriate skills to succeed in the labour market
 - supporting business growth and the training needs of those people in work
 - equipping unemployed people with the necessary skills to secure jobs
 - maximising opportunities arising from the Eco Town and the National Park.

The action plan

11. The action plan sets out proposals for additional activity under each of these objectives, including:
- a menu of new family learning, extended school services and parenting programmes to engage parents and raise aspirations
 - a comprehensive programme of vocational training provision targeted at both young people (aged 14-19) and adults
 - improved progression opportunities for young people into higher education and work
 - improving the coherence and take up of business support services and in house training (such as apprenticeships) for those in work
 - a more localised delivery of Department for Work and Pensions/Jobcentre Plus and Skills Funding Agency programmes to provide those people currently unemployed with the necessary skills to secure jobs
 - piloting new approaches to sustainable construction skills training and environmental/low carbon technology to capitalise on the opportunities within the developing Eco Town
 - developing tourism and leisure opportunities in the South Downs National Park.
12. The study recommends that strategic responsibility for the overall progress of the action plan rests within the structure of the existing East Hampshire Community Partnership, with the East Hants Business partnership and the Whitehill Bordon Delivery Board overseeing the delivery of specific aspects of the action plan.

The Big Idea – a Learning and Innovation Campus

13. In addition to the programme of new initiatives described in the action plan, the study proposes an overarching 'Big Idea' to take full advantage of the opportunities arising from the Eco Town and the new National Park. That 'Big Idea' involves establishing a multi faceted education and learning centre within the Whitehill Bordon area but serving the District as a whole. It would bring together the following activity:



14. Such an all age facility offers the opportunity of:
 - raising attainment at all Key Stages throughout pupils' school life by reducing the performance dip that can occur when pupils transfer from one school to another
 - sharing expertise in learning across phases, between schools and across the whole community
 - encouraging flexibility and innovation in curriculum design and delivery across all ages (e.g. in embedding the use of ICT)
 - improving vocational learning provision for 14-19 year olds from across the District
 - narrowing the gap between education and training activity and the world of work
 - providing a focus for new business growth associated with sustainable businesses and skills arising from the Eco Town
 - improving the overall coordination of activity and opportunities for multi agency working, for example improving support for people out of work through the local delivery of Jobcentre Plus programmes and better linkage with other agencies
 - encouraging greater community involvement in education and adult learning through the improved engagement of parents and the wider community
 - sharing resources by connecting previously separate structures and thus securing economies of scale and greater efficiency of resources.
15. A number of important developments are planned to come together to realise the ambition of this 'Big Idea'. They include the potential redevelopment of Mill Chase Community Technology College and the interest of the East Hampshire Consortium of 14-19 learning providers to use Whitehill Bordon as a base for future courses. The Learning and Innovation Campus could include a distributed network of provision with a central hub within the Eco Town and perhaps other aspects of the Campus in other parts of Whitehill Bordon.
16. There are a variety of delivery models and experience to draw on in researching and developing the concept further. Establishing such a facility is a longer term venture requiring considerable planning and detailed work to bring it to fruition, including the precise range of provision to be offered, potential funding sources (both revenue and capital) and, as a result, its overall viability and sustainability.
17. In the current economic climate, funding is clearly an issue. Revenue funding normally follows the learner, and therefore providing the overall Campus has a critical mass of learners, it should be viable through the multiple funding streams of schools, further education, Jobcentre Plus and perhaps higher education.
18. Securing the initial commitment in principle from the District Council and its key partners to such a Learning and Innovation Campus is the first stage in the process. It is recommended as the centrepiece of the overall action plan and the 'Big Idea' which places learning at the heart of the Eco Town and will enable people and businesses from across the District to share in the jobs and prosperity which are planned.

June 2010

SECTION ONE : INTRODUCTION AND BACKGROUND

Introduction

1.1 East Hampshire District Council, working in partnership with Hampshire County Council and Alton College, commissioned Kingshurst Consulting in December 2009 to help audit and review the picture of the area's employment and skills. The study took place between January and May 2010 and was undertaken by Richard Barker, Liz Haggart and Barry Horner.

Our brief

1.2 The study had the following main purpose:

- to draw together and review a baseline assessment of current skill levels and gaps existing within the local workforce
- assess the current and future needs of local business, primarily based on existing research and data
- to carry out a more detailed study into how to meet the skills and training requirements of the proposed Whitehill Bordon Eco Town (see below)
- to create a skills and employability action plan that can help deliver prosperity across East Hampshire, with a particular focus on the potential of the proposed Eco Town.

1.3 In particular, the study was intended to produce the following outputs:

- detail the overall stock of skills in the District. Identify current levels of skills and gaps existing within the local workforce and the current and future needs of local employers, with a more detailed focus on the Whitehill Bordon proposed Eco Town
- identify and suggest solutions to improve the employment prospects for non-employed people/geographical areas, where there are higher levels of working age benefit claimants (i.e. areas where there is a concentration as shown by multiple deprivation indices and other relevant data)
- map current training provision and identify whether the capacity of existing providers in the area is adequate to meet current and future needs with up-skilling and retraining opportunities
- assess whether the local labour market supply in the District is matched to expected growth, in particular for the opportunities in Whitehill Bordon
- have a specific focus on Whitehill Bordon and explicitly identify the skills provision, gaps, retraining opportunities etc. for this community once the Ministry of Defence withdraw from the town
- evidence the case for a 14-19 years education, training and skills delivery solution in Whitehill Bordon that can meet the needs of the town and the District and deliver high quality and sustainable education and training

- suggest actions to address the needs of adults (19 years plus) and enable up-skilling of the local workforce by delivering high quality and sustainable education and training
- suggest ways to increase local employment opportunities by supporting business creation, survival and growth, attraction of new investment – particularly in the Whitehill Bordon area
- suggest ways to inform the actions required to deliver the East Hampshire Community Partnership's Strategy, the Hampshire Local Area Agreement targets, Hampshire Employment and Skills Strategy and the aims of the 14-19 years Consortium Group in East Hampshire
- consider ways in which securing the right skills and employment opportunities to meet anticipated requirements can enhance the competitiveness and productivity of local people and local businesses, by raising economic activity and link to the occupational aspirations of local residents.

1.4 A copy of the consultants' brief produced by East Hampshire District Council and its partners is at Annex One.

Whitehill Bordon Eco Town

1.5 A crucial development affecting the future economic, social and environmental character of the East Hampshire area is the proposed development of the Whitehill Bordon Eco Town. The plan by the Ministry of Defence to relocate armed forces training from the Bordon Garrison to South Wales from 2014 and, as a result, release some 230 hectares of former training land and barracks provides a unique opportunity to redefine Whitehill Bordon. The area's attractive landscape and environment is seen as providing an opportunity to develop a modern 21st Century town to replace military activity. In July 2009 Whitehill Bordon was selected to pilot the Eco Towns approach, placing the area in line for significant funding to bring the plans to fruition. The first tranche of Central Government funding (some £11 million in total) was announced in February 2010 for a range of early projects and more detailed planning.

1.6 The strategic framework for the development of the Eco Town over the next 25 years is being provided by a Masterplan which sets out an overall vision of 'One Green Town' based around:

- a new mixed use town centre with retail and a range of supporting uses
- the development of new homes and the refurbishment of existing accommodation
- new educational and training facilities
- an eco-business park with opportunities for the creation of some 5,500 jobs over the coming 25 years
- modern public transport systems
- new public green spaces
- new leisure and community facilities.

1.7 The scale of ambition involved with the Eco Town development and the likely new jobs associated with that development represent a unique opportunity for the District as a whole and provides an important backdrop to this study and our proposals.

When viewed alongside the tourism and leisure opportunities for the District arising from the recently designated South Downs National Park, East Hampshire is faced with some important opportunities upon which to capitalise in the coming years. The ability of the area's workforce to meet these opportunities – and challenges – will therefore be a key factor in helping deliver a prosperous local economy and future job prospects.

Conduct of the study

1.8 It is against this background that our study has been undertaken. It has involved the following main areas of activity:

- a comprehensive exercise to draw together and analyse the key characteristics of the area's economy in order to provide an accurate baseline from which to inform future employment and skills activity
- a wide ranging consultation programme with relevant local, sub regional and regional organisations concerned with the area's economic development to test the baseline picture of the District and explore potential opportunities for future action
- a workshop for key organisations, providing an opportunity for collective discussion of the issues which face the East Hampshire area, as well as testing emerging proposals which might form the basis of the local action plan
- drafting, clearing and finalising this report.

1.9 It should be emphasised that the brief and our work programme did not involve any new primary research with businesses or residents but instead focused on bringing together, analysing and testing existing data sources. Such data was complemented with the consultation that took place with organisations, including Business East Hants and other business intermediary organisations who participated in our consultation programme.

1.10 The progress of the study was overseen by a Steering Group comprising:

- Mike Gibbs, Economic Development and Tourism Manager, East Hampshire District Council (who chaired the Steering Group)
- Steve MacCormack, Vice Principal (Student Services, Adult and Community Services), Alton College
- Karen Narkiewicz, Policy, Funding and Research Manager, Hampshire County Council
- Debbie Vodden, Economic Development Officer, East Hampshire District Council
- Iain Wolloff, Vice Principal (Quality and Higher Education), Farnborough College of Technology.

1.11 The Steering Group met on five occasions during the study to oversee, guide and steer the work programme:

- in January 2010, with an inception meeting to agree the work programme and undertake detailed project planning
- in February to review the baseline audit and consider the emerging picture of the area's strengths, weaknesses, opportunities and threats in terms of employment and skills
- in March to review progress and in particular the results of the consultation programme
- in April to review progress and plan the arrangements for the consultation workshop with partner organisations
- in May to consider the draft study report.

Format of the report

1.12 Our report is divided into the following further sections:

- Section Two describes the local, sub regional and national context to the study
- Section Three sets out the key features of the baseline audit
- Section Four explains the consultation programme that took place with key organisations, as well as the partner workshop to test the findings and emerging proposals from our study
- Section Five summarises the main messages and findings that emerged from our analysis of the baseline data and our consultation programme
- Section Six outlines the objectives that are proposed in order to provide a focus and structure for future employment and skills activity
- Section Seven describes our central recommendation and 'Big Idea' – a Learning and Innovation Campus
- Section Eight sets out proposed action plan for future employment and skills activity
- Section Nine explains our proposals for overseeing the progress and delivery of the action plan
- Section Ten comprises some concluding comments.

SECTION TWO : CONTEXT TO THE STUDY

Local context

- 2.1 The East Hampshire Sustainable Community Strategy (2008-2026) sets out an overall vision and agreed priorities that all local organisations should work toward in order to improve people's lives. As such the Strategy provides a key local strategic context for this study. In particular, the Strategy identifies a number of priorities concerned with:
- reducing outward migration by local people to jobs outside the District
 - encouraging the growth of new businesses
 - increasing educational attainment
 - improving young people's access to vocational and work related training
 - increasing the provision of high quality learning opportunities.
- 2.2 For the District Council their Core Priorities and, in turn, their Core Strategy set the overall framework to guide the Council's work and development in the District up to 2026. The economic summary of the Council's Core Priorities highlights the significant imbalance between jobs available locally (mainly lower skilled) and a more highly qualified and professional workforce, leading to high levels of inward and outward commuting (which we comment on further in Section Three of our report).
- 2.3 The work of the new East Hampshire Children's Partnership also provides an important context for the study. The Partnership, which builds on the work of the former East Hampshire Education Improvement Partnership, brings together a wide range of local organisations to address the needs of children and young people in a coordinated way. The Partnership includes schools, the police, health organisations and other agencies. Among the new Partnership's priorities are:
- school improvement
 - overcoming barriers to learning
 - the continuing professional development of staff.
- 2.4 Alton College is a large sixth form college (the only one in East Hampshire), as well as being the main training provider within the District. It is one of the area's major employers in its own right. The College provides a wide range of academic courses, both full and part time, plus vocational learning for young people and adults. It has over 2,000 full time students aged 16-18 and more than 1,400 learners aged over 19. It is one of only a few colleges in the country to be judged by OFSTED as 'outstanding' in all five areas of its inspection in 2009, following a similar assessment of the College at a previous inspection in 2006. The College therefore has an important strategic role to play in planning and delivering provision across the District which has a direct bearing on this study.
- 2.5 If the District Council and its partners are to realise the vision set out in the Community Strategy and the priorities in other key strategies, the contribution of education and learning activity will be of paramount importance. Both national and international studies emphasise the central importance of education and skills development in raising prosperity and competitiveness at a national and local level. Also there is well documented evidence that many of the jobs likely to be created in the future will require higher level skills and qualifications, with a corresponding

decrease in the number of jobs available to those with few or no recognised qualifications. Therefore the proposals in this report are a key means of the Council and its partners achieving the wider strategic aims of both strategies.

Sub regional context

- 2.6 At a County level, Hampshire's employment and skills strategy sets out an overarching framework and direction for local activity across Hampshire. The strategy proposes action built around the following priorities:
- improving business collaboration, for example based around the work of Hampshire Economic Partnership
 - developing more inclusive partnerships including work placements, employers' inclusion policies and improved individual support
 - encouraging new learning styles, for example increased on the job training, developing college provision and e-learning
 - growing people up the skills ladder to encourage the up-skilling of the resident population
 - the role of ICT.
- 2.7 The recently formed Hampshire Employment and Skills Board will have an important remit to collect better intelligence on skills in the workforce and, via a comprehensive Hampshire skills strategy, seek greater influence over the deployment of skills funding for adults. It will therefore play a key strategic role at a County level in addressing the skills which businesses and individuals will need.
- 2.8 In turn, Hampshire's Local Area Agreement (LAA) and its theme concerning employment, skills and business support provides an important context to this study, reflecting LAA priorities concerned with:
- improving skills by raising basic skill levels and moving people up the skills ladder
 - encouraging local employment opportunities, including helping people with disabilities to access work, encouraging people to move from benefits to work
 - support business growth, involving encouragement for business start ups and improving the business performance and growth prospects of existing businesses
 - reducing the earnings gap in targeted areas, including the County's rural areas, through raising the skill levels and, in turn, the earning prospects of local people.
- 2.9 In addition, the strategy for developing 14-19 education and training in Hampshire sets out some important priorities for local action based around the themes of:
- curriculum development
 - young people's continuity and progression
 - support, guidance and inclusion
 - teaching and learning.
- 2.10 The findings from this study and the proposals set out in the action plan are fully in line with these wider pan-County strategies and plans. In addition the action plan we propose provides a practical means of East Hampshire contributing to the various County wide targets and priorities contained in the above strategies, in particular the overarching targets in Hampshire's LAA.

National context

- 2.11 At the time that this report is being prepared, the national context for employment and skills activity is far from clear following the recent General Election. However, there will be very significant pressures on public sector finances in the coming years, coupled with a potentially fragile recovery across the economy as a whole, which provides a crucial background to this study and its recommendations.
- 2.12 Although the direction and levels of public sector investment in employment and skills activity are not clear at the present time, there is general support within the new Government for continued funding of learning and skills programmes. For example, in their election manifesto the Conservative Party set out a number of priorities for strengthening the country's skills base, including:
- creating an extra 100,000 apprenticeships and pre apprenticeships each year
 - giving small and medium size businesses a £2,000 bonus for every new apprentice they take on
 - providing an extra 100,000 college places over two years so that unemployed people can improve their skills
 - providing 100,000 new 'work pairings' over two years so that unemployed young people can get meaningful work experience and mentoring from business people
 - offering improved careers advice, including expert advice in every school and college as well as a new careers service for adults.
- 2.13 The concept of funding a 'Pupil Premium' for school age children in particularly challenging areas and circumstances is now endorsed by the new Government. There is recognition that these extra funds can be used for activities such as additional one to one tuition and the provision of after school and holiday support. This approach is reflected in our subsequent proposals in the area's action plan. So far however, there are no explicit proposals from the new Government for either Further or Higher Education.
- 2.14 In terms of supporting unemployed people to get jobs, the new Government has made a commitment to end all existing welfare to work programmes and to create a single programme to help all unemployed people get back into work.
- 2.15 However, what is less clear at the present time are the structures to deliver such employment, skills and welfare to work programmes, the levels of funding and the funding criteria involved.
- 2.16 It is also not clear at this stage what future Central Government funding will be available to support the Eco Town proposals nationally and what impact that will have on the plans for Whitehill Bordon. However for the purposes of this study we have assumed that there will be some form of continuing Central Government funding for the Whitehill Bordon plans.
- 2.17 Therefore the challenge for the local action plan will be to utilise as far as possible existing resources and known funding streams that are thought likely to continue to better add value during the tougher times ahead in the next few years. We return to this question in our proposed action plan in Section Eight of this report.

SECTION THREE : KEY FEATURES OF THE BASELINE AUDIT

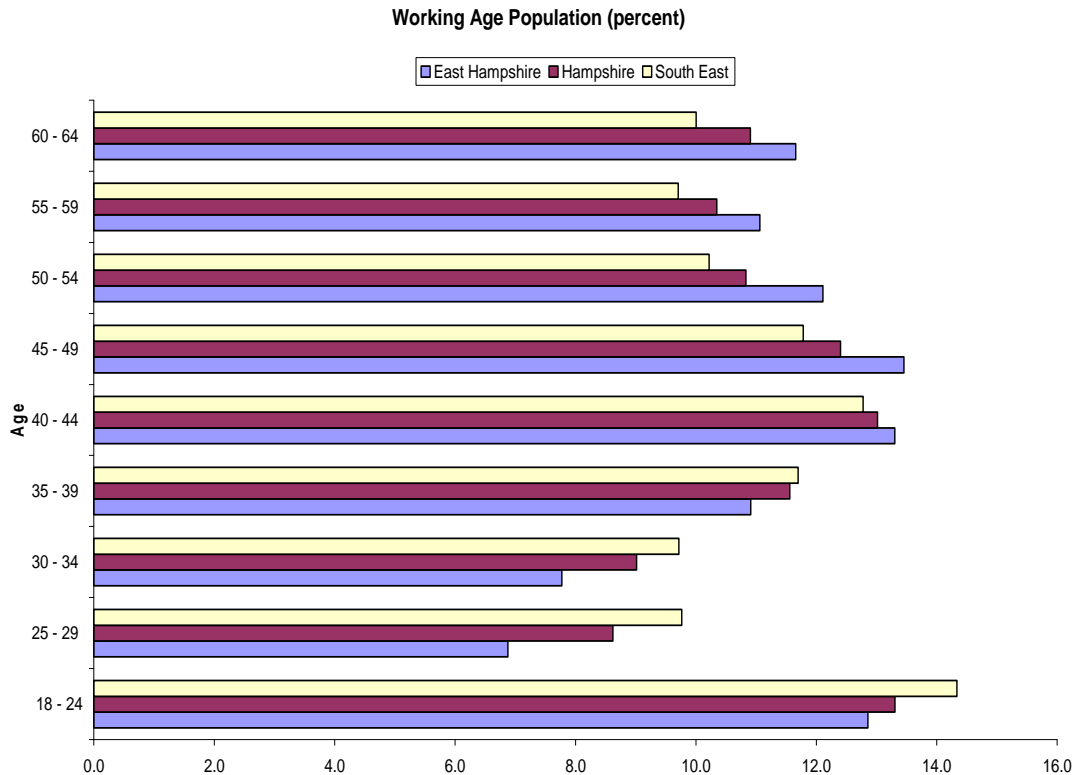
- 3.1 This section describes the main features of the local labour market, business characteristics, employment, skill levels and worklessness within East Hampshire. Where information is available, data for the five wards comprising Whitehill Bordon are also included. Wherever possible the most recent data have been used together with trends in recent years. To put the local information in context, data have been compared with County, South East and national figures where available.
- 3.2 It is important to highlight that a wide range of data sources have been analysed and these have differing levels of statistical reliability. This is because they are surveyed differently, have varying sample sizes and use different methods to compile the data. For example, the Annual Population Survey has lower confidence limits than some other sources. Nonetheless these are the best available sources to inform our work. (The various sources of the data we have utilised are set out in Annex Two.)
- 3.3 Rather than describe all the data at great length this section attempts to outline the most salient features under the following headings:
- population
 - economic activity, business and employment
 - workforce skill levels
 - educational attainment and progression
 - worklessness.

Population

➤ **Population**

- 3.4 The population of East Hampshire is estimated at 111,700 with 54,800 males and 56,900 females. Of these, the working age population comprises some 66,900 people (2008 Mid-year estimates, ONS).
- 3.5 East Hampshire's population is characterised by a relative lack of people aged under 40 and a higher proportion of people aged 45 or over, in comparison with Hampshire and South East levels, as shown in Chart 1. When compared with the GB average, the population aged 18–39 in East Hampshire represents 38.5 % in comparison with 47.4% for GB as a whole, a difference of 9% which is quite substantial. In part this is a reflection of the District being a popular area for retirement but it has important implications for local labour market and skills availability for employers.
- 3.6 In contrast, in the five wards that comprise Whitehill Bordon, a higher proportion of the population is aged under 16 (some 23%) in comparison with the District and the County as a whole (2001 Census, ONS).

Chart 1



Source: 2008 mid-year population estimates, ONS

➤ **Population forecasts**

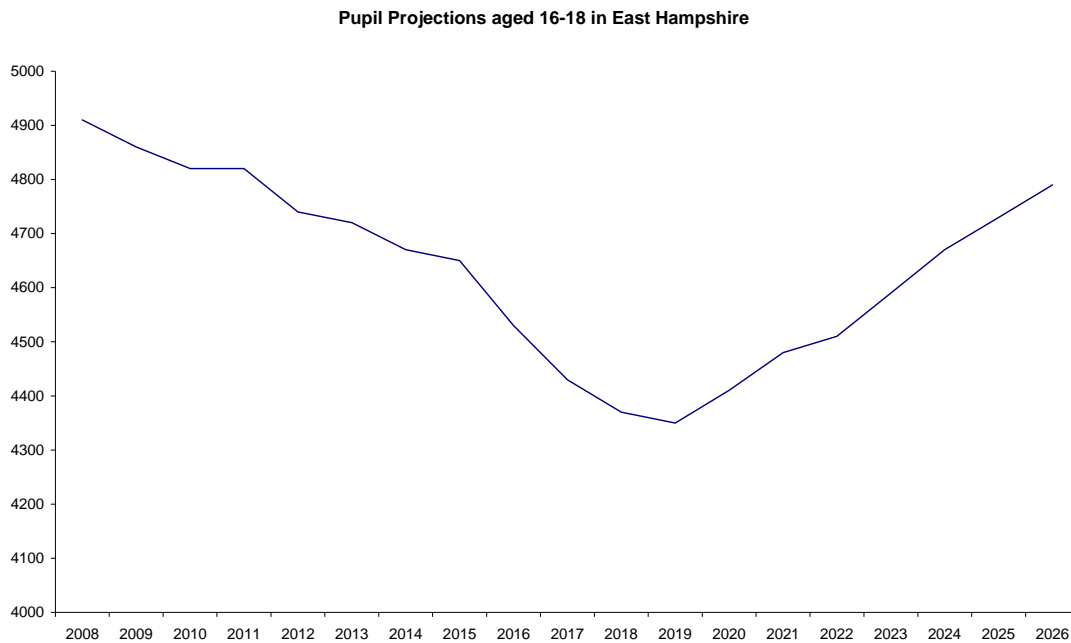
- 3.7 Population trends and forecasts are important to take into account when planning education and training activities as well as considering local labour availability. In the District as a whole, pupil projections prepared by Hampshire County Council show major changes in the school age population (4-18) in the next decades. For all 4 to 18 year olds the number drops from 21,220 in 2008 to 20,320 by 2013, rises to 2008 levels by 2021 and then grows by a further 1310 (6%) by 2026.
- 3.8 Looking at just the cohort of 16 to 18 year olds, pupil projections show that amongst this age group, from a level of 4,910 pupils in 2008 there is a projected decline to 4,350 by 2019 in East Hampshire, a drop of some 560 (11%). However from 2019 to 2026 there is a projected increase to 4,790 so not quite back up to 2008 levels as shown in Chart 2.
- 3.9 In Whitehill Bordon, Hampshire County Council projections show a steady increase amongst the 16-19 age group from 2011 resulting in an overall increase of 43% over 2006 levels by 2026 (Table 1). If these projections were to come to fruition they demonstrate a substantial increase in demand for learning provision during the next 20 years or so for this age group in Whitehill Bordon alone.

Table 1 : Population projections for 16-19 year olds, Whitehill Bordon

Age	2006	2011	2016	2021	2026
16	210	170	210	280	320
17	270	250	290	340	380
18	310	300	340	380	430
19	240	240	280	330	340
16-19	1030	960	1120	1330	1470

Source: Hampshire County Council Long Term Projections

Chart 2



Source: Hampshire County Council Long Term Projections
 Figures as at January 2010 and incorporating the SE Plan dwelling figures

➤ **Population centres**

- 3.10 The distribution of the population in East Hampshire is another important factor to consider. Of a population of about 112,000, the largest single urban area is Alton with a population of about 17,000 people. This is followed by Petersfield and Whitehill Bordon, both with around 14,000 and then Horndean with 12,000 people. East Hampshire is therefore characterised by a network of small towns with no locally dominant centre but with an extensive rural area plus smaller towns and villages (SQW, 2008).
- 3.11 Based on 2001 Census data, SQW identified very little commuting between each of the four towns and that all four towns supplied more workers to workplaces in other parts of East Hampshire, demonstrating the lack of a dominant centre for employment or learning. Indeed, data highlighted that, apart from people working within their own settlements, a majority of workers commuted outside East Hampshire. The impact of commuting will be discussed further in paragraphs 3.34-3.36.

Economic activity, business and employment

➤ **Economic activity**

- 3.12 According to the Annual Population Survey, of the working age population, there are 53,000 people who are economically active in the District representing an economic activity rate of 83% (Table 2). This is high relative to the South East and Great Britain but lower than in Hampshire as a whole.
- 3.13 The proportion that are considered employees is slightly lower than in the County as a whole and this may be attributed to higher levels of self employment in the District. Again however the proportion of employees is higher than the South East and Great Britain generally. Interestingly the percentage of economically inactive who do not want a job is relatively high in East Hampshire and this may be a reflection of people taking early retirement or carrying out caring responsibilities (particularly given the population profile outlined previously). Economic inactivity will be discussed further in later paragraphs of this section.

Table 2 : Economic activity

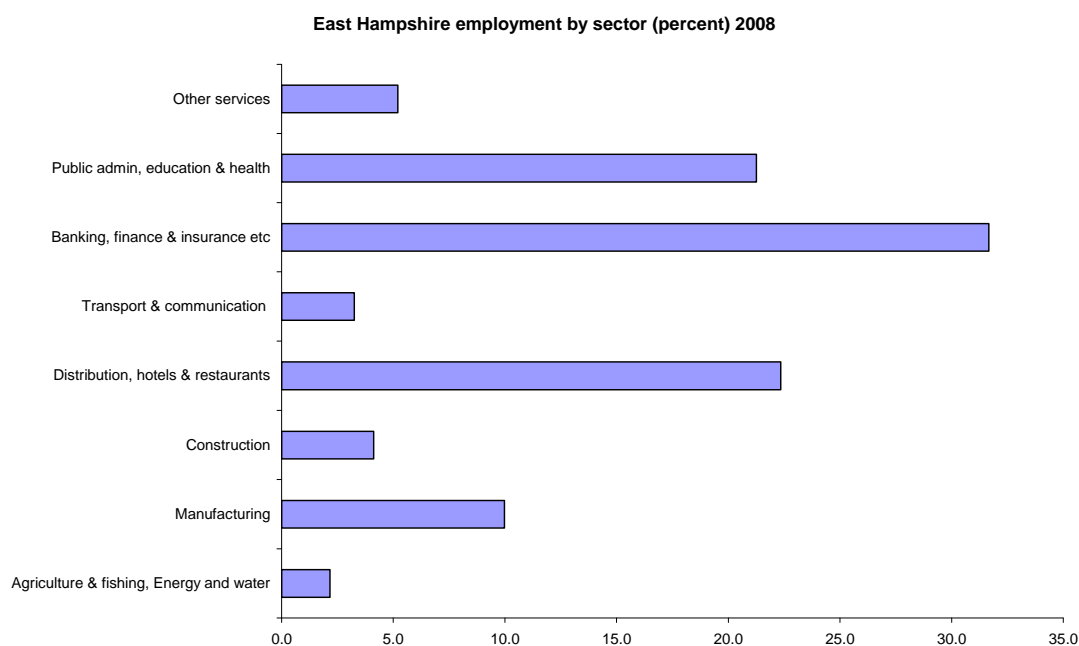
	East Hampshire	Hampshire	South East	Great Britain
Economic activity rate - working age	83.2	84.4	82.5	78.9
% of working age who are employees	70.1	71.8	67.8	64.4
% working age economically inactive - want a job	3.8	2.8	5.0	5.6
% of working age economically inactive - do not want a job	13.0	12.8	12.5	15.5

Source: Annual Population Survey April 08-March 09, ONS

➤ **Employment by sector**

- 3.14 Based on the Annual Business Enquiry the data in Chart 3 represent the number of employees in employment in East Hampshire prior to the recession. It is important to note that this source excludes people who are self employed as well as armed forces personnel.
- 3.15 On this basis the largest sector of employment is Banking, Finance and Insurance, which accounts for 32% of employment, followed by Distribution, Hotels and Restaurants with 22%. However, Public Administration and Other Services, when combined, account for 25% of employment.

Chart 3



Note: Employees only; excludes self-employed and HM Forces uniformed personnel
 Source: Annual Business Inquiry 2008, ONS

3.16 As shown in Table 3, the GB ratio figure or Location Quotient provides a comparison of sectors with the national average: a score of less than 1.00 shows that sector is under-represented, more than 1.00 indicates over-representation. On this basis, the Financial and Business Services sector is relatively over represented in the District (in comparison with GB as a whole), together with Agriculture, whilst Transport and Communications is the sector most under represented. Engineering and Manufacturing are in line with national levels.

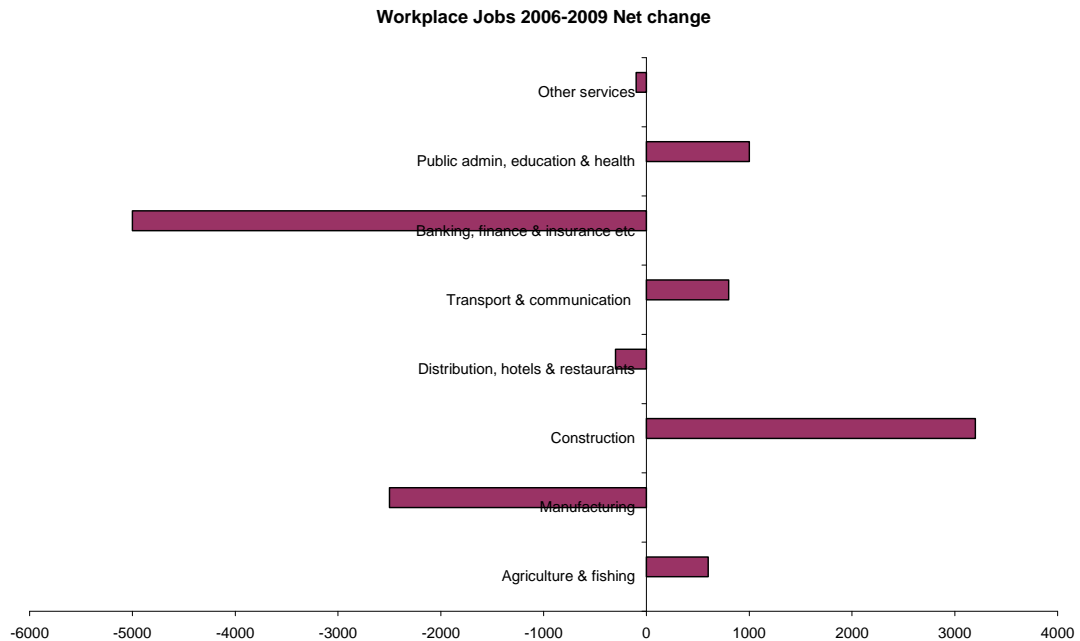
Table 3 : Employees in employment in East Hampshire by sector

	GB Ratio
Primary (Agriculture & Fishing, Energy & Water)	1.3
Engineering	1.0
Other manufacturing	1.0
Construction	0.9
Distribution, hotels and restaurants	1.0
Transport and communications	0.5
Business & financial services	1.4
Public administration	0.8
Other services	1.0

Note: Employees only; excludes self-employed and HM Forces uniformed personnel
 Source: Annual Business Inquiry 2008, ONS

3.17 More recent data from the Annual Population Survey provide an indication of change in employment as a result of the recession. However it is important to bear in mind that this survey includes self employment and armed forces personnel and is derived using a different methodology than the ABI, making comparison between the two problematic.

Chart 4



Source: Annual Population Survey Workplace Analysis, NOMIS, 2010

3.18 As shown in Chart 4 the APS identifies some large scale changes in employment between 2006 and 2009. Overall there was a net loss of some 3,600 jobs with the majority occurring within the financial and business services sector, followed by manufacturing as would probably be expected given the effects of the recession at a national level. Public administration is shown to have increased and again this is in line with national trends. The large increase in construction may be slightly misleading owing to changes in employment status in the sector required by HMRC as well as statistical confidence limits.

3.19 Nonetheless the evidence of jobs lost is telling and the likelihood of further job losses through future anticipated cut backs in public sector funding (accounting for about a quarter of all jobs in the District) is of concern.

➤ **Business profile**

3.20 East Hampshire is characterised by a large number of very small businesses. Of approximately 6,000 business enterprises in East Hampshire, 80% are considered to be micro-businesses, employing up to four people (Table 4). This results in a relatively high business density in the District. These figures are thought to result from a large number of self-employed, own account workers. It is important to note that these data are concerned with “enterprises” defined as “legally incorporated units under common ownership” rather than individual employment sites (“enterprise” includes retail chains, whilst “units” comprise an individual shop, for example). This understated the number of individual employment locations, particularly among larger employers, in comparison with other data sources.

- 3.21 Approximately 18% of all resident workers in East Hampshire are considered to be self employed. This is high set against a South East and national average of around 13%. The large number of very small and, in some cases, 'life-style' businesses, points to limited growth potential.

Table 4 : Enterprises by employment size, 2009

	East Hampshire		Hampshire	South East	Great Britain
	No	%	%	%	%
0 - 4	4725	79.9	77.3	77.7	76.1
5 - 9	645	10.9	11.9	11.8	12.7
10 - 19	335	5.7	6.0	5.7	6.0
20 - 24	145	2.5	3.0	3.0	3.2
50 - 99	40	0.7	0.9	0.9	1.0
100 - 249	15	0.3	0.5	0.6	0.6
250+	10	0.2	0.4	0.4	0.4

UK Business: Activity, size and location, 2009, ONS

- 3.22 In consequence the average turnover of businesses is lower in East Hampshire, with proportionately more businesses with a turnover of £250,000 or less and fewer businesses turning over £1 million or more (Table 5)

Table 5 : Enterprises by turnover size (£ 000), 2009

	East Hampshire	Hampshire	South East	Great Britain
<249,000	73.1	70.7	70.5	69.7
250,000- 999,999	18.4	19.7	20.0	20.6
>1,000,000	8.5	9.6	9.5	9.7

UK Business: Activity, size and location, 2009, ONS

- 3.23 Interestingly the District is characterised by a larger proportion of long standing businesses, but the corollary of this is that there is a smaller proportion of new businesses relative to Hampshire, the South East and Great Britain as a whole. In recent years, the level of new business births in relation to the overall business stock supports this contention. This might suggest a lack of dynamism or a less entrepreneurial economy in the District (Table 6).
- 3.24 East Hampshire has a low proportion of employment in the so called 'knowledge based sector' (11%) compared to an England average of 16% and is specifically low in a regional context where 18% of jobs in the South East are knowledge based (Robert Tym and Partners, 2008).
- 3.25 The area's businesses are also considered to create less value added in comparison with the County and the South East. This has already been recognised and is the driving force behind the creation of Business East Hants.

Table 6 : Enterprises by age, 2009

	East Hampshire		Hampshire	South East	Great Britain
	No	%	%	%	%
Less than 2 Years Old	830	14.0	15.6	16.1	16.4
2 to 3 Years Old	840	14.2	15.2	14.9	14.8
4 to 9 Years Old	1805	30.5	29.3	28.7	27.4
10 or More Years Old	2440	41.3	39.9	40.2	41.4

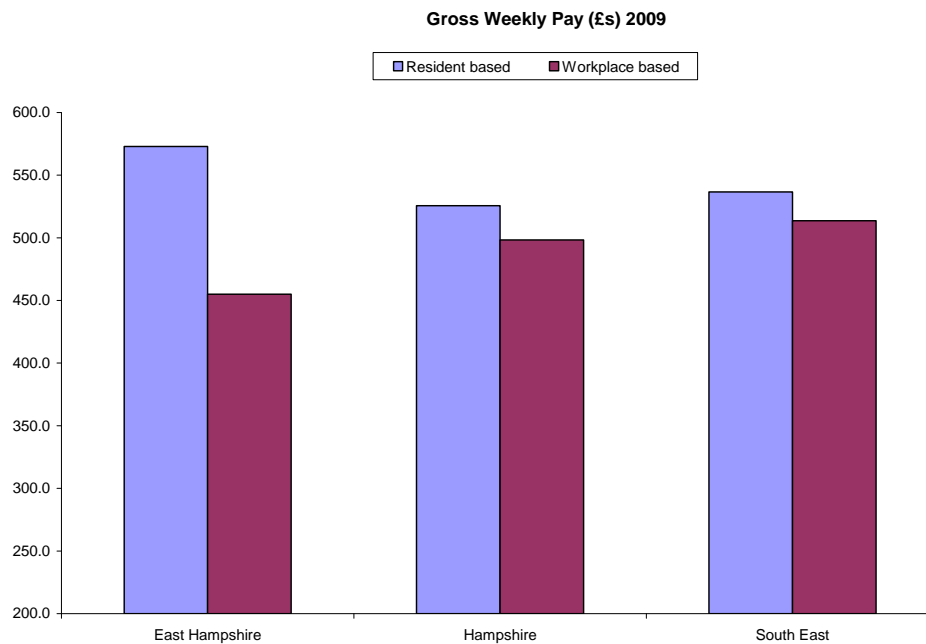
UK Business: Activity, size and location, 2009, ONS

3.26 Where new businesses have been established, three-year survival rates compare well against Hampshire and the South East as a whole (Business Demography, 2008, ONS) although these data predate the recession.

➤ **Wage levels**

3.27 Workplace based pay in East Hampshire is much lower than in Hampshire and the South East as a whole (Chart 5) reflecting fewer highly paid jobs in the area. Wage levels are much higher amongst those who commute out of the District and this correlates with commuters in East Hampshire generally having higher skill levels than non-commuters.

Chart 5



Source: Annual survey of hours and earnings, ONS 2009

Workforce skill levels

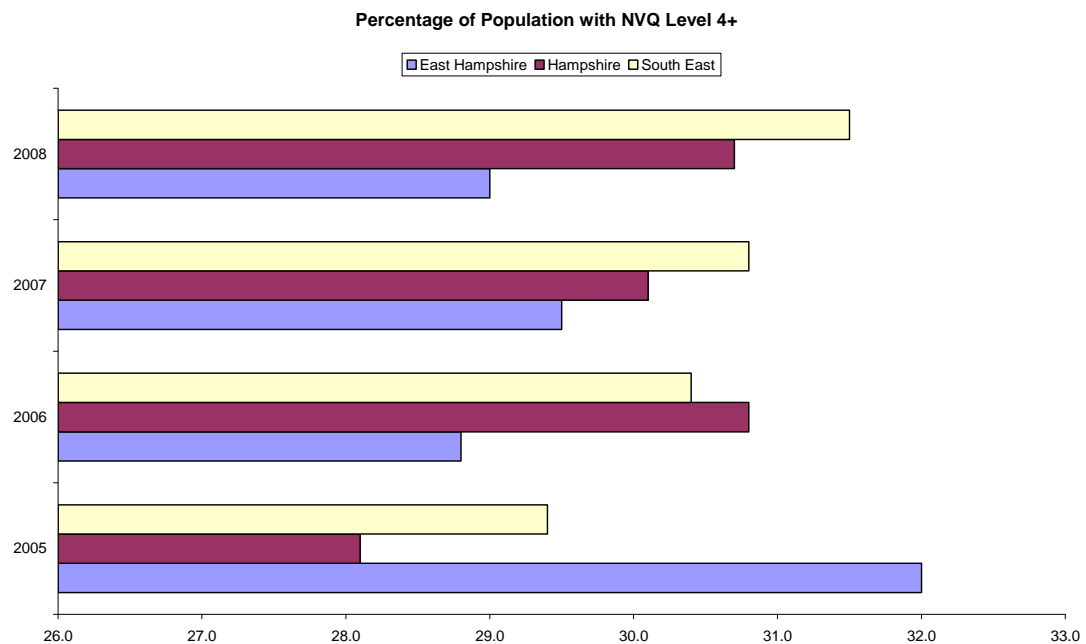
➤ **Qualification levels in the workforce**

3.28 East Hampshire has a relatively highly skilled workforce in comparison with Hampshire, the South East and national levels. Around 73% of the resident

workforce are qualified to NVQ level 2 or above in comparison with 71% for Hampshire, 69% for the South East and 65% for Great Britain (Annual Population Survey 2008, ONS).

- 3.29 The proportion of the workforce qualified at NVQ level 3 and above is again relatively high in East Hampshire although less marked than for NVQ level 2.
- 3.30 At NVQ level 4, however, there is evidence to suggest that the proportion of the population in East Hampshire has remained relatively static in comparison with Hampshire, the South East and GB as a whole. In 2008, levels in East Hampshire appeared to be equivalent to that of GB but behind those of the South East and Hampshire (Chart 6).

Chart 6



Source: Annual Population Survey, ONS

- 3.31 Although the proportion of the population with no or low skills is relatively low overall for the District, this masks significant variation between some areas, for example Whitehill Bordon, where three in ten of the workforce have no qualifications (Census, 2001, ONS).

➤ **Occupation groups**

- 3.32 Another way of looking at workforce skills is the occupations undertaken by residents. East Hampshire has a high proportion of residents who are managers and senior officials (15%) generally considered to be the highest skilled occupations. Relatively few people work in sales and customer service occupations, as process, plant and machinery operatives and in other elementary occupations.
- 3.33 In contrast Whitehill Bordon has a low proportion of managers and senior officials but high associate professional and technical occupations and skilled trades occupations (with MOD jobs accounting for a number of these), plus a higher proportion of sales, general operatives and other elementary occupations than in East Hampshire as a whole.

Table 7 : Employment by main occupation groups (percent) 2001

	Whitehill Bordon	East Hampshire	Hampshire	South East	England and Wales
Managers and Senior Officials	10.5	15.0	13.1	13.2	11.3
Associate Professional and Technical Occupations	18.4	14.9	15.0	14.6	13.8
Administrative and Secretarial Occupations	11.6	12.7	14.1	13.8	13.3
Skilled Trades Occupations	18.3	12.5	11.6	11.0	11.6
Personal Service Occupations	8.2	7.5	6.6	6.9	6.9
Sales and Customer Service Occupations	6.2	5.9	7.0	7.3	7.7
Process, Plant and Machine Operatives	6.9	5.2	6.5	6.3	8.5
Elementary Occupations	10.9	9.1	10.4	10.5	11.9

Source: Census, 2001, ONS

3.34 In paragraph 3.11, the level of flows of workers between settlements within the District was identified as relatively low, with the four towns supplying more workers to workplaces 'elsewhere in East Hampshire', pointing to the District's rural nature and the lack of dominant employment centre. Excluding resident workers (i.e. those that live and work in their own home town) all four towns supply more workers to outside East Hampshire than within it (Table 8).

Table 8 : Commuting flows by East Hampshire residents, 2001

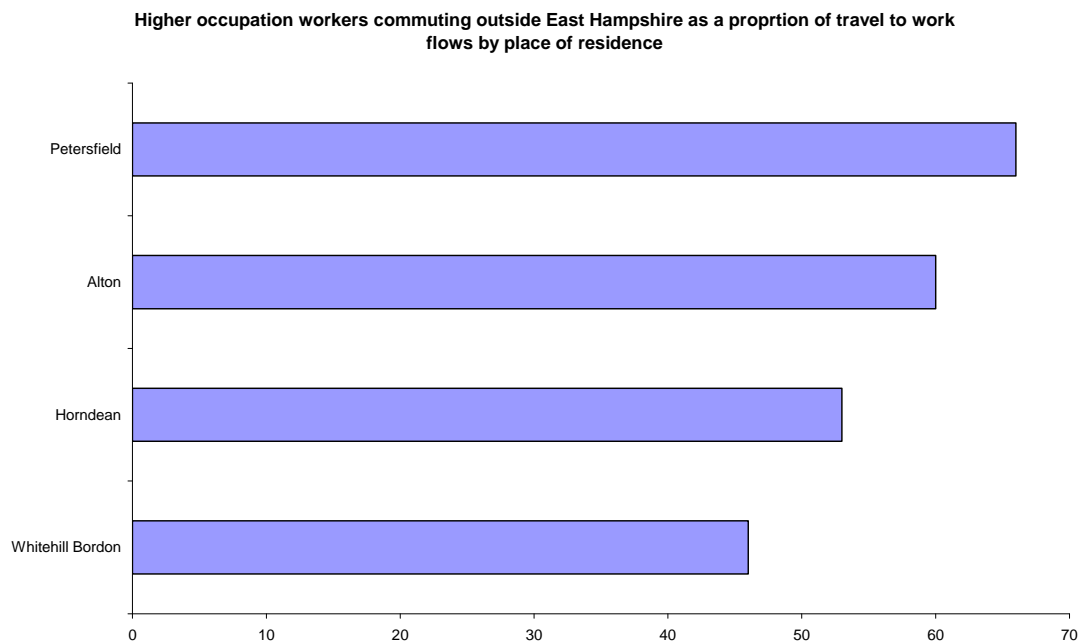
Place of residence	Working in home area	Commuting within the District	Commuting out of the District
Whitehill Bordon	3,453	1,544	2,905
Alton	3,667	1,111	2,729
Horndean	1,577	341	4,273
Petersfield	2,815	967	2,522
Elsewhere in East Hants	10,658		12,745
Total	22,170	3,963	25,174

Source: SQW, 2009 (based on 2001 Census data)

3.35 The net commuter outflow from East Hampshire has been calculated at 11,641 people (SQW, 2009). As mentioned previously, a high proportion of managers and senior officials resident in East Hampshire commute out of the District to work, effectively a net loss of higher level skills.

3.36 Looking at the three highest skilled occupations (managers and senior officials, professional and associate professional and technical) they account for 66% of all out of District commuters from Petersfield and 60% in Alton. In Whitehill Bordon the majority of Whitehill Bordon's out of District commuters are from the lower occupation groups (Chart 7).

Chart 7



Source: SQW, 2009 (based on 2001 Census data)

Educational attainment

➤ **GCSE Level**

3.37 Looking now at the skill levels of those about to enter the workforce, educational attainment amongst young people in East Hampshire is relatively high with six out of 10 young people achieving five or more GCSEs (Grade A*-C) including English and Maths. This is 12% higher than for England as a whole (Table 9) and is also higher than the Hampshire average.

Table 9 : GCSE and Equivalent Results for Young People Sept 07-Aug 08

	East Hampshire	South East	England
All Pupils at the End of KS4 Achieving 5+ A* - C Including English and Mathematics (Persons)	59.8	51.8	47.8

Source: Department for Children, Schools and Families, 2009

➤ **Post-16 education**

3.38 Attainment of Level 3 qualifications (which include AS and A Levels) is again good by East Hampshire resident students, with high average point scores per student, although the average score per entry is slightly below South East and national levels (Table 10).

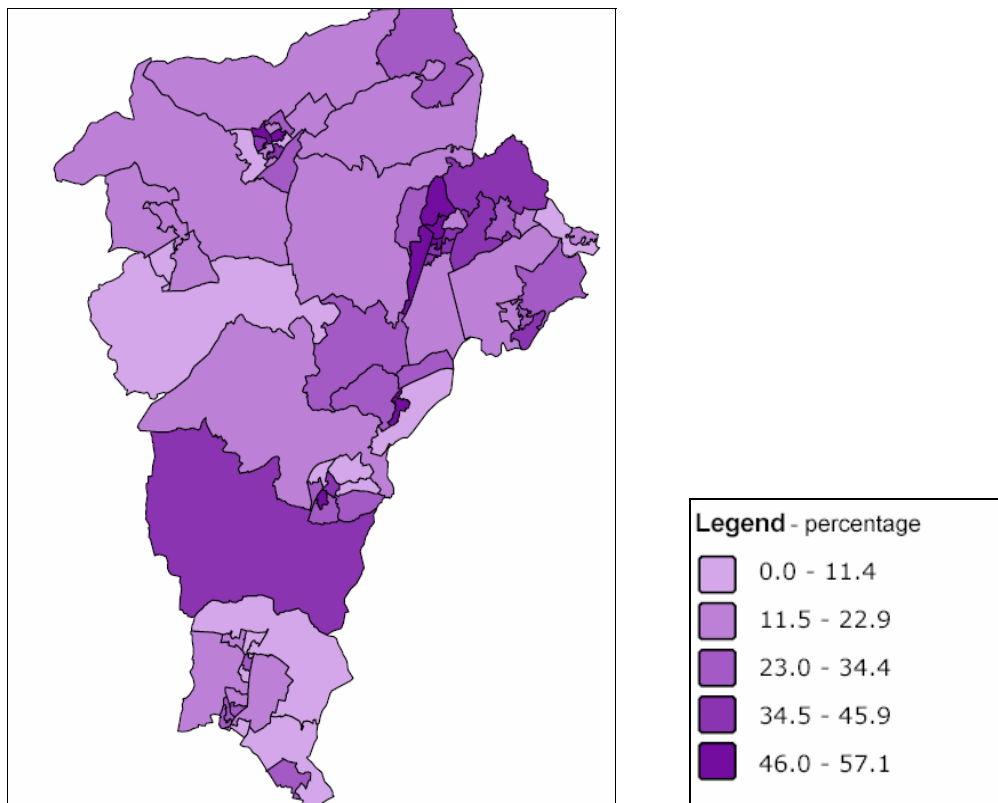
Table 10 : GCE/VCE A/AS and Equivalent Examination Results for Young People (by place of residence) Sept 07- Aug 08

	East Hampshire	South East	England
16-18 Year Old Students Entered for Level 3 Qualifications (number)	830.0		
Average Level 3 QCA Point Score Per Student	798.9	739.6	721.3
Average Level 3 QCA Point Score Per Entry; All Students	202.8	209.0	205.8

Source: Department for Children, Schools and Families, 2009

- 3.39 With no post-16 provision at schools, young people undertake their post 16 education at colleges either within or outside East Hampshire. The geography of the District and the need to travel to access education is considered to have a negative effect on people staying on beyond 16 in some areas.
- 3.40 As shown in Map 1 there are some areas of the District where the proportion of young people not staying on in education approaches 50%. This includes parts of Alton, Whitehill Bordon/Headley, and Petersfield.

Map 1 : Not staying on post 16 rate (percentage persons, Jan 07)

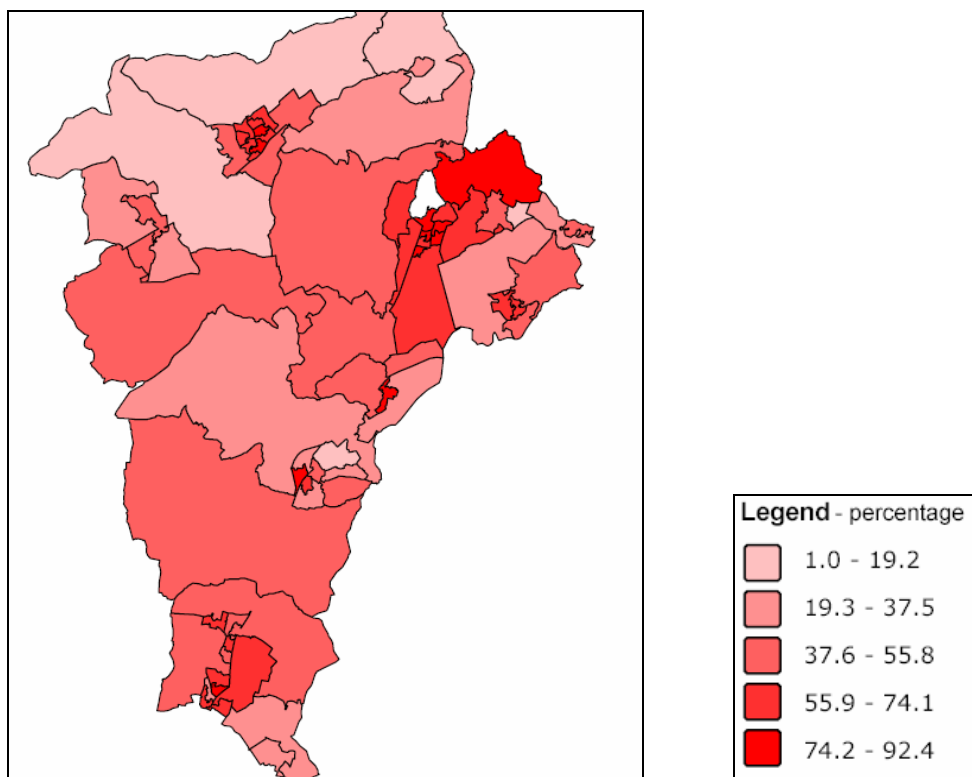


Source: Indices of Deprivation 2007 Underlying indicators: Education, Skills and Training, DCLG. Map from Neighbourhood Statistics, ONS, 2010

➤ **Progression to Higher Education**

3.41 With fewer young people in parts of the District accessing post 16 education it is not surprising that in these areas the proportion of young people entering Higher Education (HE) is also low. As shown in Map 2, there is a particular concentration of young people not entering HE in the Whitehill Bordon and Headley area as shown by the darker shaded areas. The unshaded areas of the map in the centre of Whitehill Bordon mean that data have been suppressed. This is because in the 'super output areas' involved (as defined for the Index of Multiple Deprivation), six people or fewer were counted by the Higher Education Statistics Agency as entering HE, during the period 2002-5, in effect an extremely low level.

Map 2 : Progression into Higher Education (percentage persons, Jan 07)



Source: Indices of Deprivation 2007 Underlying indicators: Education, Skills and Training, DCLG.
Map from Neighbourhood Statistics, ONS, 2010

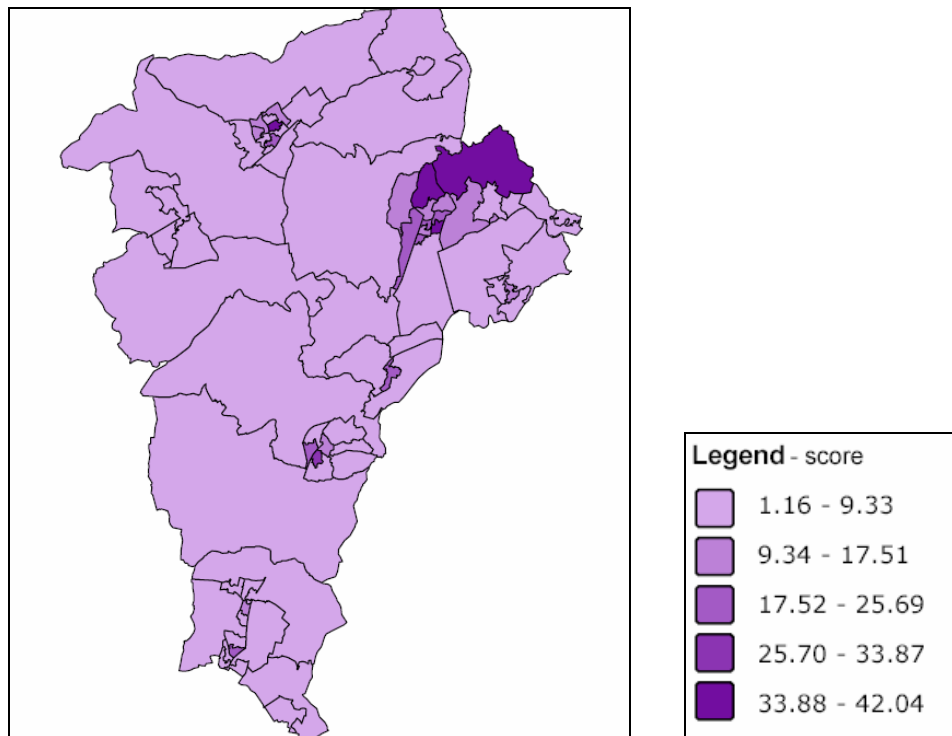
➤ **Overall indication of education, skills and training**

3.42 The following map (Map 3) brings together a number of data sources to form a combined indicator for education, skills and training in East Hampshire. It includes:

- the average points score for children at Key Stages 2, 3 and 4
- young people not in education post 16
- the proportion not entering HE
- secondary school absence
- working adults with no or low qualifications.

- 3.43 Based on these measures, a significant concentration occurs in and around Whitehill Bordon and Headley, further reinforcing the level of need in the area.

Map 3 : Combined education, skills and training indicator (Score) Jan 07



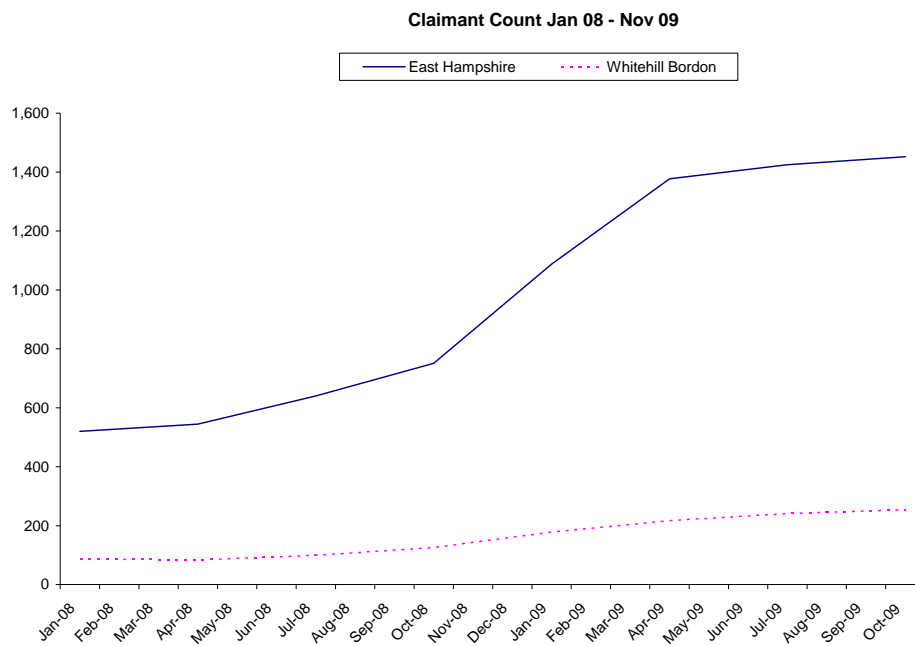
Source: Indices of Deprivation 2007 Underlying indicators: Education, Skills and Training, DCLG.
Map from Neighbourhood Statistics, ONS, 2010
Note: this map is derived from a score rather than presenting data as a percentage of the population

Worklessness

➤ Claimant count

- 3.44 Although the level of economic activity in East Hampshire is high, as previously reported, unemployment has increased as a result of the recession. As measured by the Claimant Count (people claiming Job Seekers Allowance) unemployment more than doubled in the District since January 2008 (Chart 8 overleaf) as well as in Whitehill Bordon.

Chart 8



Source: ONS, NOMIS, 2010

3.45 However, overall rates at 2.1% remain relatively low in comparison with Hampshire as a whole and the South East (Table 11)

Table 11 : Claimant count as a proportion of the resident working age population Dec 2008 - Dec 2009

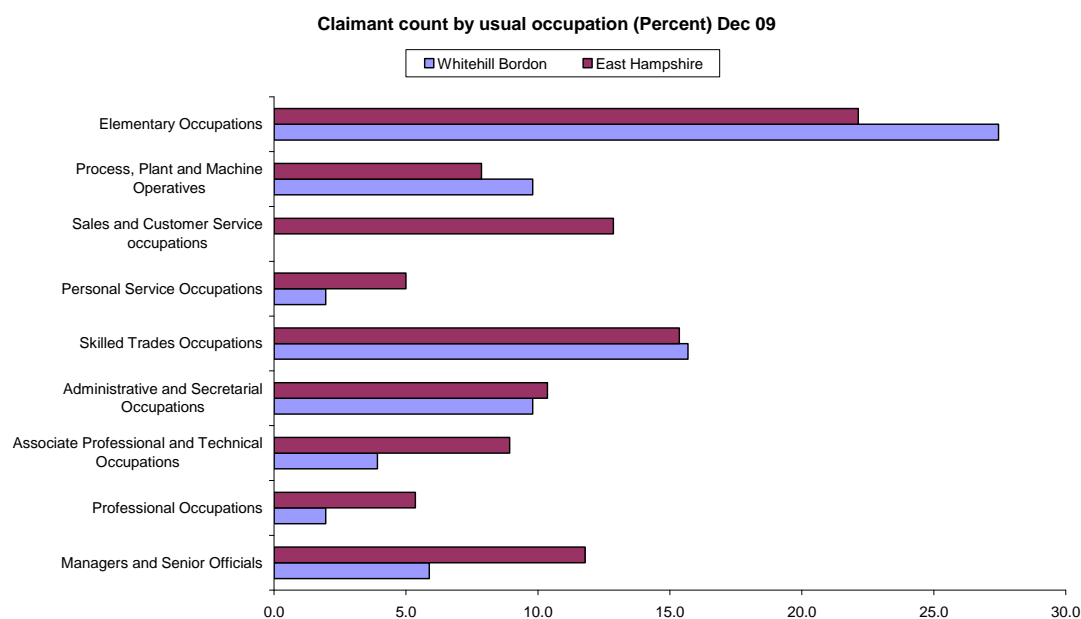
	East Hampshire	Hampshire	South East	England and Wales
December 2008	1.4	1.7	2.0	3.0
December 2009	2.1	2.5	3.0	4.1

Source: ONS, NOMIS, 2010

3.46 What is interesting about the District wide unemployment situation is the proportion of former Managers and Senior Officials looking for work, some 12% of the total as at December 2009. To put this figure in context, this compares with around 8% of claimants in Hampshire and the South East. The relatively high level in East Hampshire appears to correspond with the previously reported jobs lost in the Financial and Business services sector and the higher proportion of managers and senior officials in the District.

3.47 However this unemployment pattern varies within the District. In comparison with the District as a whole, people claiming Job Seekers Allowance in Whitehill Bordon were more likely to have formerly worked in lower skilled occupations, as shown in Chart 9 overleaf.

Chart 9



Source: ONS, NOMIS, 2010

3.48 The age profile of those seeking work is also different between Whitehill Bordon and the District as a whole. Almost one third of claimants are aged under 24 in Whitehill Bordon, whilst almost a quarter are aged over 50 in the District as a whole (Table 12).

Table 12 : Claimant count by age (percent) Dec 09

	Whitehill Bordon	East Hampshire	Hampshire
% aged under 24	32.7	26.9	28.1
% aged 25 - 49	53.1	50.7	54.3
% aged 50 +	14.3	22.5	17.6

Source: ONS, NOMIS, 2010

3.49 Another interesting feature is that during the last two years the proportion of men claiming JSA has risen in Whitehill Bordon whereas it has remained broadly the same in the District as a whole.

➤ **Vacancies**

3.50 Looking at the demand for employment, as at December 2009, vacancies notified to Jobcentre Plus for East Hampshire totalled 288. Interestingly this level is more or less unchanged since December 2008 despite a decrease in the number of vacancies across the County (by 2%). In Whitehill Bordon the level of vacancies fell by 9% during the same period, to 31.

3.51 The proportion of the vacancies available across the District is skewed towards managers, senior officials and professional occupations, compared with the County, with nearly all other occupations having proportionately less than the County (Table 13). In Hampshire as a whole only 6% of vacancies were for managers and senior officials, compared with 21.2% in East Hampshire, but there were proportionately

more vacancies for associate professional and technical occupations across the County.

- 3.52 In contrast again, vacancies within Whitehill Bordon showed about one-third were for other elementary occupations, followed by 16% in both Associate Professional and Skilled Trades.

Table 13 : Vacancies by occupation (percent), Dec 2009

	Whitehill Bordon	East Hampshire	Hampshire
Managers and Senior Officials	3.2	21.2	6.3
Professional Occupations	6.5	4.5	3.8
Associate Professional and Technical Occupations	16.1	6.6	11.8
Administrative and Secretarial Occupations	9.7	5.2	8.4
Skilled Trades Occupations	16.1	7.6	8.1
Personal Service Occupations	3.2	15.6	15.9
Sales and Customer Service Occupations	3.2	9.0	12.9
Process, Plant and Machine Operatives	9.7	8.7	9.3
Elementary Occupations	32.3	21.5	23.4

Source: ONS, NOMIS, 2010

➤ **Other jobless people**

- 3.53 People are also not in work if they are caring for others, are lone parents with young children, are unwell or suffer a disability which restricts their ability to work. Data concerning the number of working age people claiming benefits for such circumstances reveal that in May 2009 there were 615 claimants as lone parents, 460 claimants as carers and over 2,350 claiming Employment and Support Allowance/Incapacity Benefit in East Hampshire (Source: DWP Benefit claimants – working age clients for small areas ONS, NOMIS, 2010).

- 3.54 When analysed by age, 920 claimants (of all benefits) were aged 16 to 24 in East Hampshire. Of these 170 were resident in Whitehill Bordon (representing about 20% of the District's claimants). Looking at type of benefit, there are 125 lone parents claiming Income Support in Whitehill Bordon, just over 20% of the District's total, suggesting a substantial group of people for whom appropriate engagement/learning/training opportunities could be developed.

➤ **Deprivation**

- 3.55 Although encompassing more than non-working people, the Index of Multiple Deprivation (IMD) highlights that at a District level, East Hampshire is not considered to be a deprived area. It has a rank of average scores of 332 out of all 354 local authorities in the country. On this basis 1 is the most deprived authority and 354 the least deprived making East Hampshire in the top 6% of least deprived authorities.

- 3.56 However, as has already been shown by the maps concerning the Education and Skills element of the IMD, there are generally higher levels of need in the District's more urban areas including Whitehill Bordon, Lindford, and parts of Alton and Petersfield.

SECTION FOUR : CONSULTATION WITH KEY ORGANISATIONS

- 4.1 In order to test the picture that emerged from the baseline audit described in the preceding section, a wide ranging consultation programme took place with local and sub regional organisations. This consultation took the form of individual meetings or in depth telephone discussions. The process provided a valuable 'reality check' on the baseline data, as well as discussion of organisations' current and planned activity, together with an opportunity to explore and test practical action that could be taken in terms of further local employment and skills activity. A list of the organisations and people who were consulted is at Annex Three.
- 4.2 In addition to the consultation with organisations on an individual basis, a facilitated workshop was held for key partner and delivery organisations to provide a forum for collective discussion of the main findings from the baseline audit and consideration of some emerging proposals for action. This half day workshop was held on 30th April and its attendance and key discussion points are shown at Annex Four.
- 4.3 A discussion paper was prepared and circulated in advance of the workshop to assist discussion. The paper summarised:
- the evidence from the data drawn together for the baseline audit and supplemented with information from the consultation with individual organisations described above
 - the area's perceived strengths and weaknesses in terms of employment and skills
 - a series of key messages and potential opportunities for local action
 - a number of issues for the workshop's participants to consider.
- 4.4 The specific issues that the workshop's participants were asked to consider involved:
- the main characteristics of the District's economy
 - the implications for future employment and skills activity arising from the assessment of the District's economy
 - a set of possible objectives that could underpin a future plan of action
 - the concept of a possible 'Learning and Innovation Campus' for East Hampshire (which we return to in Section Seven of this report).
- 4.5 The workshop represented an important stage in the study and provided an extremely useful opportunity to discuss and refine the emerging proposals for future action. In group discussions and during the plenary session there was an encouraging degree of unanimity about the issues facing the District and wide ranging support for the proposals that emerged from those discussions. In addition, a number of specific points that emerged from the workshop discussions have been taken into account in the subsequent proposals incorporated in this report. A note of the key points from the workshop discussion is included in Annex Four.
- 4.6 In the following section we describe the main findings and messages that emerged from the baseline audit and the subsequent consultation programme.

SECTION FIVE : THE MAIN FINDINGS AND MESSAGES THAT INFORM THE ACTION PLAN

The area's characteristics that inform future action

- 5.1 Following the work to develop the baseline audit and the consultation programme described in the preceding sections, a detailed analysis was undertaken of all the relevant information in order to provide a clear picture of the characteristics of the local economy from which to inform future employment and skills activity. The workshop for partner organisations described earlier provided an important means of testing and refining that analysis.
- 5.2 As a result of that analysis and testing, we believe there are some important strengths, opportunities, weaknesses and challenges that needed to be taken into account and addressed by any future employment and skills plan of action. We summarise these main characteristics of the area in the following paragraphs.
- 5.3 The East Hampshire area has some clear **strengths** and some important **opportunities** that should not be taken for granted or underestimated. We believe they provide some important foundations on which to base future activity. In summary, we judge these to be:

a) Business and employment

- above average economic activity rates compared with national figures (although slightly lower than the regional figure, see below)
- a stable business stock with long standing businesses and a strong record of employment growth (until the recent decline)
- good survival rates for local businesses; marginally better than County and South East figures
- high resident earnings and a higher proportion of managerial/senior occupations compared with the County and South East (but this involves a high degree of out-commuting particularly with higher occupational groups: see below)
- levels of unemployment and deprivation are low compared with the County as a whole and the South East but this conceals some specific local pockets which require targeted action

b) Education and skills

- the overall proportion of the District's residents with qualifications at NVQ Level 2 or higher is above both County and South East levels
- overall, education attainment across the District is strong and compares favourably with County and national figures at both GCSE and A/AS levels
- there is a strong independent school sector locally
- local academic provision and specific vocational activity for those aged 16 plus is good and successful, with Alton College judged to be 'outstanding' by OFSTED
- there is an established and well regarded education and training infrastructure locally with good collaboration between organisations within the District and in neighbouring areas through the local consortium of 14-19 providers

- innovative approaches to encourage participation e.g. the subsidising of public transport for students by Alton College and Farnborough College of Technology

c) Opportunities

- the scale of new jobs predicted as a result of the Whitehill Bordon Eco Town
- the importance of the Eco Town 'brand' in attracting investment to the District
- the potential of the South Downs National Park, particularly in terms of tourism and hospitality related jobs
- the new business led initiative - the Business East Hants partnership - provides an opportunity to engage the business community more effectively
- the willingness of a number of public sector organisations to be more active in the District (e.g. through the local delivery of Jobcentre Plus programmes, the prospect of increased University engagement and opportunities to improve the take up of apprenticeships)
- the Hindhead tunnel has important implications in relation to local travel to work patterns and potential inward investment opportunities.

5.4 However, these various strengths and opportunities need to be set against a number of underlying **weaknesses, threats and challenges** that we see as follows:

a) Business and employment

- there has been a net loss of some 3,500 jobs in all sectors between 2006 and 2009, with particular reductions in manufacturing, banking, finance and insurance related jobs
- the District has an ageing population, with relatively fewer people of working age under 40 across the District as a whole
- there is a high proportion of micro businesses which are likely to have only limited growth potential – 73% of the District's businesses have an annual turnover of less than £250,000
- the impact that the high levels of out-commuting has on the availability of higher level skills locally - the overall net commuter outflow from the District is some 11,600 jobs, with differing travel to work patterns affecting the north and south of the District
- there are fewer new businesses starting locally, with the District apparently lagging behind other parts of County in new business creation
- below average Gross Value Added compared with the County and South East
- the distributed nature of the District's population means there is no recognised business focus within the area able to provide a critical mass of employment opportunities
- the transport difficulties faced by many local people as a result of the District's dispersed population and rural nature
- the District is dependent on the public sector and other service sectors for over a quarter of all jobs, with the threat of potential job losses in the coming years as a result of reduced public sector funding

- the effects of concerted action in neighbouring areas (e.g. PUSH and North Hants) could leave the District lagging behind and isolated from increases in prosperity in adjoining areas

b) Education and skills

- the proportion of the local population with NVQ Level 4 or 5 qualifications has remained static. As a result, the District's relative position in relation to higher level qualifications has declined compared with the increase in qualification levels in recent years, in both the South East and nationally
- there is a projected decline in the number of 16-18 year olds in the District to 2019 and an increase thereafter to 2026, which has important implications for education and training provision locally
- there is a lack of accessible vocational training provision within the District, both for 16-19s and for adults, including Jobcentre Plus opportunities. Apart from some provision at Alton College, this results in a significant outflow to surrounding areas for these programmes. The need to travel outside the District for vocational education and training constitutes a significant barrier to take up, particularly among less motivated groups, for whom this can be the most appropriate provision
- there is a need to raise the aspirations of young people in certain parts of the District (for example Whitehill Bordon) and amongst those who face particular disadvantage
- the overall priority skill needs are seen to be for generic communication and interpersonal skills e.g. reading, writing etc
- within businesses, priority skill needs are for leadership/management training and specific areas such as marketing and adapting to new markets/opportunities
- in Whitehill Bordon the workforce is skewed to lower skill levels and jobs, with a relatively high proportion of youth unemployment and low participation in post 16 learning and Higher Education

c) Economic inactivity and worklessness

- the proportion of those economically inactive in the District (19.3%) is slightly higher than the South East figure (although below the national level)
- there are currently some 1,400 people across the District who are unemployed and claiming Jobseekers Allowance
- the District has a higher proportion of older unemployed claimants (age 50 plus) than the County or nationally
- some 900 local young people (aged 16-24) are receiving State benefits
- the District has a higher proportion of claimants from higher skilled occupations (26%) compared with both the County and South East figures (both 20%).

What does all that tell us?

5.5 The above characteristics, both in terms of the area's perceived strengths and weaknesses, provide an important backdrop to the proposals for future action. Against that background we believe there are some key messages that need to be

recognised and acted upon by local partners if the area's future economic prosperity is to be properly realised. We judge those messages to be as follows:

- without concerted action, the District risks being left behind and losing its previous competitive advantage - becoming a 'dormitory' for its residents working elsewhere
- in order to address present shortcomings and capitalise on the opportunities becoming available, the District needs to put learning and skills at the centre of future economic development activity if it is to maintain – and improve - its relative position in the wider Hampshire economy.
- there needs to be an ambitious agenda set for the longer term rather than simply introducing a list of short term projects
- the Eco Town offers a unique opportunity to improve prosperity across the whole District, acting as a catalyst for change and generating increased awareness and investment in the area as a whole, not just Whitehill Bordon
- the District has a well regarded and established network of education and training provision on which to build further – many of the building blocks to move forward are already in place with good collaboration between organisations
- there are early opportunities to test new approaches to education and learning through skills programmes arising from the Eco Town's 'early wins' and to pilot proposals which capitalise on the opportunities presented by the new National Park.

5.6 The ways in which these key messages can be reflected in a local employment and skills action plan are described in the following sections. In doing so, and in line with the intended outputs set out in the original Consultants' brief, our proposals:

- reflect the overall stock of skills in the District, as described in Section Three and summarised in Section Five
- identify specific proposals to improve the job prospects of those people currently unemployed
- address the lack of accessible vocational training provision within the District, both for young people and adults
- take account of a projected decline in the number of 16-18 year olds in the years leading up to 2019 and the subsequent increase thereafter
- set out proposals to capitalise on the opportunities arising from the Eco Town and the associated training needs
- propose a new approach to deliver education and training provision for 14-19 year olds
- outline specific proposals to support the training/retraining of adults
- make recommendations to encourage business start ups and business growth
- describe how the action plan can complement and support the key local and County wide strategies and priorities.

SECTION SIX : THE OBJECTIVES THAT DRIVE THE LOCAL ACTION PLAN

- 6.1 In order to address the various findings and main messages identified in the earlier sections and provide a clear strategic focus for local employment and skills activity in the future, a set of overarching objectives are proposed. These objectives would provide the framework for the local action plan and the context within which future action takes place. The objectives involve capitalising on the undoubted opportunities which face the area by:
- raising aspirations and ambitions amongst local people (both young people and adults)
 - equipping young people (aged 14-19) with the appropriate skills to succeed in the local labour market
 - supporting business growth and the training needs of those people in work
 - equipping those people currently unemployed with the necessary skills to secure jobs
 - maximising opportunities arising from the Eco Town and the National Park.
- 6.2 The way in which each of these objectives is translated into practical programmes of action is set out in the action plan described in Section Eight. Before doing so however, in the following section we describe our central proposal which is intended to be the focus for future employment and skills activity across the District and underpins many of the specific proposals set out in the action plan – a Learning and Innovation Campus for East Hampshire.

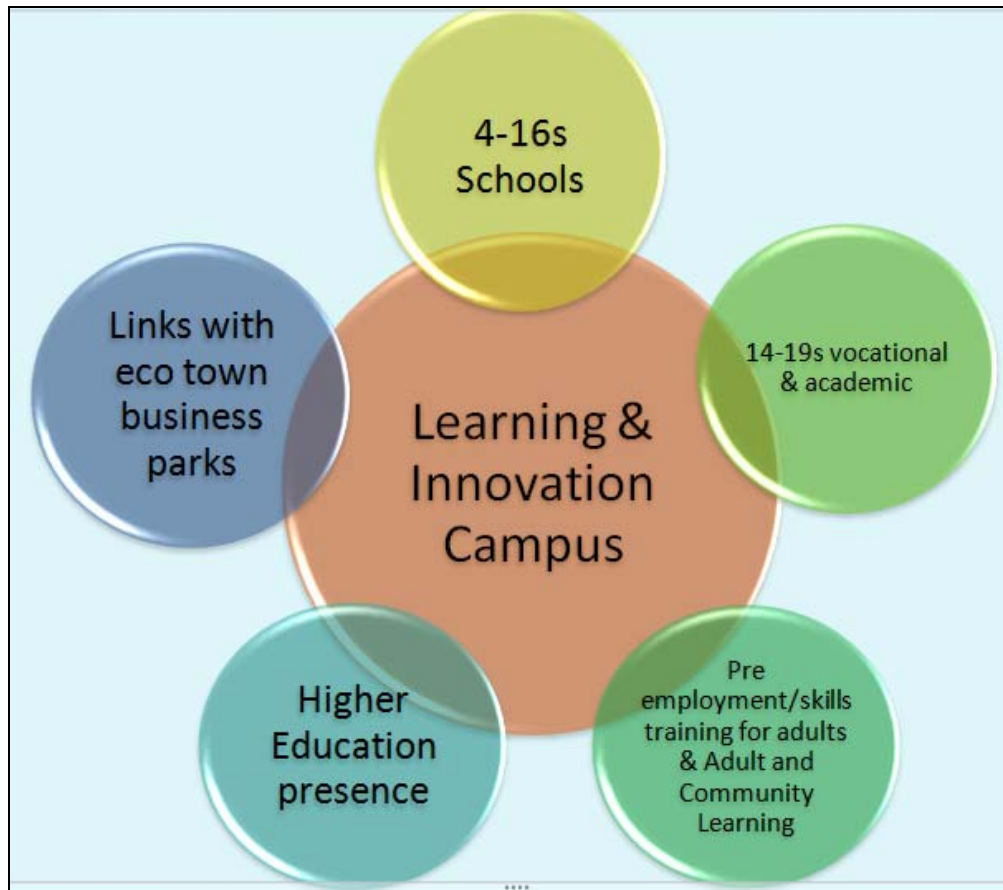
SECTION SEVEN : THE BIG IDEA – A LEARNING AND INNOVATION CAMPUS

- 7.1 We believe that a bold and ambitious approach is needed in order to deliver the objectives set out in Section Six above.
- 7.2 This approach involves capitalising on the undoubted impetus and cachet provided by the Eco Town in order to establish a multi faceted education and learning centre within the Whitehill Bordon area. This could not only be a focus for the education and skills development required for the realisation of the Eco Town, but also act as a facility to benefit residents and businesses across the wider District. It could include a distributed network of provision with a central hub within the Eco Town and perhaps other aspects of the “campus” in other parts of Whitehill Bordon.
- 7.3 The opportunity to establish such a multi-purpose learning centre is in our view both real and achievable over time, given the unique circumstances which now face the area as a result of the plans for both the Eco Town and the emergence of the National Park. There is a good deal of support amongst partner organisations for such a bold approach with a number of important developments coming together to support its realisation. For example the potential redevelopment of Mill Chase Community Technology College under the Building Schools for the Future programme and the interest by the East Hampshire Consortium of 14-19 learning providers to use Whitehill Bordon as a base for courses are both key factors which offer important opportunities to be grasped.
- 7.4 There is also significant experience to draw on from other parts of the Country in order to fully establish the feasibility and cost effectiveness of such an approach, as outlined below. Therefore in our view there is real potential to establish a new Learning Campus at Whitehill Bordon which acts as a focus for education, learning and business support services, not just for the immediate area but across the District as a whole. Over time, it could bring together the following range of activity:
- school based education (for Key Stages1-4): based around: Bordon Infant and Junior schools; Weyford Infant and Junior schools Bordon; Woodlea Primary School Whitehill; the Holme Primary School Bordon; St Matthews Church of England Primary School Blackmoor; Mill Chase Community Technology College; and Hollywater Special School
 - 14-16 age vocational education learning activity meeting the needs of the East Hants 14-19 consortium
 - 16-19 vocational and academic provision for the 14-19 Consortium
 - a potential Higher Education presence, drawing on College links with nearby HE Institutions (HEIs)
 - a training base for employer training for both the Eco Town in terms of sustainable businesses and skills, as well as the wider District in relation to general skills provision such as off the job apprenticeship training
 - virtual services to connect with other education and training institutions outside the immediate area
 - a local base for Skills Funding Agency/DWP/Jobcentre Plus funded pre-employment and job preparation programmes
 - an innovation facility and/or science park approach to support the development of new business opportunities associated with the Eco Town and, in turn, the status of the area as a business location

- the possible co-location of business advice from Business Link advisors, both for Eco Town companies and the wider District
- other extended services, which could include a Post Office, GP and other health services and youth facilities, as part of the local Children's Partnership.

7.5 The learning and innovation campus model is illustrated in Diagram 1 below.

Diagram 1 : The Learning and Innovation Campus



7.6 Such an all age facility offers the opportunity of:

- raising attainment at all Key Stages throughout pupils' school life by reducing the performance dip that can occur when pupils transfer from one school to another
- sharing expertise across phases, between schools and across the whole community
- encouraging flexibility and innovation in curriculum design and delivery across all ages (e.g. in embedding the use of ICT)
- improving vocational learning provision for 14-19 year olds from across the District
- narrowing the gap between education and training activity and the world of work
- providing a focus for new business growth associated with sustainable businesses and skills arising from the Eco Town

- improving the overall coordination of activity and opportunities for multi agency working, for example improving support for people out of work through the more localised delivery of Jobcentre Plus programmes and better linkage to the work of other agencies
 - encouraging greater community involvement in education and learning through the improved engagement of parents and the wider community
 - sharing resources by connecting previously separate structures and thus securing economies of scale and greater efficiency of resources.
- 7.7 It might be appropriate for the Campus to reflect its location through developing an 'eco' theme around the four objectives of the Eco Town, i.e.:
- improving bio diversity
 - reduction in car use
 - reducing carbon footprint
 - reduction in water use.
- 7.8 Equally, there could be links with the South Downs National Park, perhaps around the environment, and leisure and tourism.
- 7.9 The considerations relating to each of the constituent elements of the learning and innovation campus (see Diagram 1) are now given in more detail.

4–16 collaborative school provision

- 7.10 Over the last few years, it has become apparent that school leaders are moving closer towards collaborative working. In support of this, an increasing number of programmes and incentives, both led by the (then) Department for Children, Schools and Families (DCSF) and by practitioners themselves, have encouraged schools to work together. Although the new Government has yet to make any policy announcements on such collaborative working, there seems no reason to assume that schools and other institutions which wish to work together will be discouraged from doing so.
- 7.11 Working together can take a range of forms, but can be categorised¹ as follows:
- (i) informal collaboration
 - (ii) formal collaboration (soft federation)
 - (iii) hard federation.
- 7.12 The choice of which route to follow lies with the institutions concerned, depending on the degree of collaboration with which they are comfortable. Further consideration is given to under 'organisational options for the Campus' in later paragraphs.
- 7.13 There is a considerable degree of flexibility in the way that schools and colleges can work together across phases i.e. on a single site/campus or on multiple sites; as a loose federation or as a single institution with several phases. There is considerable experience in operating different models nationally. For example 'All age schools: an

¹ www.teacernet.gov.uk/management/tools/school handbooks/federations/

evaluation' for Nottingham City Council (2007) and 'School Federations Pilot Study 2003-2007' by the University of Warwick for the then Department for Children, Schools and Families.

7.14 Improved engagement with the community is a frequently mentioned benefit of collaborative school provision and can include extended school services, both for children and their parents. A typical range of extended services for children could include:

- affordable OFSTED-registered childcare
- breakfast clubs
- after school clubs
- homework clubs and study support
- holiday clubs
- a range of activities for children up to the age of 14.

7.15 For adults, services could include:

- family learning, where children and parents learn together
- information sessions for parents
- parenting and family support
- access to a wider range of specialist services, such as healthcare professionals
- facilities for community use, such as libraries and leisure activities.

7.16 In those cases where special schools or units are included in the arrangements, positive benefits were identified on Special Educational Needs inclusion. In this respect, the overall campus would be greatly strengthened if Hollywater Special School (and other special schools) were able to participate, although recognising that the school is occupying newly built premises, and therefore is unlikely to be part of a physically co-located campus unless the school is built next to their site and the campus links more with the two Weyford schools. The Bridge Learning campus, Bristol is an example of all-age campus which includes a special school as well as a 14-19 vocational centre that is part of the local college.

7.17 Resources and accommodation can be more efficiently and effectively used; in particular the more extensive specialist facilities and equipment (libraries, sport facilities, ICT resources etc.) possible in a larger institution are of particular benefit to the primary phase. Beyond that, economies of scale achieved through shared building services, HR, back office and finance functions can create efficiencies and release more resources for educational activities.

14-19 Provision

7.18 14-19 provision is referred to here as a whole, in line with current thinking, although of course the Key Stage 4 (14-16 aspect) is also part of the all through school stage referred to above.

7.19 A key factor in considering 14-19 provision in the area is the existence of the East Hampshire 14-19 Consortium, which is a large and successful consortium covering the whole District, to which all its institutions are strongly committed. The Consortium currently has approximately 600 collaborative students, all at 14-16. The Consortium

uses Mill Chase facilities to provide a range of Level 1 and 2 courses, and the expected numbers for the 2010 intake at Year 10 at Levels 1 and 2 are:

- catering - 57
- construction - 34
- hairdressing - 40
- horticulture - 20
- motor vehicle - 20 (subject to identifying facilities).

7.20 Students come from schools across the Consortium to use the Mill Chase facilities, and the Consortium would wish to widen the curriculum at Levels 1 and 2, and also extend the offer to subjects at 16-19; mainly at Levels 1 and 2, but also at Level 3 in some cases (for example catering).

7.21 This demand by the Consortium for a base for vocational programmes at Levels 1 and 2 (and to some extent Level 3) opens up the possibility of a viable 14-19 Centre in Whitehill Bordon which can complement the primarily academic 16-19 offer available at Alton College and the more distant general FE offer at Farnborough College of Technology, as well as South Downs College, Basingstoke College of Technology, Eastleigh College, Fareham College and the land oriented and rural industries related offer at Sparsholt College. The Consortium also has a good centrally organised engagement programme for students at risk of not being in education, employment or training.

7.22 It will be important for the 14-19 Centre to offer pathways that are complementary to those of post 16 college provision in the area and not seek to duplicate programmes which can be better provided directly at those institutions.

Pre-employment and skills training for adults

7.23 Complementing local provision for 14-19s, there is also a need for local training facilities for adults (19+) covering the broad areas of:

- pre-employment skills training for the unemployed (especially 18-24 year olds)
- adult re-training and return to work programmes
- in-employment programmes (including Train to Gain) and bespoke company programmes meeting the needs of local employers.

7.24 There is the potential for some of this provision to be delivered locally by existing providers.

7.25 There are no DWP, Jobcentre Plus or Skills Funding Agency (SFA) programmes currently delivered within the District, thus entailing considerable travelling for adults taking up these programmes, and making it less likely for trainees and training providers to make links with local employers.

7.26 We suggest that a closer working relationship is established between Jobcentre Plus, the SFA and local providers in order to plan and promote local provision, perhaps mediated through the new Business East Hants partnership and in the context of the County Employment and Skills Board. Such an initiative could work with employers to coordinate the delivery of Apprenticeships, which are to benefit from additional

funding by the Government, as well as encouraging the take up of other provision such as Train to Gain.

- 7.27 The adult skills provision in particular can be linked with a local business park/ business incubation/innovation centre, with perhaps a co-located Business Link/ Train to Gain adviser base.
- 7.28 The Campus would also be in a good position to offer adult and community learning, making use of such funding streams as Adult Learner Responsive Funding, perhaps in association with Hampshire Learning which supports adult and family learning across the County.

Higher education presence

- 7.29 A higher education (HE) presence in an area has wide ranging benefits² including:
- unlocking the talent of students and reaching out to adults who have missed out on higher education in the past (the Whitehill Bordon and neighbouring areas have a particularly low HE participation rate)
 - attracting and retaining skills in an area: a university helps retain skills and talent in a local area
 - contributing to community wellbeing
 - responding to population growth: locally-focused higher education can be a major component of strategies of population growth ensuring that new development has access to sources of skills and innovation
 - creating and retaining a highly-skilled workforce with the relevant skills for the local business community: in Whitehill Bordon this could include low carbon technologies
 - stimulating entrepreneurship and engaging with local business to solve problems to improve competitiveness, through knowledge transfer and in other ways.
- 7.30 The DIUS paper indicated that key success factors for establishing new university centres included:
- collaboration between universities, and between universities and further education colleges
 - strong, coherent support from local partners
 - long term and sustainable planning
 - management capacity.
- 7.31 A clear starting point is the strong links that local colleges have with higher education institutions. Alton College has good links with Portsmouth University, and the College's Higher Education Strategy³ sets out the College's aims and rationale for expanding higher education. Farnborough College of Technology has strong HE provision in terms of both Foundation and Honours degrees and is an accredited

² A new 'University Challenge': Unlocking Britain's Talent. DIUS, 2008

³ Higher Education Strategy 2009 – 2012, Alton College January 2010

college of the University of Surrey. The College is one very few FE colleges in England which has delegated powers to validate degree courses. Mill Chase also has good links with Portsmouth, Southampton, Chichester, Winchester and Surrey universities and works closely with Aim Higher to raise the aspirations of students and their families to enter HE.

- 7.32 Thus, Alton College and Farnborough College of Technology have the ability to offer progression links through to higher education, both on their sites, but also the opportunity to explore, with their HE partners, the possibility of a local HE presence in the Whitehill Bordon area. As part of a feasibility study of this, there is potential to explore linking the curriculum with low carbon and/or environmental technologies, reflecting both the town's eco status and also to the South Downs National Park.
- 7.33 An HE presence could also be linked to the establishment of an innovation or science park.

Links with Eco Town Business Parks

- 7.34 The Whitehill Bordon Masterplan⁴ refers to four potential economic roles which have been identified for the Eco Town, around which employment proposals and training programmes could be developed:
- an exemplar for sustainable development and green industries or 'the town that builds itself'
 - innovation and technology cluster with links to the Blackwater Valley
 - a tourism and leisure hub at the Gateway to the newly designated South Downs National Park
 - a hub for Post-16 education and technical skills training.
- 7.35 The Masterplan envisages that around 2,480 jobs would be provided through the development of new eco-business parks and office accommodation. The Masterplan also considers that in the medium term, higher-end environmental technologies and contemporary high-tech businesses could provide significant local employment opportunities, reflecting the local employment base and potential growth sector.
- 7.36 The Learning and Innovation Campus will be well placed to deliver the underpinning skills and training support to employers locating in the eco-business parks. We would suggest that one of these eco-business parks is designated as an 'eco-science park' with particularly strong links promoted between employers and 14-19 work experience, placements, apprenticeships and other innovative links to business for pre 16 year olds, further education and higher education on the Campus.
- 7.37 We would suggest that these links should be given a visible form through investing in training and employment brokerage, which would engage with both existing and potential businesses, while linking with training provision at the Learning and Innovation Campus, working closely with the Education Business Partnership (First Partnership). The brokerage could also be part of the inward investment effort by the Eco Town. Business support through Business Link could also be linked in to this.
- 7.38 The brokerage could also support employment agreements with Eco Town contractors, for example helping to source local labour (and appropriate training and

⁴ AECOM March 2010

possibly apprenticeships where needed) for firms needing to recruit to meet the requirements of employment agreements.

Organisational options for the Campus

7.39 Whether the Campus is located on one site, or is more distributed through the town, it would be important to link the constituent partners together through an overarching body.

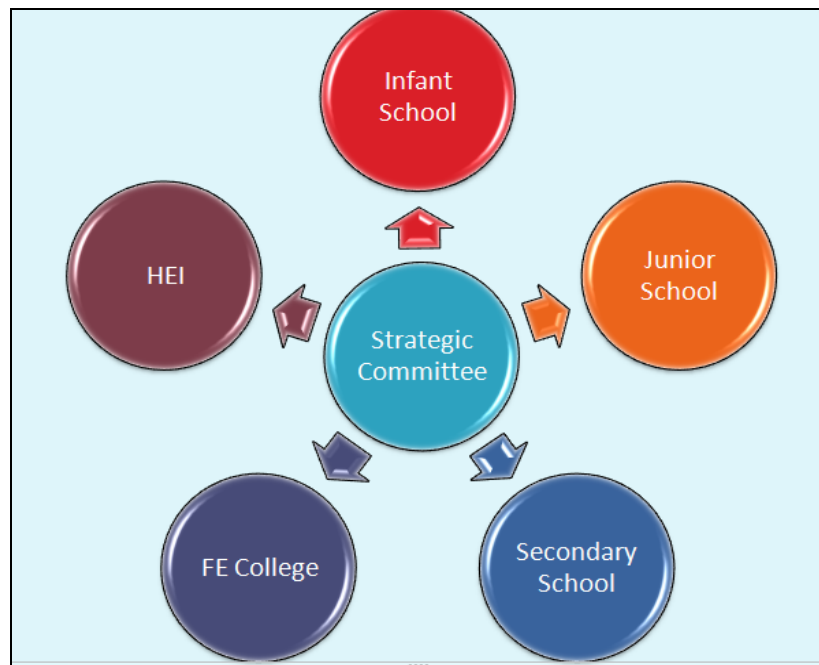
7.40 Potential organisational options for the Campus include:

(i) Informal collaboration

7.41 This might involve for example:

- committees/groups of governors from one or more schools or other institutions, but without formal decision making authority
- schools with joint management groups of head teachers etc.
- the joint employment of finance and other support staff or specialist teachers (e.g. for music or sport) or Advanced Skills Teachers
- the sharing of facilities such as ICT suites or sports facilities
- joint working on curriculum issues or cooperation between primary and secondary schools.

Diagram 2 : Informal Federation



(ii) Formal collaboration (soft federation)

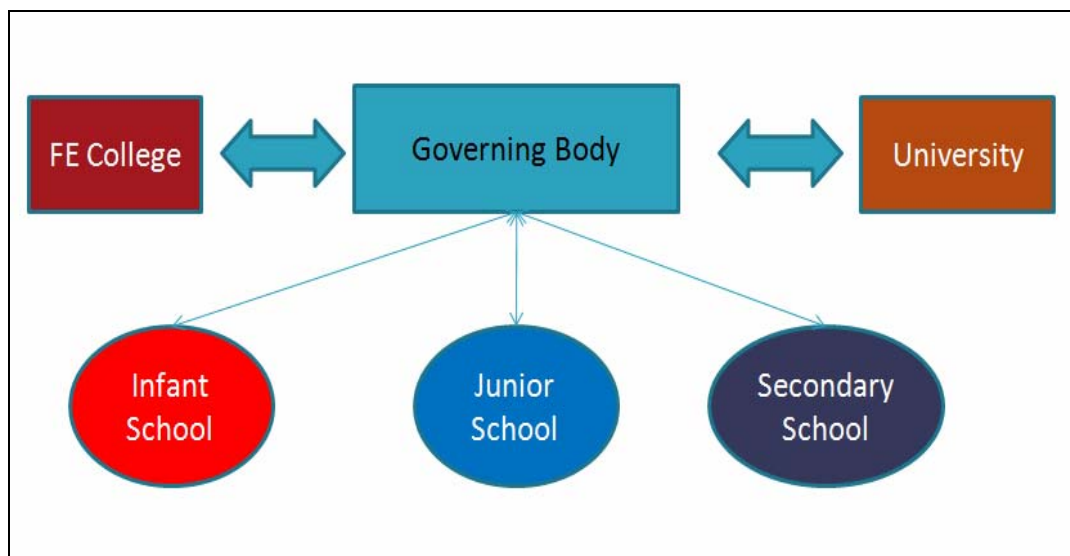
7.42 A soft federation, or collaboration, is a formal agreement under Section 26 of the Education Act 2002 by which two or more governing bodies share elements of governance or establish a joint strategic committee with delegated powers. Under these arrangements each school retains its individual governing body.

7.43 Soft federations can involve a mix of primary and secondary schools and it is based on the principle of allowing governing bodies and joint committees the freedom to determine their own arrangements within an agreed framework. It can cover a range of operational models from an overarching committee delegated to take strategic decisions on behalf of two or more governing bodies, to setting up single issue committees such as premises or curriculum groups.

(iii) Hard Federation

7.44 A hard federation is an arrangement under Sections 24,25 of the Education Act 2002 by which two to five schools share a single governing body (see Diagram 3 below). Hard federations can involve a mix of primary and secondary schools. Within the federation each school retains its separate legal identity in respect of its budget, admissions and performance tables, and each is subject to a separate inspection by OFSTED.

Diagram 3 : Hard Federation



7.45 A strategic committee or Trust partnership could involve, as well as the institutions/agencies represented on the site, the County and District Councils, a university, local employers (perhaps through Business East Hants) and one or more third sector organisations.

Funding

7.46 In the current economic climate, funding is clearly an issue. Revenue funding normally follows the learner, and therefore providing the overall Campus has a critical mass of learners, then it should be viable through the multiple funding streams of schools, further education, Department for Work and Pensions/Jobcentre Plus and perhaps higher education.

- 7.47 The main capital element required would be the funding for new premises for Mill Chase School. It is understood from Hampshire County Council that East Hampshire secondary schools and Mill Chase are included in tranche 3 of the Building Schools for the Future (BSF) programme, and it is understood that consultation by the County Council on this is currently due to begin in the Autumn of 2010, with planned completion of buildings by around 2015. The Eco Town's Masterplan has sought to keep flexibility in the location of the rebuilt school, and currently names two sites – North of Budds Lane, and Mill Chase Road/Hollywater Road.
- 7.48 There is currently uncertainty about the future of the BSF programme nationally following the recent General Election. Assuming BSF proceeds, a good case can be made for 14-19 provision as part of the school rebuild, taking into account the strategic importance of the East Hampshire 14-19 consortium; the development of the Eco Town and the need to provide access for vocational pathways.
- 7.49 At the time of writing, the new Government has announced a review of the BSF programme, with the possibility at least of some BSF funding being diverted to support the development of 'Free Schools.'
- 7.50 If BSF does not proceed, or does so, but at a level not likely to include Mill Chase, and alternative capital funding is not identified, a 'distributed' campus would be a viable option. In our view this is still a valuable approach, albeit without some of the advantages springing from immediate physical proximity.

Conclusion

- 7.51 In our view, the Learning and Innovation Campus offers a major opportunity to place learning at the heart of the Eco Town, and thus to raise aspirations in the community and support employment and training for business.
- 7.52 Clearly, establishing any such facility in Whitehill Bordon may well be a longer term venture which will involve considerable planning and detailed work to bring to fruition. The proposal is fully compatible with the framework set out in the Eco Town draft Masterplan, and indeed elements of the proposal are already foreshadowed in the Masterplan.
- 7.53 The Campus will require detailed feasibility work in order to examine options for the precise range of provision to be offered; the practical issues involved in its development, costs (involving new funding sources and existing funding streams) and as a result, its overall viability and deliverability. Such development work would include 'market testing' the concept and its use with relevant local organisations, businesses and residents.
- 7.54 In Annex Five we put forward proposals for taking forward the Learning and Innovation Campus, including governance; decision making timescales, and feasibility work. We would see this as being the responsibility of a combination of the Whitehill Bordon Opportunity Steering Group and East Hampshire District Council.
- 7.55 In conclusion, we believe this approach offers an exciting opportunity which does justice to the scale of ambition of the Eco Town and will provide a much needed learning facility benefiting the wider District by improving the competitive position of both its residents and businesses. It therefore represents the 'Big Idea' which we believe should form a centrepiece of the District's employment and skills action plan.

SECTION EIGHT : A LOCAL ACTION PLAN

- 8.1 Considerable activity already takes place across East Hampshire to support employment and skills development – whether in terms of formal education provision in schools and colleges, further and higher education courses, on and off the job training provided by employers and a whole range of publicly funded employment preparation and learning programmes provided through organisations such as Jobcentre Plus, Business Link, and other public sector agencies. All such activity not only takes place within the boundaries of East Hampshire but also in adjoining areas, given the complex travel to work/learn patterns that exist locally for residents and were described earlier.
- 8.2 The purpose of the proposed local employment and skills action plan is not simply to repeat and repackage all such existing programmes and initiatives. Instead it sets out additional high level activity and themes that can complement current programmes in ways which address the significant challenges and opportunities that face the District in the coming years.
- 8.3 Against a background of continuing financial pressures across both the public and private sectors in the next few years, it would clearly be unrealistic and unwise to present a whole raft of new initiatives which had little realistic hope of being funded and/or sustained. Therefore the proposed action plan focuses on those key opportunities that we believe can be realised using a combination of existing resources and current programmes that are likely to continue, in some form, in the coming years. And in doing so, such new activity firmly addresses the underlying challenges and opportunities facing the area in order to help deliver a prosperous and sustainable local economy.
- 8.4 The detailed action plan is shown at Annex Five with activity set out under each of the overarching objectives described in Section Six. For each objective, the action plan sets out:
- a summary of the activity proposed
 - the lead organisation(s) responsible for developing and delivering the activity in each case
 - the likely cost/budget involved
 - the potential funding source(s)
 - the timing of activity.

SECTION NINE : MAKING IT HAPPEN AND NEXT STEPS

Overseeing the action plan

- 9.1 The action plan set out in the preceding section and at Annex Five identifies those organisations it is proposed have lead responsibility for developing and delivering individual elements of the plan. However, in addition it is recommended that there should be an overarching body responsible for overseeing the delivery of the overall plan. Those responsibilities would involve:
- monitoring the effective development of the various elements of the action plan
 - reviewing the ongoing delivery of the different elements of the plan in respect of the timescale, budget and outputs set in each case
 - providing a forum for collective discussion and agreement of the overall progress of the plan as a whole and providing a focus for coordinated action
 - agreeing any changes or corrective action to individual elements of the plan where this proved necessary
 - acting as a vehicle to promote the achievements of the action plan within local and wider networks.
- 9.2 We do not propose the setting up of any new body to undertake this role but instead we recommend it is performed by one of a number of existing coordinating structures that have responsibility for employment and skills related activity within East Hampshire. Those existing coordinating bodies include:
- the District Council itself
 - the local Community Partnership responsible for delivering the East Hampshire Sustainable Community Strategy (as described in Section Two)
 - the new Business East Hants partnership
 - the emerging delivery structure for the Eco Town, either the main Board of the Whitehill Bordon Opportunity or one of its proposed sub groups
 - the East Hampshire Consortium of 14-19 education and training providers (as described in Section Seven).
- 9.3 Any one of these bodies could, potentially, take on responsibility for overseeing the development and delivery of the action plan. However, our recommendation is for this role to be undertaken under the auspices of the existing Community Partnership structure. There are a number of reasons for recommending this course of action:
- the Community Partnership is the recognised strategic vehicle for bringing together local organisations and provides an existing platform for them to carry forward concerted local action across the District as a whole (both the Business East Hants partnership and the Whitehill Bordon delivery structure are still in the process of being set up)
 - in particular, the Community Partnership already brings together a number of the key organisations who will be involved in the delivery of the employment and skills action plan – including the District Council, Hampshire County Council, Alton College and the Business East Hants partnership

- the Community Partnership has an existing coordinating structure that could accommodate oversight of the employment and skills action plan
- the Community Partnership has a District wide remit and responsibilities
- the Partnership's Community Strategy has already identified a number of priority outcomes which have a direct relevance to the employment and skills action plan: in particular those outcomes concerned with education and lifelong learning, children and young people, economy and education.

9.4 We therefore believe the East Hampshire Community Partnership is well placed to assume strategic responsibility for continuing oversight of the overall action plan and recommend accordingly. The new sub group of the Business East Hants initiative responsible for skills and job creation (which will draw together a range of relevant organisations) would seem well placed to act as the delivery body for the action plan on behalf of the overall Community Partnership. (But see the following paragraph regarding particular responsibility for the proposed Learning and Innovation Campus).

9.5 Given the central importance of the Learning and Innovation Campus to the overall action plan, we recommend that specific responsibility for carrying forward work on the Campus rests with the Whitehill Bordon Delivery Board (or an appropriate sub group), as shown in the action plan at Annex Five. Clearly, there will need to be close coordination between the Whitehill Bordon Delivery Board and the Community Partnership on the development and delivery of the action plan as a whole.

Timetable of next steps

9.6 The key next stages in carrying forward the recommendations in this report are judged to be as follows:

- **June – July 2010:** circulation of report to all interested organisations to allow for their detailed consideration and feedback of views
- **September – October 2010:** formal decisions on the report by East Hampshire District Council, Hampshire County Council and other key partners involved in implementing the action plan (Whitehill Bordon Delivery Board, East Hampshire Children's Partnership, Alton College, Farnborough College of Technology, the East Hampshire Consortium of 14-19 providers, Business East Hants, Jobcentre Plus etc.)
- **September – October 2010:** agree and implement arrangements for overall governance responsibility in developing and delivering the action plan, including responsibility for carrying forward work on the Learning and Innovation Campus (see paragraph 9.5 above).
- **October 2010 onwards:** action commences to develop and deliver specific activity set out in the action plan
- **June 2011:** feasibility/options study on Learning and Innovation Campus completed
- **September 2011:** decisions reached on Campus feasibility/options study and way forward agreed.

SECTION TEN : CONCLUSIONS

- 10.1 East Hampshire's economy has a number of significant strengths which are highlighted in this report and have stood the area in good stead in previous years. However, we believe that the District faces a range of threats and challenges in the coming years. In our view, without concerted action on employment and skills issues the District risks being left behind by advances in other parts of the sub region and, as a result, losing its previous competitive edge.
- 10.2 Alongside this, East Hampshire faces the prospect of major change in the coming years arising from the development of the Eco Town at Whitehill Bordon and the opportunities represented by the new South Downs National Park. These developments represent a genuine once in a generation opportunity which can have a profound effect on the character and prosperity of the District as a whole for years to come. If the District is to capitalise fully on these opportunities its residents and businesses need to be equipped with the necessary skills to compete for the jobs associated with both developments. We therefore have no hesitation in recommending that East Hampshire needs to put learning and skills at the heart of its economic development activity, including the development of the Eco Town.
- 10.3 The action plan of new high level activity and themes we propose is intended to address the area's challenges and opportunities in a strategic and coordinated way. There is much good work and best practice locally on which to build and we have been struck by the degree of enthusiasm and commitment to change we encountered from a number of organisations during the course of our work. We firmly believe that the opportunities represented by the Eco Town, allied to the development of the new National Park, require a bold and ambitious response as demonstrated by our central recommendation for a new Learning and Innovation Campus at Whitehill Bordon serving the wider District. We believe that such a response does justice to the scale of ambition involved with the overall vision for the Eco Town.
- 10.4 When taken alongside the other proposals we have put forward, we believe our central recommendation will go a long way to capitalise on the opportunities which now present themselves and the associated profile which the District is now developing as a result of the Eco Town development. Despite the likely public expenditure constraints which face the area in the coming years, we believe that the District Council and its key partners should begin the process of undertaking the detailed feasibility work necessary for the long term development of such a Campus. If brought to fruition, such a development would provide a much needed learning facility of benefit to the District as a whole by improving the competitive position of both its residents and businesses.
- 10.5 We present our report and the associated action plan to the District Council and its partner organisations accordingly.