



Local Training and Employment Planning Guidance

**Development Management
March 2013**

1. Introduction

This Guidance has been published to provide advice and assistance to developers and end users, outlining how Newcastle City Council will work with and support employers to maximise local employment and training opportunities from new developments. This would support the implementation of the National Planning Policy Framework, existing Unitary Development Plan Policies and future employment and economic policies in the One Core Strategy.

2. Policy Framework

National Planning Policy Framework (March 2012) (NPPF)

The National Planning Policy Frameworks (NPPF) stated intention is to reform the planning system in two main directions: making it more localist and more able to boost economic growth. The importance of these two aspects is to be seen through the entire document and also influences greatly how the NPPF would impact on local economies.

There are three dimensions to sustainable development: economic, social and environmental. These dimensions give rise to the need for the planning system to perform a number of roles:

- an economic role – contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure;
- a social role – supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations; and by creating a high quality built environment, with accessible local services that reflect the community's needs and support its health, social and cultural well-being; and
- an environmental role – contributing to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.

This guidance is considered to be compliant with the principles of the National Planning Policy Framework.

Newcastle upon Tyne Unitary Development Plan

The enabling policies for this guidance are the implementation policies IM4, IM6 and IM7 of the Unitary Development Plan (UDP). In terms of the economic development policies in the UDP policies ED1, ED1.1, ED1.3, ED1.4, ED2.2, ED3, ED3.1, ED3.2, ED4, ED4.1, ED5 and ED6 are most relevant. These policies were all saved by the Secretary of States directive dated 31/8/2007.

One Core Strategy- Submission Draft

The draft One Core Strategy sets out Newcastle and Gateshead's planning framework for the period to 2030. In Policy CS1 the draft One Core Strategy seeks to create and sustain thriving communities and a more prosperous economy by providing growth in housing and economic development. Policy CS11 seeks to realise the areas full economic potential through development of a knowledge based, low carbon economy, characterised by new and growing business and enhanced employment opportunities. This includes through improving skills and access for local people to job opportunities, through targeted recruitment and training contributions.

4. Newcastle – Current Position

Newcastle is the regional capital of the north east of England. It has a population of approximately 280, 000 and acts as the main driver for the regions economy, with a large financial sector, major retail destinations and excellent tourism visitor attractions such as the Quayside area, theatres, museums and sports venues such as St James' Park and Kingston Park.

Worklessness is a significant problem within the City, with 16.3% of the working age population receiving out-of-work benefits¹. Of the young people in Newcastle, 6.5% of are not in employment, education or training (NEET) with the highest rate being 20.6% in Westgate ward. There are also high levels of Job Seekers Allowance claimants (4.6% compared to 3.7% nationally) with specific wards in the east end particularly high such as Byker (9.6%) and Walker (11.1%)². Worklessness has a significant detrimental impact on individuals, families and communities and unemployment has been linked to a number of wider social problems such as child poverty and poor physical and mental health.

Key to the success of Newcastle's future economy is therefore the creation of jobs. But economic growth must make a contribution to tackling inequalities and promote sustainability to achieve the wider social and environmental objectives that we wish to achieve.

5. Newcastle – A Working City

In November 2012, the City Council published 'Newcastle – a Working City: Promoting opportunities in tough times'. A key theme of our economic approach is ensuring environmentally sustainable regeneration with a focus on accessibility and all residents being able to benefit from the city's economic success to improve their well being and quality of life.

Our vision is one of a high employment economy where residents are skilled and can be supported to find opportunities and reach their potential. We need to encourage employer investment in skills, and prepare people for the jobs of the future through

¹ Key out-of-work benefits includes the groups: job seekers, ESA and incapacity benefits, lone parents and others on income related benefits

² Source: Office of National Statistics October 2012

education, training and apprenticeships. We need to ensure that we work with our partners to provide high quality advice to residents about new opportunities in our economy especially through new developments and investment.

As part of this we have secured support from Government to develop a City Deal demonstrating how we would better invest in growth, provide skills and jobs, support local businesses and improve infrastructure. Our employment and skills offer include:-

- Expanding and integrating work with Jobcentre Plus and other employment services including Newcastle Futures, our lead agency supporting people to find work and improve their opportunities.
- Creating a new skills and learning hub, located at the City Library, providing a joined up service with both Connexions and the National Careers Service.
- Promoting apprenticeships across the city through various initiatives which include our Apprenticeship Plus programme to provide new opportunities for young people in local small businesses.
- Launching a review of the support provided to the most disadvantaged residents to find work, with the aim of improving opportunities in business and social enterprises.
- Encouraging our schools to make contacts with local businesses and to help ensure that our children and young people are well prepared for work.

This employment and skills offer supports the delivery of opportunities secured through Targeted Recruitment and Training activity, drawing upon current resources and identifying new provision.

As set out in the NPPF, development is not simply about land-use matters and the planning process it must take into account social, economic and environmental issues. Including employment and training conditions and obligations is about working together to secure inward investment that meets both the developers' needs and benefits the local community through making use of local skills and available workforce.

Developers often identify projected employment outcomes as part of the justification for development. It is important therefore that the economic benefits of new developments are realised in terms of improved local skills and employment outcomes to sustain the local economy and tackling economic exclusion by supporting communities.

The City Council wants to ensure that our residents, particularly those unemployed and resident in our more disadvantaged areas, are able to share in the economic prosperity of the City. This means we need to invest in, and promote the use of, initiatives to increase the skill levels and employability of individuals to meet the clear identified needs of employers. The use of Targeted Recruitment and Training (TRT) obligations and conditions provides us with a level of intervention to support

developers in ensuring that the economic benefits of regeneration and development will impact on the local communities. Newcastle City Council and our local partners are also committed to working with developers and new employers to assist them with their recruitment and training needs.

This document provides guidance for both the City Council and Developers during the pre-application and planning application stages. It is intended to provide a starting point for discussions between the City Council's Development Management Section, Economic Development Team and developers and should not be seen as a barrier to development, but an opportunity to work in partnership to deliver measurable economic outcomes to communities within the city.

6. Need for Training and Employment Provision

Delivering sustainable development is an obligation on all public bodies in the UK. The 'well-being powers' of local authorities can be seen as providing for this at the local level. This guidance is trying to ensure there is more consistency of approach by ensuring policy (through the existing Unitary Development Plan and emerging One Core Strategy) is supported with guidance in place to explain how and why this is needed.

Targeted recruitment and training (TRT) forms part of the social role in planning as it provides a means of securing job and training opportunities through development and there by, enabling local communities to share the benefits of new developments and public investment.

Targeted recruitment and training requirements must be:

- Clearly defined: it should not assume definitions or knowledge that may not be understood at some point in the delivery of the development
- Durable: it should be capable of being delivered by the developer in the circumstances that prevail at some unknown point in the future; and
- It should be able to be monitored without a major allocation of public resources.

Requirements must also be appropriate to the proposed development, related in scale and kind to the proposed development. Requirements should only be sought where appropriate, viable and feasible. Appropriateness can be evaluated against two criteria:

1. Employment – this would be secured for all stages of the development including end-use, including the numbers of people and skill requirements;
2. The needs and capacity of the targeted community, including the numbers of people that would be seeking opportunities on the development and their skills and experience.

Establishing the need for a development to secure TRT as part of a planning permission should commence at pre-application submission stage. At this stage the City Council can begin to discuss the employment and training requirements and

complete skills forecasting – this would lead to securing the requirement for a training and employment plan.

Determining what TRT is appropriate to each development must be assessed on a case by case basis. It may not be possible to set a standard form of training plan that could apply to every kind of development due to the need to take into account the training and recruitment needs of the development, along with the availability of individuals with the necessary skills and experience,. However each plan will need to include: the recruitment of new entrants (apprentices and other entry level jobs) and could also include the sharing of vacancies; provision of work experience opportunities; utilising job matching services; supply-chain initiatives; and training the existing workforce.

TRT requirements are to be submitted to the City Council through a Training and Employment Management Plan (TEMP).

7. Trigger for Training and Employment Provision

The requirement for considering the need for Training and Employment provision will apply to all major planning applications. New major developments as defined in the Town and Country Planning (Development Management) Order 2010) consist of:

- The creation of 10 or more residential units
- Residential development on a site of 0.5 hectares or more
- Non-Residential development on a site of at least 1 hectare
- Creation of change of use of 1000 square metres or more of gross floor space (not including housing)

Whilst it is only major applications which would be required to consider training and employment this doesn't mean that smaller developments wouldn't also benefit from such discussion and provision.

8. Mechanisms for Achieving Training and Employment Provision through Planning

There are 2 key methods for securing Training and Employment Management Plans. These are as follows:

Planning Obligation

Where a development would give rise to the need for a section 106 agreement, a Training and Employment planning obligation could be used.

The Community Infrastructure Levy Regulations 2010 (Amendment 2011) state that a planning obligation should be:

- necessary to make the development acceptable in planning terms;

- is directly related to the proposed development; and
- Is fairly and reasonably related in scale and kind to the proposed development.

The planning obligation could take the following forms of wording:

1. *Prior to the Commencement of Development the Owner shall submit to the Council in writing for the Council's approval a Training and Employment Management Plan prepared and the Owner shall not Commence Development until the Council has approved in writing the Training and Employment Management Plan.*
2. *Following the submission of the Training and Employment Management Plan by the Owner the Council shall consider and approve the Training and Employment Management Plan (such approval not to be unreasonably withheld or delayed) making such amendments as it considers necessary.*
3. *The Approved Training and Employment Management Plan shall not be amended without the prior written approval of the Council (such approval not to be unreasonably with held or delayed).*
4. *The Owner shall within twenty eight (28) days of a request in writing by the Council:*
 - 4.1 *Attend a meeting (or meetings) with the Council to discuss the implementation of the Approved Training and Employment Management Plan and/or any other matters arising out of the implementation thereof; and*
 - 4.2 *Provide in writing to the Council such information as the Council may reasonably specify in connection with implementation of the Approved Training and Employment Management Plan.*
5. *From the date of Commencement of Development the Owner covenants to comply with and implement the Approved Training and Employment Management Plan and thereafter maintain and monitor the Approved Training and Employment Management Plan*

Using Planning Conditions to secure Employment and Training

Where a development would not give rise to or need for a section 106 agreement, a planning condition requesting the submission of a Training and Employment Management Plan would be used. The same process as listed above would be required, only the means to the submission of the plan would be different.

An example of such a condition could be as follows:

The development hereby approved shall not commence until details of a Training and Employment Management Plan, has been submitted to and approved in writing by the Local Planning Authority. The plan will aim to promote training and

employment opportunities at all stages of the development for local people and include:

- *Measures to ensure the owner and contractors work directly with local employment and training agencies;*
- *Targets for employing local labour*
- *Targets for work experience opportunities*
- *Measures to provide training opportunities in respect of any new jobs created*
- *requirements to submit monitoring information on the plan at regular intervals to the LPA*

The development shall be carried out in accordance with the agreed plan and any amendments to the plan shall be agreed in writing with the LPA.

Reason: In the interests of promoting economic and training opportunities in association with approved developments in accordance with saved UDP Policy ED5 and the NPPF.

The requirements for each development be it through a planning obligation or a condition would be agreed and recorded in a Training and Employment Management Plan (TEMP).

8. Training and Employment Management Plans

A Training and Employment Management Plan (TEMP) is a plan to promote training and employment opportunities at all stages of the development and designed to ensure that, where possible, out of work Newcastle residents are employed or trained throughout the life of the development. This includes any demolition and construction phases, security maintenance, environmental improvement and management elements of the development and end user opportunities such as retail, leisure and hospitality (where relevant). This should include:-

- Engaging with Newcastle City Council's Economic Development Team and identified partners to establish procedures and protocols designed to meet the training and recruitment demands of the development.
- Targets for employing and training out of work Newcastle residents and the measures to be undertaken to achieve these targets.
- Notification of all employment and training opportunities prior to them being advertised elsewhere.
- Supporting the delivery of a suitable job matching service for every construction and end user vacancy on the development.
- Measures to provide verifiable monitoring information regarding training and employment.

The TEMP could also include:-

- Work placement opportunities designed to support education and learning working with local colleges and universities.
- Supporting the integration of local subcontractors and suppliers, helping to develop a wider business base.
- Participation in initiatives with local schools to promote education and support the transition between school and work.
- Commitment to up-skilling existing employees.

There are two key areas for employment and skills training. The construction stage and the end user phase of the development.

During the construction phase developers would be expected to deliver an agreed employment and training target for apprentices and trainees along with notification of all vacancies on site which this includes all opportunities with contractors and subcontractors. For both the construction end user phase the developer should be committed to working in partnership with the council and specifically the Economic Development Team to produce a Training and Employment Management Plan (TEMP).

Targets at the construction stage are derived from a Labour Forecasting Tool (LFT), developed by Whole Life Consultants, part of the University of Dundee and commissioned by Construction Skills. This is a web based application utilised by all North East LEP local authorities to project the number of 'person weeks' or persons employed on specific types of developments. Other factors may be taken into account such as the location of the development in relation to our deprived communities. Targets are negotiable and would be agreed between the Economic Development Team and developer.

In relation to end user opportunities, developers and owners of relevant developments would be encouraged to facilitate joint working relationship with end user businesses particularly within the retail, hospitality and hotel and leisure sectors. Targets would be expressed as percentage of end jobs that need to be targeted at unemployed Newcastle residents with additional requirements such as supporting training initiatives to ensure that such residents have reasonable opportunities to secure employment.

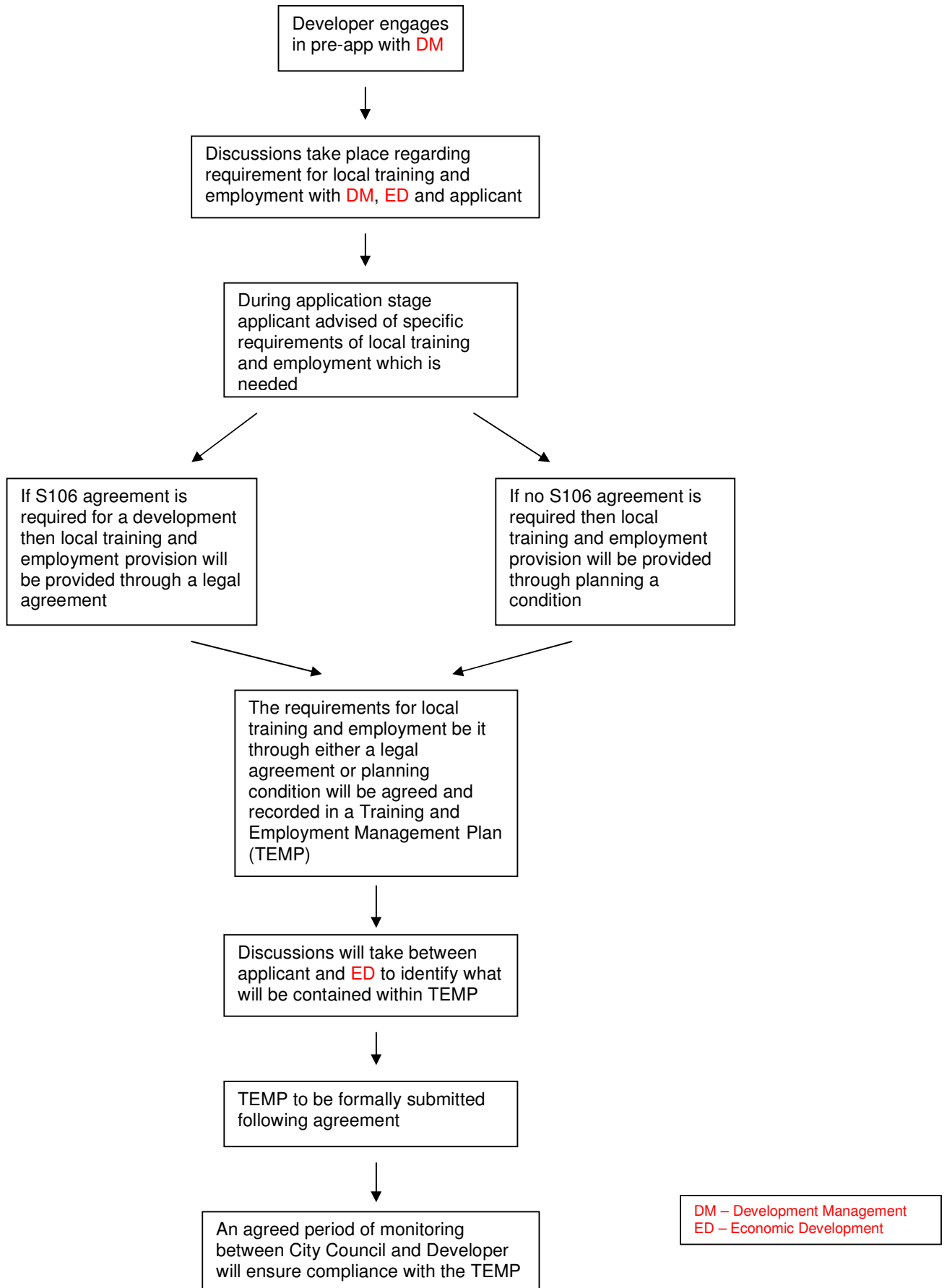
Successful delivery of Targeted Recruitment and Training obligations/conditions requires a facilitation role to enable developers/end-users to link effectively with identified local employability and training providers and potential local suppliers. This facilitation role would be provided jointly by the City Council's Development Management and Economic Development Team, and is an integral part of successfully incorporating Targeted Recruitment and Training into planning obligations/conditions, including:

- Briefing developers, contractors, end-users on the requirements and the supply-side employability services including potential funding available to them at an early stage in the process, preferably from pre-application.
- Evaluating the response of developers and contractors to the requirements.
- Progress-chasing when the construction work starts to ensure a good relationship between contractors and supply-side partners such as Newcastle Futures and Jobcentre Plus.
- Developing a good working relationship with end-use employers to help them access training and job-matching services and resources.
- Receiving and responding to monitoring information on behalf of Development Management colleagues.
- Monitoring, verification, and reporting arrangements must be put in place in order for Development Management colleagues, developers, employers and other partners to understand what is being delivered. These arrangements would help ensure that there is a measurable gain as a result of either Section 106 obligations or planning conditions.

The establishment of effective supply-side arrangements are essential to the delivery of Targeted Recruitment and Training requirements. This include activities such as engaging with residents, initial assessments, job matching, pre-employment training, access to grant provision or wage subsidies and identifying relevant work based learning. This is co-ordinated by Newcastle Futures and Jobcentre Plus. This activity is very important for the targets to be achieved as it can eliminate or significantly reduce the cost of implementing the requirements and would make it easier for contractors and end users to deliver their obligations. It would also ensure that the jobs are targeted at local residents.

It is imperative therefore that the Local Authority takes a lead in the coordination of supply-side arrangements in order to ensure that policy or contractual changes within the different agencies do not compromise delivery and lead to greater cost to the developer or failure to deliver Targeted Recruitment and Training obligations. Therefore, Newcastle City Council would provide a single point of contact for the developer and end users for all the employment and skills needs of the development.

9. Local Training and Employment Process Chart



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