

**AGENDA ITEM 5****RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL****CABINET****16 DECEMBER 2014****REPORT OF THE DIRECTOR OF REGENERATION AND PLANNING****Author: Simon Gale, Service Director Planning: Tel 01443 494716****Securing Employment and Training Measures through Planning Obligations****1. PURPOSE OF THE REPORT**

- 1.1 To seek Cabinet approval to undertake public consultation on Draft Supplementary Planning Guidance for Securing Employment and Training Measures through Planning Obligations

**2. RECOMMENDATIONS**

- 2.1 It is recommended that Members:

- (a) Approve the Draft Supplementary Planning Guidance *Securing Employment and Training Measures through Planning Obligations* for public consultation.
- (b) Authorise officers to specifically engage with the business community and potential developers so that the SPG supports developers and businesses with their local training initiatives, providing a more strategic approach to the benefits that are offered, rather than being a further burden for developers.

**3. BACKGROUND**

- 3.1 Supplementary Planning Guidance (SPG) is non-statutory supporting information and advice that supplements the policies and proposals within the Local Development Plan (LDP). Supplementary Planning Guidance can factor as a material consideration in determining planning applications and appeals and can relate to specific topics and sites.
- 3.2 Education and Employability is a key priority within the Prosperity theme of the Rhondda Cynon Taf Single Integrated Plan (SIP)
- 3.3 The County Borough has a higher rate of unemployment and lower levels of educational attainment than the Welsh and UK average.
- 3.4 The purpose of this Supplementary Planning Guidance (SPG) is to ensure that major new commercial and residential developments in Rhondda Cynon Taf make a positive contribution towards the provision of employment and training opportunities in the County Borough.

- 3.5 As part of this process, it is proposed that the Council will work with developers to ensure that local people have the skills and opportunity to access employment generated from new, large residential and commercial development in the County Borough. To achieve this, the Council will require the provision of **Employment and Skills Plans** for all large developments which will be secured through Section 106 Obligations at the planning application stage.

#### 4. CONTENT OF THE SPG

- 4.1 The SPG sets out details of what types of development will be required to provide an Employment and Skills Plan
- 4.2 To ensure that smaller developers are not overburdened, Employment and Skills Plans will only be required on large development proposals. This will cover residential and commercial developments (including office, retail, leisure, hotels, industrial and warehousing).

Therefore the Council will only require Employment and Skills Plans for new residential and commercial development which meets one of the following thresholds:

- Retail, leisure and office development of 1,000 sqm floor space (gross) and above;
  - Industrial development of 2,000 sqm floor space (gross) and above;
  - Warehouse and distribution development of 4,000 sqm floor space (gross) and above;
  - Residential development of 25 dwellings and above.
- 4.3 Employment and Skills Plans will be required for the construction stage and for commercial developments, the occupation stages of development.
- 4.4 The Employment and Skills Plans will be secured through a Section 106 Agreement. Importantly officers will work with the developer to agree the content of the Plan and provide a link between the developer and key partners such as employment agencies, schools and colleges.
- 4.5 The Employment and Skills Plans will aim to secure at least one of the following measures from the proposed development:
- Recruitment through employment agencies and other local employment vehicles
  - Work trials and interview guarantees
  - Pre-employment training
  - Apprenticeships
  - Vocational training (NVQ)
  - Work experience (14-16 yrs, 16-19 yrs and 19 + yrs)
  - School, college and university site visits, and

- In-house training schemes

- 4.6 The Council recognises that many businesses and developers already have social clauses in their contracts and operations that offer local people opportunities similar to those proposed in this SPG. It is not the intention of the SPG to place additional burdens on new developments or make section 106 obligations more onerous. Instead, the role of the SPG is to support developers and businesses with these initiatives and provide a more strategic approach to the benefits that are offered. As such, details of the measures to be included in the Employment and Skills Plan will be negotiated flexibly on a site by site basis with the developer. These measures will be individually tailored to ensure that the right skills and employment opportunities are provided at the right time to the benefit of both the developer and the local community.
- 4.7 The specific activities, target numbers and time parameters will be agreed before construction begins and developers and end users will be required to prepare a report outlining the process of implementation

## **5. FINANCIAL IMPLICATIONS**

- 5.1 Costs will be met from existing budgets.

## **6. LEGAL IMPLICATIONS**

- 6.1 The SPG will be a material consideration in the determination of planning applications and appeals.

## **7. CONCLUSION**

- 7.1 It is recommended that Cabinet agree the Draft Supplementary Planning Guidance for Securing Employment and Training Measures through Planning Obligations, for public consultation.

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## APPENDIX 1

DRAFT Securing Employment and Training Measures Through  
Planning Obligations – Supplementary Planning Guidance  
Rhondda Cynon Taf CBC

11/11/2014

Regeneration and Planning Division

Version 1.2 – DRAFT

RHONDDA CYNON TAF CBCDRAFT SPG – Securing Employment and Training Measures through Planning Obligations

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## **SECTION 1: INTRODUCTION**

Education and Employability is a key priority within the Prosperity theme of the Rhondda Cynon Taf Single Integrated Plan (SIP) which was developed in partnership with the Local Service Board.

The County Borough has a higher rate of unemployment and lower levels of educational attainment than the Welsh and UK average. Finding employment and developing a career starts with having the right qualifications and skills and the purpose of this Supplementary Planning Guidance (SPG) is to ensure that new, large commercial and residential developments in Rhondda Cynon Taf make a positive contribution towards the provision of employment and training opportunities in the County Borough.

The SPG sets out how the Council will work with applicants and developers to ensure that local people have the skills and opportunity to access employment generated from new large residential and commercial developments in the County Borough. To achieve this, the Council will require the provision of Employment and Skills Plans for all large development proposals.

Employment and Skills Plans must be prepared by the applicant with the help of the Council and other key partners. The plans should set out the type of training and employment opportunities that will be offered through the development.

The Council recognises that many businesses and developers already have social clauses in their contracts and operations that offer local people opportunities similar to those proposed in this SPG. It is not the intention of the SPG to place additional burdens on new developments or make section 106 obligations more onerous. Instead, the role of the SPG is to support developers and businesses with these initiatives and provide a more strategic approach to the benefits that are offered.

## **SECTION 2: THE NEED TO SECURE EMPLOYMENT AND TRAINING OPPORTUNITIES THROUGH THE PLANNING PROCESS**

The high levels of unemployment and worklessness in RCT and the relatively low skills base of our workforce are evidence of the need to develop measures such as this SPG to provide residents of the County Borough with the opportunity to build a career and secure employment.

Dealing with such issues is a key priority for the Council and its partners and is integral to the delivery the 'Prosperity' aims of our Single Integrated Plan. The statistics below illustrate the scale of the problems currently being experienced in the County Borough:

- In June 2014, 68.2% of working age people in Rhondda Cynon Taf were employed, equating to around 102,000 people. This figure is lower than for Wales as a whole at 69.5.
- The number of unemployed people in the County Borough has increased since 2005, a rate of 8.5% by June 2014, compared to 7.1% for Wales and an average of 6.8% for Great Britain.
- In May 2014, there was a rate of 17.1% of people claiming benefits in Rhondda Cynon Taf, compared to 13% for Wales and 10.2% for Great Britain. The rate here has been consistently higher than for the whole of Wales and Great Britain over the last decade.
- 14.6% of the working age population in the County Borough hold no qualifications, compared to the Great Britain average of 9.3%, and
- Around 60,000 adults in the County Borough have a basic skill need in literacy and around 125,000 in numeracy.

Rhondda Cynon Taf has a higher rate of unemployment and lower levels of educational attainment than the Welsh and UK average. These factors provide a clear evidential need to secure employment and training opportunities locally through Employment and Skills Plans.

### **SECTION 3: WHEN AN EMPLOYMENT AND SKILLS PLAN WOULD BE REQUESTED.**

New development can contribute towards providing training and employment opportunities for local residents. To ensure that not too many burdens are placed on the smaller developer, employment and skills plans will only be requested from large developments. This will cover residential and commercial developments (including office, retail, leisure, hotels, industrial and warehousing).

The Council will only require Employment and Skills Plans for new residential and commercial development which meets one of the following thresholds:

- Retail, leisure and office development of 1,000 sqm floor space (gross) and above;
- Industrial development of 2,000 sqm floor space (gross) and above;
- Warehouse and distribution development of 4,000 sqm floor space (gross) and above;
- Residential development of 25 dwellings and above.

Employment and Skills Plans will be requested at the construction stage and where appropriate occupation stages of development.

#### **SECTION 4: IMPLEMENTING THE POLICY**

Employment and skills plan will need to be agreed before planning permission for the development is granted and will be secured through a Section 106 planning obligation. The framework of the plan would be negotiated prior to planning permission being granted but the final version of the employment and skills plan, with detailed measures and requirements, can be agreed after planning permission is granted but must be before development starts on site.

The need for an employment and skills plan will be raised with the developer/applicant at the earliest opportunity and advice and support will be provided to agree the content of a plan.

Support and advice will also be provided at the implementation stage to help the developer to achieve the objectives of the plan and where necessary, provide a link between the developer and key partners such as employment agencies, schools and colleges etc.

## **SECTION 5: MEASURES TO BE SECURED THROUGH THE SPG**

Where the proposed development reaches or exceeds the threshold set out in section 4, the Council will seek to secure at least one of the following measures for the benefit of Rhondda Cynon Taf residents:

- Recruitment through Jobcentre Plus and other local employment vehicles
- Work trials and interview guarantees
- Pre-employment training
- Apprenticeships
- Vocational training (NVQ)
- Work experience (14-16 yrs, 16-19 yrs and 19 + yrs)
- School, college and university site visits, and
- In-house training schemes

The details of the measures to be included in the Employment and Skills Plan will be negotiated flexibly on a site by site basis with the developer. These measures will be individually tailored to ensure that the right skills and employment opportunities are provided at the right time to the benefit of both the developer and the local community.

Specific activities, target numbers and time parameters will be agreed before construction begins. Reference will need to be made to any sub-contractors working on different parts of the construction project and how they will implement the measures and requirements of the plan.

The Council recognises that many companies already have well established training programmes. These will be taken fully into account when drawing up Employment and Skills Plans at both construction and occupancy stage.

The format for the draft Employment and Skills Plan is set out in the Economic Impact Questionnaire in Appendix A. In addition to providing a Plan, developers and end users will be required to prepare a report which will outline the process of implementation. Advice and assistance in developing the plan and the method statement will be provided by the Council's Business Support Team.

#### Contact Details

To be added

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## Appendix A - Local Employment and Skills Plans Questionnaire



# Employment & Skills Plan Economic Impact Questionnaire

**Name of Proposed Development:**

**Reference:**

**Contact Name:**

**Contact details:**

**Summary:**

Please provide a response to each question regarding the direct and in-direct economic impact of the proposed development.

**Questions:**

No	Question & Guidance		Response
1	What will be the approximate construction cost of the proposed development?	Answer to the nearest 10,000. For example answer £0.98 if the project is estimated to cost £980,000	
2	How long will it take to complete the development?	How many weeks (approximate) will it take to complete the project?	

Economic  
Impact of Proposed Development Questionnaire

## Appendix A - Local Employment and Skills Plans Questionnaire

No	Question & Guidance	Response
3	Who will be the intended occupiers of the development? Please provide the names of all the organizations to be based within the completed development, if known.	
4	Please indicate the proposed activities of the occupying organizations.	
5	Please indicate the total floor-space for each unit in square feet (please specify whether net internal area, gross internal area, or gross external area)	
6	During the construction phase how many construction jobs will be created?	This relates to the Construction phase only.
7	How many long term (full time equivalent) jobs will be created by the development?	<p>List the *total number of jobs (including construction jobs) which will be created as part of the development.</p> <p>*To be assessed as part of wide criteria of factors used to calculate a final 'person-years' full time equivalent employment figure.</p>
7a		From the total provided for Question 3, how many of the jobs will be skilled?
7b		From the total provided for Question 3, how many of the jobs will be un-skilled?
8	How many full time equivalent jobs will be based at the completed development?	List the maximum number of full time jobs which the completed development will sustain.

## Appendix A - Local Employment and Skills Plans Questionnaire

No	Question & Guidance	Response
9	Please list the types of jobs to be created as part of the project?	
10	Please list the work experience and other work based opportunities to be created as part of the development. This could include, work experience placement (various age-groups), apprenticeship schemes, curriculum support activities, job centre plus schemes and graduate programmes.	
11	What formal training opportunities will be provided as part of the development and how will you ensure that local residents are able to access and maximize the opportunities?	

## Appendix A - Local Employment and Skills Plans Questionnaire

No	Question & Guidance	Response
12	Describe how the development will seek to engage with and benefit the local community.	
13	How will this development support local suppliers – both locally in RCT and nationally throughout Wales?	

**Appendix A - Local Employment and Skills Plans Questionnaire**

Any Other Comments	
13	<p>Please use this space to provide any additional comments related to the economic impact of the proposed development on the local economy.</p>

**Appendix A - Local Employment and Skills Plans Questionnaire**