

Sefton Council



**Social Value
(Employment and Skills)
from Development**

Supplementary Planning Document

May 2023

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1. Introduction

1.1 A supplementary planning document (SPD) is a document which builds upon and provides more detailed advice or guidance on policies in an adopted local plan (Sefton Local Plan April 2017). SPDs are a material planning consideration in the determination of planning applications.

1.2 The purpose of this SPD is to outline to developers what Social Value is within the context of planning and new development. It also sets out what the Council will expect from certain large developments and sets out what information developers should provide to demonstrate that social value (employment and skills) benefits are being maximised. Specifically, this SPD will be looking at how employment and training opportunities can be maximised from new development. It will also (where applicable) explore any potential supply chain and contract/sub-contracting opportunities for local businesses.

What is Social Value from development?

1.3 Social value is the additional economic, social and environmental benefits that can be created as part of a development. By seeking to capture social value from major developments, whilst such schemes are at the planning stage, the Council can achieve significant added value benefits for the people of Sefton. Social value from development can include:

- affordable housing,
- education contributions,
- open space
- public transport
- employment and training opportunities
- Business supply chain opportunities

1.4 **This document will focus on securing employment and skills opportunities from new development** as the other social value benefits are secured through existing plans and policies. For example, Affordable Housing is secured through Local Plan policy HC1 and a separate SPD; education contributions are secured where needed through Local Plan policy IN1 and a developer note; Open Space is secured in large schemes through Local Plan policy EQ9 and a separate SPD; Public transport improvements are occasionally secured through Local Plan policies IN1, EQ3 and a separate SPD. The SPDs are available at [Adopted Supplementary Planning Documents/Guidance \(sefton.gov.uk\)](https://www.sefton.gov.uk/adopted-supplementary-planning-documents-guidance)

1.5 This SPD will provide guidance on:

- The circumstances in which an Employment and Skills Plan will be requested.
- The potential content required in an Employment and Skills Plan.
- The development thresholds that would trigger a requirement for an Employment and Skills Plan to be submitted with a planning application;
- Expected content and priorities within an Employment and Skills Plan; and
- The process involved in requesting, preparing and implementing an Employment and Skills Plan;

- Identify potential supply chain opportunities for local businesses.

1.6 The successful implementation of the SPD will seek to:

- Increase local employment opportunities by helping businesses to improve, grow and take on more staff;
- Address a national shortage in construction skills;
- Help businesses to find suitable (and especially local) staff and suppliers;
- Improve the skills of local people to enable them to take advantage of the resulting employment opportunities; and
- Prioritise employment and skills opportunities for young people, long-term unemployed, people with disabilities and those with a limiting long-term illness, care leavers and others deemed vulnerable.
- Enhance the reputation of the developer and create opportunities for future business growth
- Link developers and end-use employers to economic development support services in Sefton including Sefton@work and InvestSefton to produce relevant plans and actions to achieve social value objectives

2. Policy background

National

2.1. The National Planning Policy Framework (NPPF) outlines the purpose of the planning system is to contribute to the achievement of sustainable development. To accomplish sustainable development, the NPPF provides three overarching objectives (economic, social and environmental).

2.2 Paragraph 80 of the NPPF states '*Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future*'.

Liverpool City Region

2.3 Liverpool City Region Combined Authority have produced a Local Skills Action Plan 2022-23. This has a range of areas of focus in relation to improving skills, training and improving employment opportunities. These include:

- Continuing to seek reduction in unemployment and countering the concerning increase in economic inactivity;
- Tackling significant employment, unemployment and economic inactivity gaps remaining for women, those from an ethnic minority, those with a disability, young people and older people;
- Promoting and opportunities for people to progress in work;
- Promote opportunities for future growth to young people and broader communities;

Sefton

- 2.4 The Sefton Local Plan (April 2017) includes within its vision that Sefton will make *'the most of its assets to attract jobs and investment and provided training for local residents'*.

Sefton Local Plan Policy SD2 'principles of sustainable development' outlines a priority and objective of the Local Plan is to develop economic growth, tourism and jobs creation, support new and existing businesses and to improve access to services, facilities and jobs.

- 2.5 Policy EQ1 'Healthy Sefton' within the Sefton Local Plan outlines development should help maximise opportunities to improve quality of life to make it easier for people in Sefton to lead healthy, active lifestyles, by improving access to jobs.

3. Justification

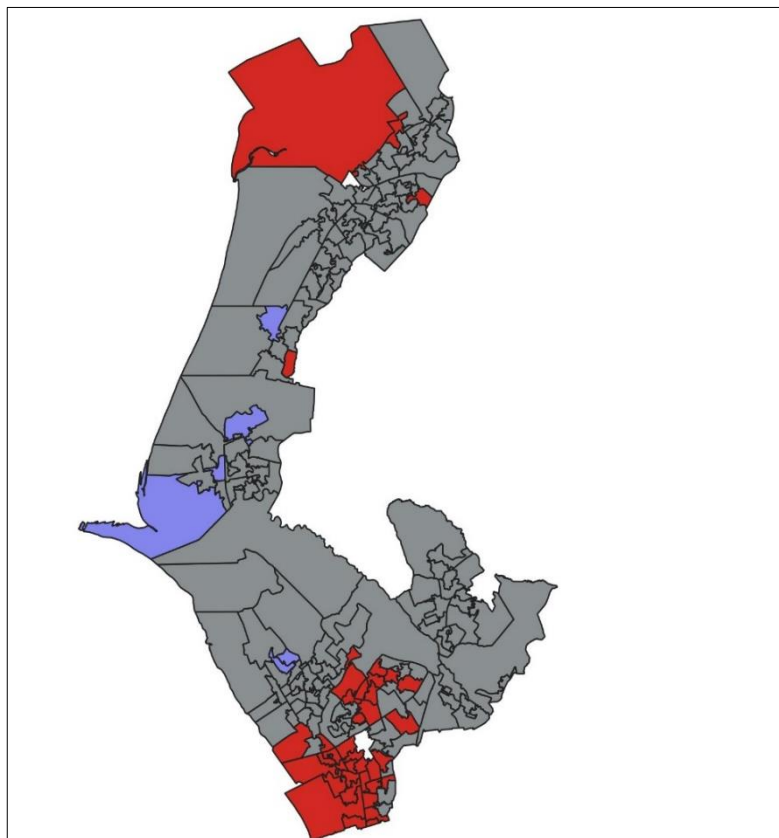
- 3.1 At a local authority level, economic data for Sefton is generally favourable compared to the North West Region although slightly less so at a national level.
- 3.2 In December 2021, 77.4% of people in Sefton were economically active. This is 0.9 percentage points higher than the North West average, but 1 percentage point lower than nationally.
- 3.3 This is a recurring picture across the key indicators. Sefton performs slightly better than the North West but worse than nationally for the percentage employed as managers and professionals (33.2%), people qualified with NQ4 and above (39.1%) and gross weekly pay for residents (£586.70).
- 3.4 Sefton records a worse position than the national averages for workless households and working age people claiming out of work benefits. Specifically, in December 2020, 15.8% of households in Sefton were workless, 2.2 percentage points higher than nationally. 4.3% of Sefton's working age population claimed out of work benefits in 2022, 0.4 percentage points higher than nationally.

	Sefton	NW England	National (GB)
Economically active (Dec 2021)	77.4%	76.5%	78.4%
Percentage households workless (Dec 2020)	15.8%	15.5%	13.6%
Percentage employed as managers or professionals (Dec 2021)	33.2%	32.1%	34.2%
Qualified NVQ4 or above (2021)	39.1%	38.5%	43.5%

Gross weekly pay for residents (2021)	£587	£578	£613
Claimant count (out of work benefits) working age population (2022)	4.3%	4.4%	3.9%

- 3.5 Whilst at headline levels, Sefton may appear to be an area of average economic performance, the local authority does have areas of severe deprivation where worklessness and economic inactivity is low, ill health remains a concern and skills attainments are low.
- 3.6 Deprivation is measured in a number of ways illustrated at a local level (Lower-Level Super Output Areas - LSOAs) by the Indices of Multiple Deprivation. LSOAs typically contain the same amount of people and as a result larger areas (such as in the North of the Borough in the map below) contains a similar number of people as the more densely populated areas in South Sefton.
- 3.7 When income is considered, Sefton has a number of areas where income is in the lowest 10% in England and a few in the highest 10%. The red areas on the map below indicate the areas that are among the most deprived 10% in England, and the blue areas indicate the least deprived 10%.

Map of areas of Income Deprivation - Sefton



Source: Indices of Multiple Deprivation 2019 (DLUHC)

- 3.8 Even these figures mask the scale of deprivation. One area of Bootle is now ranked as the 28th most deprived in terms of income across England (out of 32,844 areas) and its ranking is falling (ranked 197th in 2007).
- 3.9 Income deprivation is not only a serious issue at an individual / family level – a concentration of low levels of income undermines the entire local economy reducing disposable income which can be spent in the area and creating challenges for the Local Authority in terms of income (lower Council Tax revenues) and expenditure (social support mechanisms) resulting in reduced opportunity for discretionary investment by the Local Authority.

4. Securing employment and skills activity arising from development

- 4.1 New development in Sefton can contribute towards the provision of employment and training opportunities for residents. This is expected to be clearly demonstrated and secured within an Employment and Skills Plan. However, to reduce the risk of burdens being placed on the smaller developers, an Employment and Skills Plan will only be requested from certain large developments. This will cover residential and commercial developments, including offices, retail premises, leisure uses, hotels, and industrial premises, warehousing and sui generis uses.

4.2 We therefore propose that employment and skills plans would be requested from developments which exceed the thresholds below:

Use Class	Development	Threshold for Employment and Skills Plan	Scope of Employment and Skills Plan
C1, C2	Hotels, Residential Institution	Buildings of 1,000m ² or site area of 1 hectare of more	Construction phase and end use occupation
C3	Residential	30+ dwellings	Construction phase
B, E, Sui generis	General Industrial; Storage or Distribution; Commercial, Business and Service; Sui generis uses	Buildings of 1,000m ² or site area of 1 hectare of more	Construction phase and end use occupation

4.3 For the avoidance of doubt, Employment and Skills Plans should cover both the construction phase of all major residential and commercial development in the Borough, together with the end use occupation of all major commercial development. This may require developers to have internal protocols/agreements with the end-user (if known) in place to understand the end-use activities to be covered by the targets, actions and monitoring laid out within the plan. It would be expected that the end-user would be a party to the Employment and Skills Plan.

4.4 We will not accept attempts to artificially split or sub-divide developments so individual parts do not meet or exceed the thresholds set out within this SPD.

4.5 In addition to the requirement for an Employment and Skills plan set out above, we would strongly encourage applicants on smaller schemes to work with the Council to demonstrate they are maximising employment and skills outputs. They may choose to do this through a formal Employment and Skills Plan or a more informal Employment and Skills statement. These applicants will be invited to work with Sefton@work and Invest Sefton to produce these voluntary statements.

4.6 Appendix A sets out what the Council would expect at each stage of the planning application stage in relation to an Employment and Skills Plan.

5. What should an Employment and Skills Plan cover?

5.1 A varied range of local employment and training measures can be secured through an employment and skills plan. The measures set out within the plan can be individually tailored to ensure the right skills and employment opportunities are provided at the right time to benefit both the developer and local population. Measures that can be secured include the following:

- Targeted vacancy filling by Sefton residents in the construction and end use phase of developments or maximising the use of employment support partners. This includes promotion of vacancies locally, pre-employment training, work trials in partnership with Sefton@work
- Targeted recruitment and training, ensuring that apprenticeship and other work opportunities for Sefton residents help to alleviate unemployment.
- Work experience opportunities for Sefton residents (14-16 years, 16-19 years and 19+ years) (5 working days minimum).
- Supporting the integration of the local supply chain, helping to develop a wider business base within Sefton. Assistance on this can be available through Invest Sefton.
- Participation in the promotion of education initiatives, creating links with local schools and colleges, supporting the transition between school and work.
- Provisions to notify us or any agency nominated by us of job vacancies arising from the pre-construction and construction stages and end use occupation.

5.2 The above list is not exhaustive and pre-application discussions with us are recommended for any proposals which would require an Employment and Skills Plan. This is so the local training and employment measures required can be agreed prior to the formulation and submission of a planning application (where there may be pre-construction opportunities identified and included in the plan). We would expect those putting together an Employment and Skills Plan to speak to Sefton@work (see Appendix B) and InvestSefton (see appendix C) early on.

5.3 It is also recommended that applicants and proposed end users notify the Council early in the development process to identify, secure and maximise any local supply chain opportunities for local businesses. This can be done through InvestSefton who offer services such as 'meet the buyer events' or through promoting opportunities to Sefton businesses. Information on InvestSefton can be found at Appendix C.

5.4 Sefton have a recently approved Economic Strategy (November 2022) and this identified several priorities for action. This included priorities in relation to 'Employment and Opportunities for Work'. These are, in order of priority:

- Deliver a range of progression pathways to better connect Sefton's young people with opportunities in the local labour market and make successful transition to the adult world of work.
- Deliver accessible learning for residents of all ages to gain the skills required by our employers and move into or move up in work
- Provide support for people with disabilities or poor health to reach their full potential in learning and work.
- Develop innovative partnerships with employers to deliver better quality careers and improve progression routes for Sefton residents, prioritising the most vulnerable such as care leavers.
- Provide advice and support for workless and inactive people disconnected from the labour market to enter sustainable, decent work.

5.5 The Council expects that an Employment and Skills Plan will look at ways the proposal will specifically help the Council to address these priorities.

- 5.6 Whilst the format of the Employment and Skills Plan is for the applicant to decide (as we appreciate that many companies will have existing approaches) we have provided a template at Appendix D for those who need guidance and to confirm the type of information the Council require to be included. Notwithstanding the existing approaches that may exist, the Plan should fully represent and reflect local priorities and opportunities and demonstrate how these are being addressed.
- 5.7 As part of the submission we would expect the applicant to confirm and demonstrate the portal or calculation model that has been utilised to generate the outputs set out in the Employment and Skills Plan. The Council may ask to applicants to confirm some of the assumptions made within a submitted Employment and Skills Plan and use its own social value portal to calibrate the findings. It may also ask, through the pre-application of planning application process, for additional benefits to be secured if it considers that the Employment and Skills Plan outcomes are not considered sufficient.
- 5.8 It is therefore recommended, in order to avoid any delay to the decision-making process, that any negotiation and clarification on an Employment and Skills Plan is done with the Council prior to submission of a planning application. The Council is happy to engage and facilitate discussions to ensure Employment and Skills Plans are robust, ambitious, locally relevant and deliverable and will offer dialogue with relevant services to facilitate this.
- 5.9 If applicants do not have access to an Employment and Skills portal or calculator, then the Council would be happy, at a reasonable cost, to use its own portal to calculate the employment and skills outputs from the proposal for an Employment and Skills Plan.
- 5.10 The Council would encourage all businesses that develop or run their business in Sefton to be signed up to the Good Business Charter – see www.goodbusinesscharter.com. Participation in this charter, or similar, should be recorded within an Employment and Skills Plan.

6. Implementing and monitoring an Employment and Skills Plan

- 6.1 Once the content of the Employment and Skills Plan has been agreed as part of the consideration of the planning application it will be secured by a section 106 planning obligation.
- 6.2 At the post decision stage the developer is required to inform the planning department when the development has commenced and, in non-residential development, occupied. After a suitable time, which will be agreed in the Section 106 agreement, the Council will require the submission of an Employment and Skills outcome report (possibly more than one depending on the scale and type of the proposal). This will be appraised by the Council's section 106 monitoring officer to ensure that outcomes set out in the approved Employment and Skills Plan have been achieved or exceeded.
- 6.3 If, for some reason, the projected outcomes from the Employment and Skills Plan have not been implemented or achieved, and the this has not been sufficiently justified, then the Council will require measures to be undertaken to rectify this situation. This may take the

form of suitable alternative measures, or payments in lieu of, if the original outcomes can longer be secured.

- 6.4 All approved Employment and Skills Plans secured on developments will be reported in the Authority Monitoring Report (AMR) which we publish annually. We will also report on progress with the outcomes agreed in each.

Appendix A Employment and Skills Plan within each planning application stage

Pre-application stage	<ul style="list-style-type: none"> • Case officer identifies need for an Employment and Skills Plan for any proposal that exceeds the threshold set out within this document. • Negotiation and discussion undertaken in relation to content of an Employment and Skills Plan and its implementation.
Planning application stage	<ul style="list-style-type: none"> • The validation stage will check for applications requiring an Employment and Skills Plan. • Negotiation and discussion undertaken in relation to content of an Employment and Skills Plan and its implementation if no pre-application was submitted. • The content of an Employment and Skills Plan will be a material consideration in the determination of the planning application. • The Case Officer will instruct legal services to prepare and negotiate the Section 106 agreement to secure Employment and Skills Plan.
Planning decision stage	<ul style="list-style-type: none"> • Grant of planning permission, subject to S106 agreement requiring the implementation of the agreed a Employment and Skills Plan.
Post decision stage	<ul style="list-style-type: none"> • Developer informs us when the development will start. • Relevant Council officers will monitor the progress of an Employment and Skills Plan to ensure it is being implemented.

Appendix B Sefton at work

Sefton at Work provide a free, professional recruitment service to employers to help them to recruit locally to find the right person for the job.

Services include

- Free recruitment support for any position within your company, including Apprenticeships
- Advertise your vacancies with 24 hours (exc. Weekends) via our website, indeed.com, social media outlets and our partners once you have approved the content
- Offer a bespoke level of support for each vacancy we manage, your requirements and its suitability to our client group
- Manage all your applications, sift and pre-screen applicants and support you during the interview process if required
- Offer you the use of our interview rooms free of charge
- Offer you a free bespoke pre-employment training package for all suitable applicants for vacancies that require multiple starts, prior to them commencing employment
- Advise you of any available funding or grants that could support business to recruit new staff
- Agree timescales for each vacancy we manage
- Provide weekly updates throughout the recruitment period
- Work closely with our colleagues in Sefton Council to offer a comprehensive range of services that may benefit your business, including Sefton Community Learning Service and InvestSefton

Contact us

Contact the Employer Liaison Team on **0151 934 2610** for further information or email them at elt@sefton.gov.uk

Further information can be found at www.seftonatwork.net

Appendix C InvestSefton

InvestSefton is the council's enterprise, business growth and inward investment service. It will provide a free, professional business advice and guidance which, in this context, includes:

- Working with you to promote supply chain, contract/sub-contracting opportunities to Sefton businesses
- Working closely with Sefton@work to help maximise local employment opportunities
- Provide 1:1 advice and guidance on incentives and initiatives which could help your business to grow
- Deliver meet the buyer event(s) to enable your business to meet potential local suppliers that meet your criteria/specifications

Contact us:

Contact InvestSefton on 0151 934 3452 (option 2) or email investsefton@sefton.gov.uk

www.investsefton.com

Appendix D Template of Employment and Skills Plan

Site:	
Developer/occupant:	
Proposal:	
Gross Development Value of Scheme:	
Opportunities at Pre-construction Phase	<p>The number of jobs (including the labour forecasting tool if available):</p> <p>Type of jobs:</p> <p>Phasing and Timescale:</p>
Opportunities at Construction Phase:	<p>The number of jobs (including the labour forecasting tool if available):</p> <p>Type of jobs:</p> <p>Phasing and Timescale:</p>
Opportunities at Occupation Phase:	<p>The number of jobs (including the labour forecasting tool if available):</p> <p>Type of jobs:</p> <p>Phasing and Timescale:</p>
Future Workforce (young people):	
<p>Working Days committed from business volunteers to support careers education and information and/curriculum development in schools and colleges in Sefton per year.</p> <p>Number of work experience placements (14-16 years, 17-19 years and 19years +) at Sefton schools and colleges - based on one placement being one week.</p> <p>Number of graduate internships per year for graduates living in Sefton.</p>	
Targeted Workforce (excluded people):	
<p>Number of employment opportunities offered to Sefton residents that are:</p> <ul style="list-style-type: none"> • Long term unemployed (more than 6 months unemployed) • a recent care leaver (and aged 16-25) • registered disabled or have a limiting long-term illness • live in a deprived area (10% most deprived in the index of multiple deprivation) <p>Number of work placements or trails offered to above groups</p>	

Working days committed from business volunteers to mentor NEET (not in education, employment or training) young people 16-18 year olds.

Skilled and Productive Workforce:

Number of apprenticeships

Commitment to workforce planning and investment in training of employees

Investment in Leadership Skills

Community Benefits:

Supporting or financing projects driven by local communities

Procurement and commissioning of local small and medium-sized enterprises and social enterprises/third sector organisations

Construction Skills Certificate Schemes

Support with transport, childcare and work equipment

Other Benefits:

Estimated number of jobs in the wider economy (i.e. beyond the construction and end use of the scheme) as a direct or indirect consequence of the proposal including broad sectors in which jobs would be created

Estimated amount of income from the proposed scheme from Council Tax and Business Rates.

Estimated value of local supply opportunities for local businesses as a result of the development. Include details of the sectors that these opportunities support.

Details of accreditation with any employment and business charter (such as Good Business Charter) that demonstrates that the developer and/or end occupant are good employers.

