

EMPLOYMENT AND SKILLS PROVISION

**GUIDANCE TO ASSIST APPLICANTS AND DEVELOPERS IN
MEETING THE REQUIREMENTS OF LOCAL PLAN POLICY
EC5**

Crawley
Local Plan



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1. Introduction

- 1.1 This Guidance Note has been prepared to assist applicants and developers in meeting the requirements of Local Plan Policy EC5: Employment and Skills Provision. It provides advice on how part (i) preparation of an Employment and Skills Plan, and part (ii) the making of a proportionate financial contribution towards employment and skills initiatives in Crawley, of the policy should be met. The guidance in this note should be read in conjunction with Local Plan Policy EC5 and corresponding guidance relating to the financial contribution that is set out in the Local Plan Planning Obligations Annex.

2. Background

- 2.1 Crawley is well established as the leading economic destination in the Coast to Capital LEP and Gatwick Diamond area. However, despite its historically strong economic performance, there remains a recognised disparity between what is an on average lower level of qualifications and income achieved by people that live in Crawley, compared with those of the in-commuting workforce. This disparity is reflected by Crawley's position close to the bottom of social mobility rankings published in the State of Nation report, where the borough ranks 304th out of 324 local authorities¹.
- 2.2 Addressing the skills gap is vital to enabling local people to access higher skilled employment, creating the right conditions for career opportunities within the borough. It is important that Crawley offers the right skills profile to cater for the needs of current and future employers. Through the council's own research, it is estimated that £49 million GVA per annum is lost through skills shortages, and working to address the skills gap will help ensure that Crawley continues to attract inward investment as a preferred location for business.
- 2.3 The economic impacts of the global pandemic have added further urgency. Centre for Cities identifies Crawley as the most exposed city or large town to the economic implications of Covid-19, with over half of its jobs categorised as being within vulnerable or very vulnerable sectors. Around 18 per cent of Crawley's workforce is employed in the aviation industry and related sectors compared to an average of around 1 per cent across British cities, placing over half of Crawley's jobs at risk of either furlough or being lost completely². The 25,800 residents on furlough, due to end March 2021, is the highest in West Sussex and among the highest in the UK. The Local Universal Credit claimant count has risen sharply from 2.8% in March 2020 to 7.5% in August 2020, making Crawley the worst affected within the Coast to Capital LEP area and ranking 68th out of 380 local authorities in the UK. This further increases the need to provide support and training to enable impacted residents to access new opportunities arising from economic diversification, helping to offset some of the Covid-19 impacts on employment.
- 2.4 A key challenge facing Crawley is the need to improve education, skills, employment and social mobility outcomes. Crawley's people, location and assets make it an attractive investment and regeneration area, and it is important that the opportunities and proceeds of growth, regeneration and

¹ Social Mobility Index 2017 Data, <https://www.gov.uk/government/publications/social-mobility-index-2017-data>

² Centre for Cities 2020, *What does the Covid-19 crisis mean for the economies of British cities and large towns?* <https://www.centreforcities.org/blog/what-does-the-covid-19-crisis-mean-for-the-economies-of-british-cities-and-large-towns/>

housing can be used to raise aspirations and reduce inequality. The Local Plan has an important role to play in ensuring that development appropriately contributes to improving social mobility in the borough, supporting access to training and learning for those residents who require assistance, and enabling access to the job market where residents require support.

3. Crawley Employment and Skills Programme

- 3.1 The Crawley Employment and Skills Plan launched in 2016, and has made a significant impact. Its flagship projects, which include the borough having achieved Construction Industry Training Board (CITB) Skills Academy status, introduction of the Developer and Partner Charter and the creation of Employ Crawley, are helping to address skills gaps in the local workforce to benefit local people and businesses. In supporting different routes to education and higher value jobs, it has helped to empower some of Crawley's most disadvantaged residents and has promoted and enhanced the council's commitment to making Crawley a Living Wage zone.
- 3.2 Through its successor, the Crawley Employment and Skills Programme 2019-2024 and joint working with stakeholders, the council continues its work to enable Crawley residents to access better quality education and job opportunities within the borough. The long-term aim remains to enable local residents to access better jobs and for businesses to grow by being able to recruit local people to fill skills gaps. Creating the right conditions for residents to access higher quality career opportunities can better enable sustainable economic growth within the borough to be supported.

4. Meeting the Requirements of Local Plan Policy EC5

- 4.1 This section explains how delivery of Crawley's Employment and Skills Programme will be supported through the planning process. Policy EC5 (Box 1) requires all major development, including residential and employment uses, to contribute towards addressing the skills gap in Crawley, helping to support the social mobility of Crawley residents, and meeting the requirements of business through providing access to a highly skilled local workforce. The approach supports appropriate social infrastructure through provision of employment and training initiatives on major development sites at demolition and construction, and for commercial sites where there is a known occupier, the end user phases.

Box 1: Policy EC5 Employment and Skills Development

All major developments will be required to contribute to meeting the objectives of the most up-to-date Crawley Employment and Skills Programme through:

- i. Committing at the Planning Application stage to prepare and submit a site-specific Employment and Skills Plan, the content of which must be agreed by the council prior to the commencement of development. This will detail how the development, through its construction and (for commercial development where there is a known occupier) end user phases, will support initiatives identified in the Crawley Employment and Skills Programme. This commitment will form part of the obligations on a planning permission and will be secured by way of a S106 legal agreement.
- ii. The making of a proportionate financial contribution towards employment and skills initiatives in Crawley.

The requirements of parts i. and ii. above should be satisfied in accordance with the Local Plan Planning Obligations Annex.

- 4.2 Policy EC5 applies a pro-active approach to addressing Crawley’s skills gap and improving social mobility. This is to be achieved through the requirements placed on all major development by the two policy limbs, these being:
- i) Committing the applicant and/or developer at the Planning Application stage to prepare and submit a site specific Employment and Skills Plan, the content of which must be agreed by the council, prior to the commencement of development; and
 - ii) The making of a proportionate financial contribution towards employment and skills initiatives in Crawley.
- 4.3 All major developments will be required to satisfy both parts i. and ii. of Policy EC5. The following section of this document explains how these requirements can be met, and details how the council will work with developers to achieve positive employment and skills outcomes from development.
- 4.4 Requirements of Part (i): Employment and Skills Plan**
- 4.4.1 At the planning application stage, the applicant will be asked to commit to preparing a site-specific Employment and Skills Plan (ESP) relating to the development. This commitment will form part of the obligations on any planning permission, secured by way of a Section 106 Agreement. The ESP should be prepared by the applicant, in liaison with the council, and must be submitted to and agreed by the council prior to the commencement of development. The key milestones and requirements for preparation of the ESP at each stage of the planning process are set out below.
- 4.4.2 *Planning Application Stage*
The designated case officer in the Development Management team will be the first contact for negotiation on major schemes, both at pre-application and at the planning application stage. At the planning application stage, the Economic Regeneration team will be notified of the proposed development, and a nominated Economic Regeneration officer will write to the applicant, setting out the requirements for an ESP. The Economic Regeneration officer will operate separately from the Development Management service.
- 4.4.3 If planning permission is granted, the case officer will use a standard form of wording to set out the requirement for an ESP, by way of a Section 106 Agreement. The case officer will be responsible for sending the standard Section 106 pro forma (Box 2) as early as possible in the process.

Box 2: Sample Wording for a S106 Agreement attached to Planning Permission

- 1.1 *Prior to commencement of the development to submit to the council for approval the Employment and Skills Plan.*
- 1.2 *The Employment and Skills Plan submitted pursuant to clause 1.1 above shall include arrangements setting out how the owner will, and to the extent they are not the same person, how any developer or occupier and their contractors will be required to work directly with local employment/training providers including but not limited to:*
- 1.2.1 *Crawley Council’s ‘Employ Crawley’ service*
 - 1.2.2 *Sixth form schools and colleges of further education*
 - 1.2.3 *Jobcentre Plus.*

- 1.3 *Development shall not commence, until written approval of the Employment and Skills Plan has been received from the council (unless otherwise agreed in writing by the council).*
- 1.4 *Following written approval of the Employment and Skills Plan by the council, the owner will implement and where necessary procure implementation and promote the objectives of the approved Employment and Skills Plan and ensure that so far as reasonable the objectives are met.*
- 1.5 *Should the agreed Employment and Skills targets and programme be missed for two consecutive quarters, a rectification meeting shall be held between the council and the applicant in order to address concerns and appropriate strategies to achieve the required targets. Financial contributions in lieu of delivering against the agreed Employment and Skills Plan obligations will be discussed where appropriate.*

- 4.4.4 The applicant/developer is advised to enter into discussion with the nominated Economic Regeneration officer at an early stage, as this will enable potential delivery partners to be identified. This may include assistance in identifying and accessing local employment, apprenticeships, traineeships, work experience and placement opportunities through partnership with the council, local colleges and other programme-led training providers. Educational activity will be delivered in partnership with local schools and colleges. Where appropriate, the Economic Regeneration Officer will facilitate collaborative partnership working through round table meetings between the developer, contractors, partners and the council.
- 4.4.5 *Development Commencement Stage*
The applicant and developer will be aware of the requirements for the ESP, and will be expected to have worked pro-actively with the council to shape its content and agree outcomes. The ESP should be submitted to the council well before the date that development is due to start. This will enable the council to review the ESP, allowing sufficient time for discussion on any amendments that may be required in order for the council to agree the ESP.
- 4.4.6 The content of the final ESP will be agreed by the Head of Economy and Planning in discussion with the developer and main contractor. The Head of Economy and Planning will then inform the Development Management case officer and the Economic Regeneration officer that the ESP has been agreed. Development will not be allowed to take place until the ESP has been agreed by both the applicant and council.
- 4.4.7 The nominated Economic Regeneration Officer will have responsibility for liaising with the applicant through the lifetime of the contract to ensure that commitments set out within the ESP are being delivered.
- 4.4.8 *Employment and Skills Plan Template, Benchmarks and Monitoring*
Crawley Borough Council's ESPs are based upon the recognised Client-Based Approach, developed by The National Skills Academy for Construction (NSAFC), in partnership with the Construction Industry Training Board (CITB). This enables a consistent approach for all major developments across the borough. Applicants will need to complete the Council's ESP for each development: <https://investcrawley.co.uk/employment-and-skills/employments-and-skills-programme>
- 4.4.9 Through ESPs, the council is embedding employment and skills targets in construction projects that are relevant and proportionate to each of its local developments - creating local jobs, apprenticeships, work placements,

upskilling our existing workforce and inspiring the future workforce through career-related activities.

- 4.4.10 The CITB framework³, which outlines employer-led benchmarks, ensures that all tiers of the construction and built environment supply chain can grow their business by supporting employment and skills related initiatives through local development obligations. Benchmark targets will be discussed with the Economic Regeneration Officer and negotiated for each development to correlate with local need. The council is committed to ensuring that the local community's needs are met in a fair, measureable and sustainable way and that procurement activities benefit the local economy.
- 4.4.11 ESP obligations will ensure contributions towards the borough wide coordination of training and employment schemes. It enables collaborative planning to support current and future recruitment needs within the construction industry. To support the achievement of obligations, Employ Crawley is able to provide a brokerage service to contractors to help support, facilitate and progress employment and skills initiatives during construction and operational phases. The team have an established stakeholder network of employment, education and community partners which will support the promotion and development of a locally skilled workforce.
- 4.4.12 The council is committed to supporting residents with opportunities that arise through ESPs, which include the long term unemployed, young people who are not in education, training or employment, adults with a physical disability or mental health condition and all other under-represented groups.
- 4.4.13 The applicant/developer will be required to provide a quarterly report showing the achievements made against each of the agreed Key Performance Indicators within the ESP. This will include details of the various employment and skills activities delivered in that quarter. The report will be reviewed at agreed intervals and form part of the contract review process. Performance against the ESP will form part of a Crawley Borough Council wide review and evaluation process. The evaluation will include:
- a) A review of the contractor's achievements against each KPI;
 - b) Their commitment to achieving the goals;
 - c) Their commitment to working with Employ Crawley;
 - d) Any additional value-added contribution that the contractor was able to deliver as an enhancement to the ESP.
- 4.4.14 The applicant/developer must provide the council with a Works Schedule and Recruitment Plan which outlines forecasted vacancies over the period of construction, at least three months ahead of demolition works, commencing with a breakdown by trade/occupation.

4.5 Requirements of Part (ii): Developer Contribution towards Employment and Skills

- 4.5.1 All major residential and employment developments will be required to make a proportionate financial contribution towards employment and skills initiatives to support those sections of the Crawley workforce who face challenges in accessing employment. The financial contributions will be used by Employ Crawley to fund workplace coordination, training and tailored support that

³ https://www.citb.co.uk/global/nsacademy2019/english_client_based_approach_guidance_-_final_updated_july_2017.pdf

enables individuals to better access employment opportunities, including those arising from development at either the construction or end user phase. This will normally focus on people that have been out of work for a long period of time, or that may possess a lower level of skills who might struggle to access employment or training opportunities without extra support. An indicative list of projects towards which the contribution will be directed are set out at paragraph 5.4.

- 4.5.2 The following approach will be used to calculate the financial contribution sought from development. The calculation methodology takes account of local circumstances relating to the employment market and, as appropriate, residential occupation assumptions to ensure that the financial contribution sought is locally specific and proportionate to the type and quantum of development proposed. Please note that the method set out below is the same as that shown in the Local Plan Planning Obligations Annex.
- 4.5.3 Where major development incorporates a mix of different uses, the contribution will be calculated on the basis of the individual uses that make up that development. For example, for a mixed use office and residential development, the contribution will be calculated on the basis of both the commercial and residential elements. In all cases, the financial contribution will be secured by way of Section 106 Agreement to be paid upon the commencement of development.
- 4.5.4 Based on Department for Work & Pensions data, £6,500 is the minimum cost for training, preparing and placing into sustainable employment an unemployed person claiming Employment Support Allowance. This figure is used to inform the amount that would be required by Employ Crawley to provide the necessary training to help support a long-term unemployed individual to access employment, and feeds into the calculation for both commercial and residential developments.
- 4.5.5 *Residential Development, including as part of Mixed Use Development*
For residential development, including residential components of mixed use development, the contribution required is calculated as shown in Box 3.

Box 3: Employment and Skills Contribution from Residential Development

The Employment and Skills contribution from residential development, including residential components of mixed use development, is based on the following parameters:

- a. minimum cost for supporting an individual to access employment (£6,500);
- b. number of dwellings proposed;
- c. expected adult occupancy rate for those dwellings, these being; 1 adult per studio/1 bed unit; 2 adults per 2/3/4+ bed unit;
- d. proportion of Crawley's working age population with no (or other) qualifications (7.6%)

It is calculated as: $(a \times b \times c \times d) / 2$, this being:

$$(\mathbf{£6,500} \times \mathbf{\text{number of dwellings proposed}} \times \mathbf{\text{expected adult occupancy}} \times \mathbf{0.076}) / 2$$

For example, for a development of 10 x 1-bedroom flats and 5 x 2-bedroom flats, the financial contribution would be calculated as:

$$(\mathbf{£6,500} \times \mathbf{10} \times \mathbf{1} \times \mathbf{0.076}) / 2 = \mathbf{£2,470} + (\mathbf{£6,500} \times \mathbf{5} \times \mathbf{2} \times \mathbf{0.076}) / 2 = \mathbf{£2,470} = \mathbf{£4,940}$$

- 4.5.6 *Commercial Development, including as part of Mixed Use Development*
For commercial development, including commercial components of mixed use schemes, development that would involve a net increase in gross internal area in excess of 1,000sqm will be subject to a proportionate financial contribution towards employment and skills.
- 4.5.7 The contribution required is calculated as shown in Box 4. It is based on the following parameters:
- Net increase in Gross Internal Area;
 - Standard Occupancy;
 - Crawley's resident employment self-containment rate;
 - Proportion of Crawley's working age population with no (or other) qualifications;
 - Minimum cost for supporting an individual to access employment (£6,500)
- 4.5.8 Standard Occupancy (b) should first be calculated to feed into the commercial employment and skills calculated. This will vary according to the type of commercial development that is proposed, and should be calculated on the basis on the Standard Occupancy Calculations set out in Box 4. For hotel development it will first be necessary to calculate the total number of staff based on a 'per room' assumption. This figure is then divided by the Gross Internal Area to feed into the next part of the formula. Sui Generis development does not have a standard occupancy, and the financial contribution required for Sui Generis development will be subject to negotiation with the council on a case-by-case basis.

Box 4: Standard Occupancy for Commercial Development

Standard Occupancy for Commercial Development is calculated on the basis below:

Offices (Class E)	1 FTE job per 11sqm
Industrial (Class B2 or E)	1 FTE job per 36sqm
Warehouse & Distribution (Class B8)	1 FTE job per 80sqm
High Street Retail (Class E)	1 FTE job per 19sqm
Food Superstore (Class E)	1 FTE job per 17sqm
Comparison Superstore/Retail Warehouse (Class E)	1 FTE job per 90sqm
Financial & Professional Services (Class E)	1 FTE job per 16sqm
Restaurant & Café (Class E)	1 FTE job per 18sqm
Hotels (Budget) (Use C1)	1 FTE job per 3 bedroom
Hotels (General – 3 Star) (Class C1)	1 FTE job per 2 bedroom
Hotels (4/5 Star) (Class C1)	1 FTE job per 1.5 bedroom
Cinemas (Sui Generis)	1 FTE job per 90sqm
Amusement and Entertainment (Class E or Sui Generis)	1 FTE job per 70sqm

Sports Centres and Private Clubs (Class E or Class F2 or Sui Generis)	1 FTE job per 65sqm
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4.5.9 As identified in the Northern West Sussex Economic Growth Assessment 2020, Crawley has a total working population of 55,676 people, of which 36,583 people live and work within the borough⁴. This figure, 65.7%, represents (c) the resident employment self-containment rate.

4.5.10 In relation to residential qualification levels (d), 92.4% of Crawley residents of working age are qualified to at least NVQ1 or above. This means that 7.6% of Crawley's working age population have no (or other) qualifications. It is these people that are most likely to face challenges in accessing sustainable employment, and who will require support in accessing the training or the employment market.

Box 5: Employment and Skills Contribution from Commercial Development

The Employment and Skills contribution from commercial development, including commercial components of mixed use development, is based on the following parameters:

- Net increase in Gross Internal Area;
- Standard Occupancy;
- Crawley's resident employment self-containment rate (65.7%);
- Proportion of Crawley's working age population with no (or other) qualifications (7.6%);
- Minimum cost for supporting an individual to access employment (£6,500)

The contribution required should be calculated according to the type of development, on the basis below:

Commercial Development (excluding Office and Hotel uses)

$(a/b) \times c \times d \times e$, this being:

$(\text{Net increase in Gross Internal Area} / \text{Standard Occupancy}) \times 0.657 \times 0.076 \times \text{£6,500}$

For example, for a Class B2 industrial development of 1,000m² net increase in gross internal area, the financial contribution would be calculated as:

$(1,000 / 36) \times 0.657 \times 0.076 \times \text{£6,500} = \text{£9,015.50}$

Office Development

The equation applied for offices is the same as that used for commercial, though for reasons of viability, the final output is halved. The equation is therefore:

$(a/b) \times 0.657 \times 0.076 \times \text{£6,500} / 2$

For example, for a Class E office development of 1,000m² net increase in gross internal area, the financial contribution would be calculated as:

$(1000 / 11) \times 0.657 \times 0.076 \times \text{£6,500} / 2 = \text{£14,752.63}$

Hotel Development

For hotel development, it is first necessary to identify the anticipated number of staff, which is calculated on a ratio of staff per room, depending on the type of hotel. This is calculated on the basis of:

$(\text{Number of Rooms} / \text{Standard Occupancy}) = z$

$(a / z) \times 0.657 \times 0.076 \times \text{£6,500}$

For 150 bedroom budget hotel development of 1,000m² net increase in gross internal area, the financial contribution would be calculated as:

$(150 / 3 = 50 \text{ staff})$

$(1,000 / 50) \times 0.657 \times 0.076 \times \text{£6,500} = \text{£6,491.16}$

⁴ Source: ONS census 2011/Lichfields analysis

5. How the Employment and Skills Contribution will be used

- 5.1 Monies secured through the Employment and Skills contribution will be used by Employ Crawley, a collaboration between Crawley Borough Council, West Sussex County Council and Jobcentre Plus that provides employability support and guidance to local residents who are either seeking their first job, need help to change careers or overcome multiple barriers to employment.
- 5.2 The service provides a personalised level of support, helping residents of working age, who may face complex or challenging circumstances, to gain the specialist support they need in order to progress towards further training or into employment. Its free information, advice and guidance hub offers advice on a range of local employability and training services. Working in partnership with public, private and voluntary sector organisations, Employ Crawley helps local residents secure access to local jobs and assists local employers to gain improved access to the local workforce.
- 5.3 Since inception, Employ Crawley has worked with a wide range of local delivery and partner organisations, drawing on their expertise in order to deliver individually tailored support for customers. To date, Employ Crawley has established effective co-operation with approximately 90 delivery partners and over 180 employers helping its customers to access services that tackle employment barriers and help customers get into jobs. Employ Crawley directly identify and deliver interventions to help improve the employability of customers, referring them to complementary services that are provided by partners that offer specialist support to enhance the customer's journey.
- 5.4 Developer contributions will be used to ensure that funding for existing and future posts remain in place to ensure the long term viability of this localised offer. Its service interventions include, but are not limited to:

Information, Advice and Guidance

- Free one-to-one information and guidance
- Mentoring and Coaching
- Careers Advice and Career Pathway Development
- CV Workshops
- Identifying Transferable Skills
- Advice on benefits entitlements / finance and debt management

Employability Development

- Access to services which help overcome barriers to employment, including workshops, training courses, and employment and skills events
- Health and Wellbeing support
- Substance Misuse support
- Housing Support
- Mental Health support
- Health Surgeries and Workshops
- Soft Skills / Personal Development
- Confidence Building, Resilience and Motivation
- Job Seeking Skills
- Interview Workshops
- Self-Employment Guidance

Skills Development – working with training providers

- Access to vocational skills training programmes

- Access to higher level skills programmes to access alternative careers
- Continuous, in-work support and advice on how to further develop careers
- Access to a regular work information support hub (WISH)

Pre-employment and access to jobs – working with employers

- Links to key businesses and specialist employment services in Crawley and the Gatwick Diamond area
- Pre-employment Training Services
- Sector Based Work Academies
- Work Placements, Traineeships and Apprenticeships
- Job brokerage services

6. Further Information

- 6.1 If you would like to discuss the Employment and Skills contribution, please contact Strategic Planning Team at strategic.planning@ Crawley.gov.uk. If your questions relate specifically to the Employment and Skills Plan or the work of Employ Crawley, please contact the Economic Development team at Economic.Development@ Crawley.gov.uk