



**E R S**

Research and Consultancy

**Labour in Construction  
Project Evaluation**

**Final Report**

**December 2007**

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## **EXECUTIVE SUMMARY**

In June 2007 ERS was commissioned by the Devonport Regeneration Community Partnership (DRCP) to undertake a final evaluation of the Labour in Construction project, which has funded a Construction Coordinator to ensure that local people have access to construction opportunities arising from the major physical regeneration of the area.

The evaluation reviewed the variety of project activities delivered, assessing the impact of the project on:

- Providing local people with access to construction opportunities available locally and citywide;
- Developing a local labour programme, facilitating and coordinating liaison with developers/contractors and construction training agencies;
- Supporting local people wishing to enter the construction industry at all levels;
- Raising the awareness of careers opportunities within the construction industry with all of the community, including young people; and
- Assessing and identifying skills gaps, identifying appropriate training courses and training providers.

The study team utilised a range of research methods in undertaking the evaluation, including a document and data review, analysis of project based data, stakeholder consultations and telephone interviews with project beneficiaries.

### ***Labour in Construction Project***

The Labour in Construction project provides a Construction Coordinator to ensure that local people have access to construction opportunities arising from the ongoing physical redevelopment of Devonport. The Coordinator is employed and managed by Sovereign Housing Association and based at the DRC Partnership 'shopfront' facility, which is centrally located in the NDC area. The post is partly funded by the DRC Partnership and partly through by Sovereign Housing Association from partners including Leadbitter, Midas Homes and Devon and Cornwall Housing.

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The Construction Coordinator has employed a range of methods in order to link local residents with developers including: development of a local labour agreement; one to one support tailored to the needs of clients; maintaining a local skills register; monitoring of construction vacancies elsewhere in the city and informing relevant people on the skills register; signposting; assisting clients to attain basic skills such as completing health and safety tests and registering for CSCS cards; and facilitating careers events with both adults and young people.

The project is supported by a Steering Group which brings together developers, training providers, and DRC Partnership representation. The group provides a mechanism for sharing information, maintaining the support of partners, receiving reports from the Construction Coordinator and utilising the individual and collective expertise of partners for the benefit of the project.

Feedback obtained from project beneficiaries and partners as part of this evaluation indicates that the enthusiasm and dedication of the Construction Coordinator has been much appreciated. The Coordinator has met with trainers and developers often and as required, helping to maintain contact with partners and providing opportunities to support local residents working on construction sites. The local labour agreement has been supported by all the developers and the majority of those consulted reported that the Construction Coordinator role was instrumental in their being able to meet its requirements.

The majority of partners noted that a key benefit of the project has been in helping local residents to register for CSCS cards and complete health and safety tests which are a minimum requirement for most developers. In addition, developers reported a number of additional benefits arising from their involvement with the project, most frequently that it enables them to promote their corporate and social responsibility.

### **Conclusions**

The Construction Coordinator has been praised by developers, partners and beneficiaries alike for their dedication and enthusiasm. Key successes highlighted include providing Devonport residents with tailored support and advice, ensuring that they undertake the most appropriate training to meet their needs and that more intense support is provided to those who are not work ready. Developers commented that they are in regular contact with the Construction Coordinator and that the willingness of the Construction Coordinator to meet site managers on site is particularly valuable.

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It is clear from consultation that developers have and will take on both unskilled and skilled labour and provide apprenticeship places. Developers commented that employees holding a CSCS card and undertaking health and safety tests was a minimum requirement in terms of skills levels and that it was crucial that the Construction Coordinator continues to arrange this. Both the Construction Coordinator post, and meeting the local labour agreements go hand in hand and developers would struggle to deliver the latter without the former.

With regard to achieving target outputs the project had a slow start during the first year especially with regard to *Local people into construction and industry related jobs* and *Local residents to enter NVQ LEVEL 2 Training programme*. The underachievement of these outputs can however, be explained by delayed developments and time required to build relationships with the developers. However, this year the project is on target to achieve outputs, in particular *Local people into construction and industry related jobs*, which has already overachieved the target for the year.

Given the current size of the skills register (103) compared to the potential construction jobs to be created in Devonport, Stonehouse and Millbay (42) up to 2010, it is likely that demand for employment will not outstrip supply even when considering a greater inflation in numbers of local residents accessing construction opportunities albeit on a short term basis. Therefore although it is important that local opportunities are taken advantage of, the project needs to develop a more outwards facing approach, ensuring that links are made to construction opportunities across Plymouth and beyond.

There is a desire by the DRC Partnership to focus the project on more targeted beneficiary groups including schools, young people, those without NVQ Level 2 and the long term unemployed. This is supported by data analysis for the Devonport area.

Targeting these groups would require a reshaping of the project post March 2008 and as such would require support from all partners, developers and local community and voluntary groups, in order to develop the referral and engagement process and the delivery of targeted activity and training. Given the needs of these target groups, the project would need to respond flexibly and creatively, whether it be through taster sessions or non/accredited courses aimed at people with entry level skills. In turn this would require responsibility for the skills register and job matching to be delivered by an administration assistant and JobCentre Plus respectively.

The change in direction of the project would have funding and resource implications which should be discussed with current and potential funders at the earliest opportunity.

The project and DRC Partnership are in the position to initiate a city wide delivery model, using the development at Stonehouse and Millbay as a stepping stone to this, to ensure that opportunities to Devonport residents are as wide geographically as possible and to take into account the life cycle of developments. In addition, DRC Partnership, with the commitment from key stakeholders are in the position to drive forward discussions for including funded coordinator posts as part of the tendering and contractual process.

### **Recommendations**

#### **Project Operation**

- ***Adopt, at least to some extent, proposals for the realignment of the local labour in construction project to adhere to evolving urban regeneration policy, particularly that around the engagement of worklessness and the obtainment of entry level skills.***
- ***To discuss any potential change in focus with regard to target groups and subsequent changes to project design and delivery with the Construction Coordinator, Sovereign Housing Association as the accountable body, funders and potential funders, developers and partners including JobCentre Plus, Connexions and community groups and community based initiatives.***
- ***Examine the potential for joint working with Stonehouse Action, as a first to step to developing a city wide model, to maximise the opportunities for Devonport residents.***
- ***Distribute executive summary of evaluation to city-wide stakeholders to highlight the model as a tried and tested approach that could be rolled out across the city.***

#### **Monitoring**

- ***Record 'at a glance' figures to show which developers are on target to meet the 10% target (or where appropriate other negotiated target).***

- *Record the outcomes of the job search.*
- *Record on the skills register how many residents are young people aged 19 and under, whether residents are long employed/ unemployed (over six months) and whether qualifications are construction specific.*

#### ***Funding***

- *To clarify the total amount of funding to be secured from developers post March 2008, taking into account any modifications required in terms of total funding and public to private ratio, following the change of the focus of the project.*
- *To begin discussions with SWRDA and Plymouth City Council to examine long term potential for including the funding or part funding of Construction Coordinator posts as part of the tendering and contractual process on a Plymouth wide basis.*

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## 1. INTRODUCTION

1.1 In June 2007, ERS was appointed by the Devonport Regeneration Community Partnership (DRCP) to conduct a final evaluation of the Labour in Construction (LIC) project.

1.2 The evaluation assesses the impact of the LIC project on:

- Providing local people with access to construction opportunities available locally and citywide
- Developing a local labour programme, facilitating and coordinating liaison with developers/contractors and construction training agencies
- Supporting local people wishing to enter the construction industry at all levels
- Raising the awareness of careers opportunities within the construction industry with all of the community, including young people
  - Assessing and identifying skills gaps, identifying appropriate training courses and training providers.

1.3 The evaluation also assesses the different elements within the Local Labour in Construction project including:

- Partnership working, including working with DRC Partnership, CITB, Developers and Contractors, Training Providers and community organisations
- Developing and maintaining the skills register
- Skills needs analysis
- Local labour training programme
- Work with schools
- Job referral/signposting processes
  - Devonport Local Labour Agreement and developer clauses.

1.4 The evaluation also examines the level of additionally provided by the scheme in relation to any current citywide and national construction industry support initiatives and the role of the Project Steering group.

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## **2. METHODOLOGY**

- 2.1 In conducting the evaluation, the Study Team focussed upon the following activities, in accordance with the tender brief.

### **Documentation and data analysis**

- 2.2 A review of documentation alongside an assessment of relevant data provided the Study Team with an understanding of both the context within which the project sits and an insight into the project's activities and achievements. This helped to inform the framing of questions for subsequent interviews and consultation.
- 2.3 Data analysis has also been undertaken to provide a quantitative assessment on the delivery of activity through an analysis of outputs delivered. The analysis has been undertaken through the use of quarterly monitoring reports to assess actual delivery against forecast targets. Analysis of MORI household survey data for the NDC area and Nomis data. Additional data for young people Not In Education Employment or Training (NEET) has been used to examine future potential delivery options and target groups.
- 2.4 The Study Team have also utilised Treasury 'Green Book' appraisal and impact methodology to forecast future demand for employment within the construction industry and the likely opportunities that this will create for Devonport residents.

### **Stakeholder interviews**

- 2.5 Face to face interviews were undertaken with the Project Manager and Construction Coordinator and representatives of the NDC team as part of the inception meeting. Telephone interviews were undertaken with 12 key partners, including the project Steering Group.

### **Beneficiary consultation**

- 2.6 It was intended that beneficiaries would be consulted through a focus group, however following initial discussions with NDC representatives which were reaffirmed through the subsequent consultation with the Construction Coordinator, it was agreed that it was unlikely that a group of beneficiaries could be convened telephone interviews were identified as the more

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appropriate route to consultation. Telephone interviews were undertaken with four local residents on the skills register.

- 2.7 The qualitative aspect of this report is necessarily based on the views of those interviewed. Every care has been taken to conduct the study openly, thoroughly and professionally, to retain an objective stance, to balance the opinions expressed and explore the justification for the comments made.
- 2.8 Carrying out this evaluation has required significant contributions of time and information from a number of people (listed in Annex 1), and their assistance is much appreciated.

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### 3. BACKGROUND

#### Devonport Regeneration Company and Employment Theme

- 3.1 Devonport is an inner city area of Plymouth, home to approximately 5,000 people. During the Second World War Devonport suffered from extensive bombing and lost much of its distinctive urban heritage. In addition, the community within Devonport was split in two when the navy acquired a site (known as the Stores enclave), impacting on community cohesion and culminating in the loss of a busy commercial and retail centre. The dockyard's workforce has declined substantially from 20,000 in its heyday and today fewer than one hundred people from Devonport work there.
- 3.2 The DRC Partnership is the community-led partnership charged with the wholesale regeneration of the area across a range of themes including health, education, employment, community safety, liveability and community. In relation to the employment theme, massive structural change within the economy, largely through the decline of employment by the Ministry of Defence (MoD) has resulted in a significant proportion of worklessness and economic inactivity within the area, mainly related to deficiencies (both perceived and actual) in transferable skills within the adult workforce.
- 3.3 The NDC commissioned the development of an employment strategy to identify the multitude of factors that were impacting on employment within the NDC area. The strategy has three main strands:
- Helping Devonport residents into employment;
  - Assisting the growth of the Devonport economy through business support; and
  - Changing the culture and profile of Devonport, so that it is an attractive place to live and earn a living; an attractive place for businesses to locate and a place where residents believe in their ability to use their talents, develop skills and contribute to the business life of Devonport and Plymouth.<sup>1</sup>

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<sup>1</sup> Devonport Employment Strategy, Roger Tym & Partners (2004)

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### **Labour in Construction Project Purpose**

- 3.4 The project application form stated that the project would be delivered by a Construction Coordinator whose role would be:
- To ensure local people have access to construction opportunities available because of the redevelopment of the area;
  - To help develop a local labour programme, facilitate and co-ordinate liaison with developers/contractors and construction training agencies and support local residents wishing to enter the construction industry; and
  - To work with schools and young people to provide information on the construction industry and short supported placements.
- 3.5 The proposal states that it is linked to the following DRC Partnership objectives:
- Give residents the skills they need to compete effectively for Jobs and use the skills they already have through supporting entry to further education and higher education;
  - Maximise local employment opportunities; and
  - Encourage and assist service providers to modify advice and guidance programmes to meet the needs of local residents as to remove barriers to training and employment.

### **Labour in Construction projects**

- 3.6 Initially Local Labour in Construction (LLiC) schemes emerged as a way of linking urban regeneration schemes and unemployed local residents to ensure that capital investment provided local training and employment opportunities to tackle 'social exclusion'. However, it is now recognised that LLiC schemes also play an important part in tackling skill shortages through:
- attracting more recruits;
  - organising training to industry standard; and

- arranging appropriate 'first jobs' to ensure that trainees become productive workers.<sup>2</sup>

3.7 Research by the Joseph Rowntree Foundation (JRF) based on 25 LLiC schemes noted that in terms of scheme development, two important considerations should be borne in mind:

- establishing who you are trying to help: young people, unemployed adults, small businesses etc and
- the characteristics of the construction programme: the scale and duration of the works, and the trades that will be involved.<sup>3</sup>

3.8 The study concluded that:

- **specifying the local labour requirements in the tender/contract** helps to maximise 'value for money' and ensures equality for those submitting tenders
- providing **appropriate recruitment and training programmes** and a **rapid job-matching service** are important for achieving success and
- there are **benefits in establishing a dedicated area-wide team** to deliver the local labour initiative. Where this cannot be justified, improved networking between existing agencies can achieve good results.

#### **Legal considerations**

3.9 Historically, a key concern for some local authorities has been the lack of clarity around the legal implications of LLiC programmes, for example whether it is discriminatory to include a local labour clause in the tendering process and contract.<sup>4</sup>

3.10 In 2003, the ODPM published its national procurement strategy for local government in England for the period 2003-06. The central message was to improve local services to citizens in affordable ways through better procurement.<sup>5</sup> However, JRF's response to the consultation for the national

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<sup>2</sup> Joseph Rowntree Foundation (JRF) Local labour in construction: tackling social exclusion and skill shortages, November 2000

<sup>3</sup> Ibid

<sup>4</sup> Ibid

<sup>5</sup> National procurement strategy for local government in England (2003-06), ODPM (2003)

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procurement strategy stated that the strategy could be strengthened by the following:

- it should be made explicit that the procurement process can include community benefits, particularly training and employment requirements as stated under Best Value legislation
- that community benefits should be central to agreements and not a secondary outcome and
- that LLiC agreements with developers are contractual rather than optional.

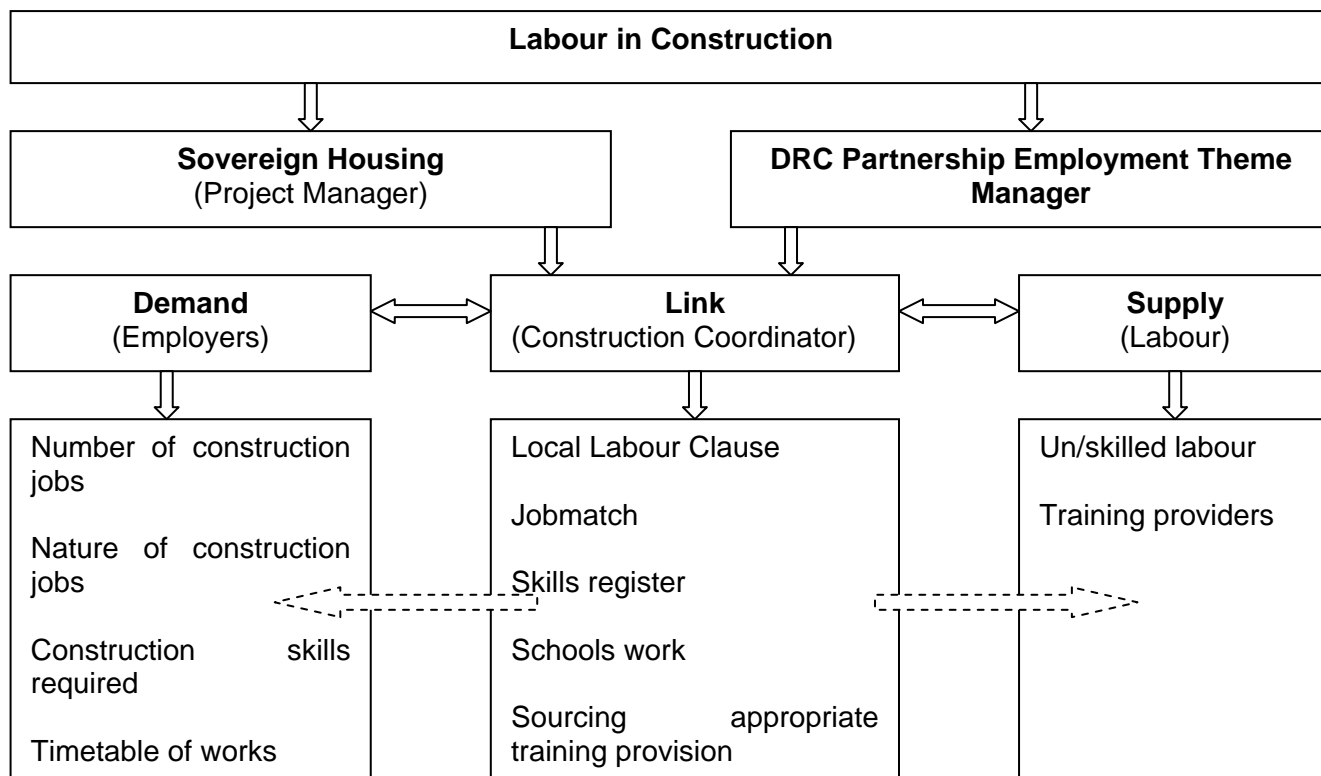
3.11 Whilst the national procurement strategy fell short of driving forward the focus on procuring employment locally, local authorities, regeneration agencies and major initiatives including Terminal 5 at Heathrow and the 2012 Olympics have allocated funding specifically to encourage upskilling and recruitment from a pool of local labour to assist in the development of these initiatives. LLiC agreements are currently implemented through:

- LLiC requirements specified in contract documents and
- Local authorities using Planning Agreements where a commitment to use local labour is made by a developer when seeking planning permission.

### **Operational structure**

3.12 Figure 1 overleaf illustrates the role provided by the Construction Coordinator to 'link' supply (labour) and demand (employers), to assist in addressing the information gap between employers and local labour resources. The report structure reflects Figure 1.

**Figure 1: Operational Structure**



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## **4. PROJECT MANAGEMENT**

- 4.1 The Construction Coordinator is employed and managed by Sovereign Housing, on a two year contract. Sovereign are currently managing a similar project for Bristol NDC and their experience in the delivery of schemes of a similar nature was a significant influence in commissioning Sovereign to both manage and be the accountable body for the scheme. The subsequent project application and job specification developed by the DRC Partnership and Sovereign was based upon the Bristol NDC project.
- 4.2 Sovereign secured £5,000 per annum from three partners to fund the Construction Coordinators post including Leadbitter, Midas Homes and Devon and Cornwall Housing. Sovereign provide the in kind management support for the Construction Coordinator and car allowance funding. The remainder of the post and associated costs (slightly over 50%) has been funded by the DRC Partnership.
- 4.3 The Construction Coordinator is based in the DRC Partnership 'shopfront' facility in a central location within the NDC area and is therefore managed remotely by the project manager. It is reported that this arrangement has worked well due to the dedication of the Construction Coordinator and the level of trust developed. The project manager meets with the Construction Coordinator once or twice a month and is in regular contact by telephone.
- 4.4 Partners have commented on the enthusiasm and dedication of the Construction Coordinator and the importance of having a person 'on the ground' to link local people and contractors.
- 4.5 In addition the construction worker in Bristol NDC provides a form of mentoring support based on their experience in the role and meets with the Construction Coordinator regularly.

### **Project Steering Group**

- 4.6 The Steering Group currently meets every quarter and comprises developers, training providers and DRCP representation including those set out on the following page:

- Midas Homes
- Devon and Cornwall Housing Association
- Leadbitter Construction
- Redrow Homes
- DRC Employment Theme Lead
- City College Plymouth
- Building One Stop Shop (BOSS)
- CITB ConstructionSkills
- PSC Training Limited
- Firmac/ Mount Wise Limited

4.7 The role of the Steering Group is to bring together partners to share information, maintain involvement in the project, receive reports from the Construction Coordinator, utilise the individual and collective expertise of the group for the benefit of the project and offer guidance for the future of the project.<sup>6</sup>

4.8 Overall it is felt by partners that the steering group provides a good balance between developers and training providers and helps to give accountability and buy-in to the project, particularly from developers. Some Steering Group members feel they are involved in monitoring the project and that the meetings provide the opportunity for developers to discuss approaches and share what has worked and what has not. The Steering Group is generally well attended. However, it was commented that perhaps the meetings were too infrequent, despite that fact that the meetings take place quarterly following poor turnout when they were held more regularly.

4.9 Unfortunately the study team did not have an opportunity to attend a Steering Group meeting as the study period fell between two sessions, therefore limiting our ability to provide an assessment of its value. The strength of positive feedback drawn from stakeholder representatives would suggest that it does offer value to participants, the Construction Coordinator and the Project Manager.

### **Partnership working**

4.10 In addition to the Steering Group meetings, the Construction Coordinator meets with the developers often and as required, in order to keep abreast of

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<sup>6</sup> Devonport Labour in Construction Steering Group Purpose and Objectives, April 2007

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any vacancies. A number of developers commented that having the Construction Coordinator visit onsite regularly helps to maintain contact with the site managers but also provides opportunities to support or meet with local residents working on site, where appropriate.

- 4.11 Training providers also commented that they were in regular contact with the Construction Coordinator, mainly when the Coordinator has made referrals and enquires on behalf residents who required more support. Through recent project work with schools the Construction Coordinator has developed a good partnership with the Tamar Education Business Partnership (EBP) and more work is planned in the near future.
- 4.12 The Construction Coordinator has also worked with the Devonport Business Support Service (DBSS) project, referring clients who want to become or are self employed for training and advice from the project. The DBSS also refer their clients to the Construction Coordinator where appropriate. The Construction Coordinator has also worked with the DBSS to make contractors aware of local businesses, services and suppliers in the area in a bid to increase the level of local procurement generated through the investment.

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## 5. DEMAND FROM DEVELOPERS

### Physical regeneration in Devonport

- 5.1 Significant levels of public and private investment are being channelled into the NDC area, largely through the redevelopment of the Devonport **Dockyard Stores Enclave**. The redevelopment is of a size and scale which will change the perception of the area, as well as the demographic and socio-economic structure of the area.
- 5.2 The development of the Stores Enclave site will reunite two parts of Devonport which were divided when the site was acquired by the Ministry of Defence after the Second World War. The enclave area falls within the NDC boundary and therefore the DRCP is playing a key role in an advisory capacity, ensuring that projects under the employment theme in particular link in with the employment opportunities presented by the physical regeneration in the area.
- 5.3 Redrow Homes was appointed as English Partnerships' development partner in early 2006 to redevelop the Dockyard Stores Enclave site. The enclave will be a mixed-use development and proposals include 450 high-quality homes, a community healthcare centre, new supermarket and shops, offices and managed workspace.
- 5.4 Another area of major physical regeneration within the NDC area is the former naval site at **Mount Wise**, adjacent to the cricket pitch. This waterfront location is of high quality and is likely to command higher land and rental prices than the enclave. As such the make up of any redevelopment on this site is likely to include leisure services through a hotel on site and office space provision.
- 5.5 Other development in the NDC area includes the Clinical Teaching Unit of the South West Peninsula **Dental School** which is due to open September 2008. The **Children's Centre** has also secured capital investment and is currently undergoing refurbishment and an extension.
- 5.6 The redevelopment of the NDC area as a whole will lead to a planned net growth in housing provision within the NDC area of 476 households by 2009,

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771 households by 2010 and 899 households by 2011.<sup>7</sup> Devonport NDC area is the smallest in the UK with 5,300 residents (2003). Considering an average household of 2.4 people<sup>8</sup> this equates to around a 50% increase in the NDC population by 2011.

- 5.7 The **Millbay and Stonehouse** area which borders the NDC area is also currently undergoing major physical regeneration to an estimated value of £300 million in a number of phases, led by English Partnerships and the English Cities Fund (ECf). In total the site will cover 15 hectares and provide 1,233 flats and houses and leisure, retail and business space. Phase one led by Ardmore is due to be completed in summer 2008 and phase two led by Midas Homes will be completed by 2010.<sup>9</sup>

### **Construction skills demand**

- 5.8 In order to meet local construction skills demand, in 2005 the Sector Skills Council, Construction Skills, led the development of the Constructive Devon initiative in partnership with JobCentre Plus and SWRDA. The initiative aims to ensure that local people are suitably skilled to take advantage of employment opportunities and that major construction projects in Plymouth and Exeter, including development within the NDC area, contain local labour clauses.
- 5.9 Constructive Devon calculated that the industry in Devon needs to recruit an additional 3,836 workers between 2005 and 2010 to meet demand, in particular carpenters, bricklayers, electricians, plumbers and painters. In 2005 the industry employed 34,500 people in Devon, but only half of these are estimated to be trained up to NVQ Level 2, which Construction Skills regards as the industry standard.<sup>10</sup>
- 5.10 Skills forecasting is carried out by a number of agencies and partnerships based on the on the development areas, for example Stonehouse Action, the Langage Corridor Development Group and the South West Skills Observatory. The latter aims to ensure that up to date data and information

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<sup>7</sup> The Devonport NDC Handbook (2006), DRC Partnership

<sup>8</sup> ONS Household composition data – national average (2003-04)

<sup>9</sup> [www.englishpartnerships.co.uk](http://www.englishpartnerships.co.uk)

<sup>10</sup> [www.southwestrda.org.uk](http://www.southwestrda.org.uk)

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regarding skills demand is available to policy makers and practitioners in order to inform project and programmes which focus on upskilling the local labour market.

- 5.11 It is important that given the scale of the redevelopment of the NDC area and surrounding areas, that the number and nature of employment opportunities are identified appropriately and remain realistic. Although the physical regeneration appears to be ongoing, the building cycle requires specific skills at specific times. Delays are typical and have occurred with a number of developments in the NDC area. During the first year of the projects operation, there were no new sites available due to delays and as a result of the build cycle, existing sites were at maximum capacity in terms of employment.
- 5.12 Estimates for the number of construction jobs created in Devonport have been calculated using the standardised industry approach which has then been informed by construction value estimates provided by the DRC Partnership. The total estimated value of construction costs for development in Devonport until 2010 is in the order of £200 million (as of 2006), although the DRC Partnership believe this to be a conservative estimate. Using an industry standard approach, the study team estimate that development in Devonport may potentially support 1,699 construction years or 170 (due to rounding) construction jobs up to 2010.<sup>11</sup>
- 5.13 Based on information provided by the Construction Coordinator, the typical ratio associated with the number of construction jobs available to be filled by local employees is estimated to be 1 in every 10. Therefore the potential number of local construction jobs up to 2010 is estimated at 17.
- 5.14 The same calculation formula has been applied to the Millbay and Stonehouse developments (which borders the NDC area). Total development value up to 2010 is estimated at £300 million, creating a further 2,549

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<sup>11</sup> In 2001, the average GVA per employee across the UK construction sector was £95,700 (Source Annual Business Inquiry, 2001, ONS) which we have rounded up to £117,699 to take account of inflation at a rate of 3% per annum to 2008 (as a mid point for the construction programme). Construction value - £200 million divided by the GVA figure provides a figure of 1,699 construction years. Using HM Treasury Green Book appraisal guidelines this figure should be divided by 10 to provide around 169 permanent construction jobs in the area.

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construction years (255 jobs) equating to 25 permanent local construction jobs).

- 5.15 Therefore, the potential number of permanent construction jobs created in Devonport, Millbay and Stonehouse alone up to 2010 is 424 jobs of which estimates would suggest that 42 could be taken up through local employment (including residents of Millbay and Stonehouse). It is likely however, due to the cyclical nature of employment within the construction industry the number of local individuals that secure employment through the construction programme may be slightly higher, albeit predominantly on a short term basis.
- 5.16 In addition to the total number of jobs created, the level and complexities of skills required to deliver a job differ. From consultation with developers it is clear that developers are flexible in terms of the skills levels they take on, with a mixture of labouring work, apprenticeships and skilled work being taken on by local people. Holding a CSCS card and having completed the necessary health and safety tests are generally considered to be the minimum level of skills/ training required.

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## 6. PROJECT DELIVERY

### LINKING LOCAL RESIDENTS AND DEVELOPERS

6.1 This section will examine the various methods employed by the Construction Coordinator to linking local residents with developers.

#### Local Labour Agreements

6.2 The local labour agreement was developed by the Construction Coordinator and the Employment Theme Manager at the outset of the project. Including the local labour clause in contracts with developers has provided a framework for the project in terms of expectations of contractors and sub-contractors by the DRCP and an opportunity for the Construction Coordinator to get 'a foot in the door' with the developers from the outset.

6.3 The local labour agreement aims to ensure that 'construction is a mechanism for addressing skills shortages, reducing the environmental impact of development, enabling communities to take responsibility for themselves and ensuring that local residents share in economic success'. The key elements of the agreement are:

- Local NDC residents are classified as those living in the PL1 4\_\_ area
- 10% of all labour engaged on the contract (applies to the number of person weeks required to complete the contract) is provided by local residents
- In addition to the above, apprentice places to be provided in a ratio of one apprentice per 2000 person weeks labour forecast to complete the contract at commencement of construction on site
- Trainee places including apprenticeships will be provided at in a ratio of a minimum of one trainee place per ten employees on site
- Ensure that sub contractors take the above in account
- Provide the Construction Coordinator with a schedule of predicted labour requirements at regular intervals and provide notification of employee vacancies at the same time they are notified to other agencies.

6.4 Local labour agreements have been integrated into developers' contracts as a condition of DRCP match funding, including the Children's Centre extension and the Peninsula Dental School developer's contracts. The opportunity to

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- include a local labour agreement with the developers of the Stores Enclave site, was missed as Redrow's appointment preceded the development of the Labour in Construction project (and the subsequent local labour agreement).
- 6.5 The local labour agreement has been supported by all the developers and all believe that the 10% target is achievable. A number of developers have met or even exceeded the target and remain confident that they will be able to continue doing so. It would be useful for the project to record an 'at a glance' which developers are on target to meet the 10% target.
- 6.6 As the local labour agreement was not in place when Redrow were appointed, Redrow have instead negotiated their own targets with the Construction Coordinator. Redrow have agreed to employ two apprentices every year for the lifetime of the development (2013), thus far, two apprentices have been employed.
- 6.7 Developers noted that they would take on either apprentices or skilled workers based on what skills the Site Manager required, but they would likely come from a range of trades including bricklaying and plastering.
- 6.8 Stonehouse Action, a key community partnership involved in the regeneration of the area, have adopted the local labour agreement developed by the DRCP for development taking place in Stonehouse and Millbay. The key developer, Midas Homes is supporting the local labour agreement and other contractors have been made aware of it. Stonehouse Action are keen to appoint a Construction Coordinator, although it is currently unclear as to whether funding has been secured.
- 6.9 Most developers noted that the Construction Coordinator role and the local labour agreement are viewed as a 'package' and that the former is instrumental in the developers being able to meet the requirements of the latter. Further detail can be found in Section 8.
- 6.10 In the short to medium term the role of the Construction Coordinator will be funded or at least part funded by developers. However, it could be argued that as local labour agreements are becoming more common nationally, that a shift is required from an agreement that the role will be part funded by developers to an expectation. In the long term this could be achieved by ensuring that funding or the part funding of a similar role is a requirement

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when contractors are tendering for work. This would require agreement from SWRDA, Plymouth City Council and other major procurers of development (including DRCP) to ensure this becomes standard as part of the tendering and contractual process.

### **One to one support**

- 6.11 The Construction Coordinator holds regular drop in sessions at the DRCP Marlborough Street shop for five hours a week, with sessions publicised in the DRCP newsletter. The sessions have remained popular with an average of five new enquiries per week.
- 6.12 The nature of support provided by the Construction Coordinator varies depending upon the needs of the client. Support can include one to one sessions with clients to provide advice, support to build confidence, help with forms and information on qualifications and courses and construction vacancies available elsewhere in the city. The Construction Coordinator takes the approach of working with residents, rather than doing the work for them, and if residents become 'non responsive' then other clients are prioritised. The confidence building approach and support to local residents provided by the Construction Coordinator was also commented on by partners, including training providers and developers as crucial in helping Devonport residents prepare for training and work.
- 6.13 The Construction Coordinator has developed individual training plans with those on the skills register, with the need for residents to undertake the necessary training to gain the Construction Skills Certification Card (CSCS) a priority.

### **Skills register**

- 6.14 Prior to the Construction Coordinator taking post a local skills register was held by staff seconded from the JobCentre Plus to the DRCP, however it was not updated regularly or NDC resident specific. The Construction Coordinator is now responsible for the register. The skills register is added to through referral from other agencies, publicity and word of mouth. The skills register includes demographic information, trade type, experience, qualifications, CSCS card holder details and whether they hold a driving licence.

- 6.15 The Construction Coordinator has removed non NDC clients from the register. As of October 2007, a total of 133 NDC residents had been on the register since the project began and currently there are 102 NDC residents on the skills register. The 31 people who are no longer on the register have been removed either because they have moved out of the area or they have found employment (often outside of construction). In addition the Construction Coordinator carries out a quarterly check and, if there has been no contact, sends out a letter (with an SAE) asking them to check their details and to let the Construction Coordinator know whether they want to stay on the register. If the resident does not reply within a given time, it is assumed that they are no longer interested and they are removed from the register. When they are removed, the Construction Coordinator writes again to let them know they can go back on the register at any time.
- 6.16 A percentage of those on the register are there as they are seeking employment, not specifically construction work. Hence through using the methods above, the Construction Coordinator aims to ensure that those on the register are genuinely interested, and that time and resources are being used effectively.
- 6.17 The skills register records date of birth, however it would be useful for the skills register to record clearly how many residents are young people aged 19 and under, perhaps in an additional column. It would also be useful for the skills register to record whether residents are long term employed/ unemployed (over six months), through for example a date as to when they were last employed in construction work. In addition, the skills register could record whether qualifications are construction specific. The collation of details of this nature would aid any assessment as to the extent to which the project engages those areas of the community that are the priority or are seen as hard to reach. Further detail and analysis of the skills register can be found in Section 7.

### **Job search**

- 6.18 The Construction Coordinator monitors vacancies elsewhere in the City and passes on information to the relevant people on the skills register. However, the outcomes of this process are not currently recorded.

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### **Signposting processes**

- 6.19 Partners, including training providers and the DBSS project commented that they liaise regularly with the Construction Coordinator, and referrals are not necessarily frequent but the links are there should they be required. More detail on referrals to training providers can be found in Section 7.

### **Basic skills**

- 6.20 Most developers commented that they preferred or required employees to have a basic skill base prior to employment. The majority of partners, including developers commented that a key benefit of the project from their perspective has been that the Construction Coordinator has helped local residents register for (CSCS) cards and complete health and safety tests which are a minimum requirement for most developers. It was commented that this allows apprentices to develop quicker once they are on site. The Construction Coordinator has been trained to carry out CSCS assessments onsite which reportedly has proven less disruptive and potentially less intimidating for the employees, rather than taking the test in the main test centre. In addition the project funds the costs of the CSCS training and cards.

### **Careers events**

- 6.21 Events facilitated by the Construction Coordinator have included two half day recruitment and awareness drop ins, a Women in Construction day, a So You Want to be an Apprentice Day, two events with the local secondary school, attendance at the Devonport Jobs Fair and a recruitment event led by Redrow.

### **Schools**

- 6.22 The Construction Coordinator has held two events with one of the local secondary schools to increase awareness of the construction industry as an employer. However, the Construction Worker has not been able to dedicate as much time as hoped to working with 14-16 year olds. The Construction Coordinator is planning an event with the two local schools based upon the 'So You Want to be an Apprentice' Event, in partnership with the Education Business Partnership (EBP). In addition, work with local primaries (which was

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postponed following the ongoing post vacancy for the Community Liaison Officer for Redrow) may be delivered by the EBP.

### **Publicity**

- 6.23 The project is publicised regularly, with articles being submitted to the DRCP newsletter on a monthly basis and through posters and flyers distributed to community groups, building sites and other relevant places.

## 7. LABOUR SUPPLY

7.1 It would appear from the skills register and from consultation with developers that there is no shortage of local people wishing to enter the construction industry.

### Numbers in construction

7.2 The latest data available shows that the percentage of employee jobs in Plymouth in construction is similar to that in the south west and nationally.<sup>12</sup>

<b>Table 1: Employee Jobs in Construction 2005</b>			
<b>Plymouth (employee jobs)</b>	<b>Plymouth (%)</b>	<b>South West (%)</b>	<b>Great Britain (%)</b>
4,300	4.1	4.5	4.6
Source: ONS Annual Business Inquiry Employee Analysis 2005			

7.3 Currently there are 102 local residents on the skills register. As noted in Section 5 it is estimated that 170 local construction jobs will be created in Devonport (and 255 in Millbay and Stonehouse) up to 2010. This equates to 17 local construction jobs in Devonport and 25 in Millbay and Stonehouse. The combined figure of 42 relates to permanent jobs however, the construction industry is synonymous with short term cyclical employment, therefore the construction programme is likely to create more short term employment opportunities for a larger number of people locally, however relatively few of these will result in permanent employment.

### Skill levels

7.4 An element of the evaluation is to examine the extent to which the project has supported local people wishing to enter the construction industry at all skill levels. However, in terms of targeting various skills levels, the project application form is not specific, noting that the aim is to 'increase the skills and qualifications of adult residents of Devonport'.

7.5 Analysis undertaken by the Construction Coordinator of the 102 people currently on the skills register shows 54% (55 people) are skilled and 46%

<sup>12</sup> Figure to be updated in the final report following the release of ABI figures for 2006 in December 2007.

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(47) are unskilled.<sup>13</sup> With regard to qualifications, 42% (43) are qualified and 58% (59) are unqualified. In terms of experience, 58% (59) have at least one year's experience, while 42% (43) have little or no industry experience (the latter includes young people looking for apprenticeships).

- 7.6 Therefore, about half the people on the skills register require little support from the Construction Coordinator, as they are skilled, qualified and experienced and mostly require the Construction Coordinator to help them find employment. Some are in regular work but particularly want to work on the local sites and make a contribution to the regeneration of Devonport. Given that this element of the role is that of providing a job match service, this could potentially be delivered by JobCentre Plus.
- 7.7 The other half of people on the skills register require quite intensive input with regard to training and in some cases persuading them that they should consider training and seeking opportunities for them to acquire experience and/or qualifications.
- 7.8 Given that half of those on the skills register are skilled, qualified or experienced tradesmen (although to varying degrees) it is clear that the project is reaching those typically perceived as harder to reach or priority groups including those with no skills (generally and in construction) or experience in construction. Using the latest available data, the potential need for the targeting of the project at those who are long term unemployed and young people can be found below.
- 7.9 The following statistics are taken from MORI Survey's latest data for 2006. Analysis for the NDC area is based on 414 face to face interviews (2002 and 2004 results are based on 497 and 505 interviews respectively). Aggregate NDC data is based on between 15,000 and 20,000 interviews and provides figures for NDC areas as a whole. Where available, national benchmarks provide data for England as a whole.
- 7.10 With regard to statistical reliability when assessing the data a difference of 6-8% or more between the years represents an actual change which can be

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<sup>13</sup> Plant drivers have been counted as unskilled, reflecting how they are classified in the industry, although most have an NVQ L2.

assumed is not due to chance. Similarly a difference of 6/7% between an area and the NDC aggregate or national average will also represent an actual difference. Within the data an asterisk (\*) indicates a percentage of less than 0.5% but greater than 0.

7.11 Table 2 below shows that the percentage of working age residents within the NDC area in 2006 without a NVQ Level 2 qualification or equivalent was (46%). This is marginally higher than the NDC aggregate (43%) and double the rate of the national average (23%). There has been little fluctuation in this figure since the initial research undertaken in 2002 suggesting that there is real need for the project to be targeting those with entry level skills.

<b>Table 2: Educational qualifications for working age respondents</b>					
	<b>DRC NDC</b>			<b>NDC Aggregate</b>	<b>National</b>
	<b>2002</b>	<b>2004</b>	<b>2006</b>	<b>2006</b>	<b>2006</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
NVQ Level 1 or below	17	22	17	12	9
NVQ Level 2 or equivalent	28	26	23	21	28
NVQ Level 3 or equivalent	15	13	15	15	21
NVQ Level 4 or equivalent	8	10	14	16	21
NVQ Level 5 or equivalent	2	1	1	5	6
No qualifications	30	27	29	31	14
Source: DRC MORI data					

### **Long term unemployed**

7.12 The percentage of total claimants of working age who have been claiming for over 6 months in Devonport is higher than the figure for Plymouth and the national figure, suggesting a greater need for programmes to target the long term unemployed.

<b>Table 3: Long Term Unemployed October 2007</b>						
	<b>Devonport SOA Middle Layer*</b>		<b>Plymouth</b>		<b>National</b>	
	<b>Count</b>	<b>(%)**</b>	<b>Count</b>	<b>(%)</b>	<b>Count</b>	<b>(%)</b>
Claiming for over 6 months	90	39	995	32	217,425	32
Total claimants (working age)	229	100	3,128	100	671,685	100

Source: Nomis, Claimant count with rates and proportions and Claimant count age and duration, both Oct 2007  
 \* The Middle Area SOA covers the NDC area and the area to the north of it.  
 \*\* Percentage of claimants claiming for over 6 months

### Young people

- 7.13 The project intends to work more closely with schools and has some events planned for the near future. However, it is essential that young people outside of the education system are also targeted.
- 7.14 Table 4 below shows that the percentage of young people in Devonport aged under 19 claiming benefit (as a proportion of total claimants) does not differ substantially from the Plymouth and national averages.

<b>Table 4: Young people unemployed October 2007</b>						
	<b>Devonport SOA Middle Layer</b>		<b>Plymouth</b>		<b>National</b>	
	<b>Count</b>	<b>(%)</b>	<b>Count</b>	<b>(%)</b>	<b>Count</b>	<b>(%)</b>
Aged 19 and under	30	13	430	14	78,205	12
Total claimants (working age)	229	100	3,128	100	671,685	100

Source: Nomis, Claimant count with rates and proportions and Claimant count age and duration, both Oct 2007

- 7.15 However, data relating to young people aged 16-18 who are not in education, employment or training (NEETs) for 2005 shows that the percentage of NEET young people in Devonport was 11%<sup>14</sup> compared to 6.8% for Plymouth and 5.3% for Devon and Cornwall, which suggests that there is potential for the project to be targeting this group. Although figures for Devonport for 2006 are not available, it should be noted that between 2005 and 2006 the percentage

<sup>14</sup> NEETs in Devon and Cornwall

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of NEETs has declined in Plymouth to 5% and across Devon and Cornwall to 4.7%.<sup>15</sup>

- 7.16 This change in focus would require the Construction Coordinator focusing time and resources on engaging these target groups, potentially through taster sessions or walkabout days and should be well publicised. Working with community groups and Connexions to identify potential beneficiaries would be key. In addition, the approach taken would require arranging sessions and seeing how many people attend on the day, as these target groups are unlikely to confirm attendance in advance. The DRCP are keen to test and develop this approach, potentially involving Shekinah to engage local residents at the earliest stages in entry level learning and support provision.
- 7.17 It has been suggested by the DRC Partnership that in order to provide capacity for the Construction Coordinator to carry out the above, the administration side of the skills register could be delivered by a part time administrator and that the job search element could be taken on by JobCentre Plus.
- 7.18 Any refocusing of the project post March 2008 would require discussion with the Construction Coordinator, developers, Connexions, JobCentre Plus, training providers and in particular those providing entry level courses such as Shekinah and the Tamar Education Business Partnership.

### **Local Labour Training Programme**

- 7.19 A key role is for the Construction Coordinator to identify appropriate training courses and training providers. The Construction Coordinator has referred clients to a range of training providers, providing accredited and non accredited training schemes.
- 7.20 The Construction Coordinator discusses training options with the individual based on their preferences, for example a formal or informal course or qualification. Depending upon the level of support required by the client the Construction Coordinator will either contact the training provider on behalf of the client or pass the training providers details onto the client alongside a

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<sup>15</sup> Connexions Devon and Cornwall Annual report 2006/2007

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subsequent follow up call. Some of the providers available to support the upskilling of beneficiaries as part of the project are summarised below.

- 7.21 The Building One Stop Shop (BOSS) is a city wide programme which has been in operation since August 2006 and is funded by the LSC for three years to support Constructive Devon. BOSS works with Plymouth College of Further Education, Plymouth Skills Centre and other training providers to place people on courses, with a focus on supporting sole traders and SMEs. Usually the Construction Coordinator refers Devonport residents directly to the same training providers as BOSS, without using BOSS as a middle agency. It would appear the new focus of BOSS has reduced some of the potential duplication of role with the Construction Coordinator.
- 7.22 The Shekinah Mission is a local organisation which provides a training programme which includes health and safety, personal development and preparing for work training and on site placements. The scheme allows people to keep claiming benefits but it does not provide an accredited qualification. However, it is clear from consultation with partners that Shekinah is highly regarded as a local provider, in particular providing a local and informal approach to training, whilst helping residents develop the necessary basic skills. Consultation with developers would suggest that holding a CSCS card, completing health and safety training and raising confidence where appropriate to get local people employment ready is the priority for labouring or entry level apprenticeships and jobs, which is addressed by the Construction Coordinator and Shekinah.
- 7.23 Plymouth City College based in Devonport provides NVQ Level 1 and 2 training. Although this a referral route, it has been reported that some local residents find the college an intimidating setting and that the number of courses are limited in terms of when enrolment takes place. Training at the Plymouth Skills Centre is reportedly more flexible in terms of the roll on roll off nature of the courses and attracts a wider age range than the College.
- 7.24 Since the loss of the Young Builders Trust (YBT) scheme in 2006, which allowed clients to continue claiming benefits and gain a NVQ1 level qualification, there is a gap in the market for provision of this nature.

### **Boundaries**

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- 7.25 As noted in Section 3, a similar scheme is being developed using local labour agreements and if funding can be secured, a Construction Coordinator post in Stonehouse and Millbay which borders the NDC area. This raises issues regarding the duplication of roles and activity over a localised geographical area. Both the DRCP and some developers have commented that a more holistic approach to boundaries could provide maximum opportunities for those in Devonport and Stonehouse. For example, safeguards could be put in place to ensure Devonport residents are prioritised in Devonport and Stonehouse residents in Stonehouse and Millbay. This would help to counter the build cycle of limited periods where particular trades are required.
- 7.26 Furthermore, this could be seen as an important first step to operating a city wide approach, given the level of ongoing development across the city. This is particularly important given the project aims to equip residents with skills for life in construction which will inevitably involve working beyond Devonport and Plymouth. This could have overcome the initial issues with regards to shortfall in delivery at the outset of the project, by securing work for those involved in other major development programmes in the city.

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## 8. IMPACT

8.1 This section assesses the achievement of outputs and the impact of the project on beneficiaries and developers.

### Outputs

8.2 Outputs for the project were based upon outputs achieved by the Labour in Construction project in Bristol (also managed by Sovereign). Outputs for Devonport took into account the length of the project and the larger scale of development in Devonport.

8.3 Achievement of outputs for the first year of the project (2006-2007) has been mixed, as shown in Table 5 overleaf. The project overachieved the *number of recruitment events held*, which included 2 half day drop in events held in October 2006 and the YBT open day in November 2006. This output also includes events aimed at young people, 'So you want to be an apprentice? for five residents and 'Not for girls? Oh yes it is' which engaged seven young people (five of whom were local residents). Therefore, although the output *Construction Events at the local secondary School* was not achieved, work has been carried out with young people through alternative routes of engagement and further work is planned.

8.4 Delays to construction projects and the time required for the Construction Coordinator to develop links with contractors in order to be made aware of vacancies (especially those not signed up to the local labour agreement) resulted in the underachievement of the output *Local people into construction and industry related jobs*. In addition, at the outset of the project the skills required by developers did not match the skills of those of the skills register.

8.5 The project also struggled to achieve the output *Local residents to enter NVQ LEVEL 2 Training programme* since this requires workplace training and/or experience. This is likely to relate to the demands associated with the NVQ2 level programme for example its long term nature, the need to build up work experience and the technical aspects of the course which can all act as barriers to engage.

8.6 In its first year the project significantly *overachieved Local people to achieve accredited training*. However, it is unclear whether this includes or duplicates the output also recorded under *Local residents to obtain a CSCS Card*.

<b>Table 5: Outputs 2006-2007</b>			
<b>Output</b>	<b>Target</b>	<b>Achieved</b>	<b>Variance</b>
Recruitment events every 12 months (in partnership with JCP and other Construction training organisations)	4	5	1
Construction Events at the local secondary School	2	1	-1
Local people into construction and industry related jobs	25	7	-18
Local people to achieve accredited training in construction related qualifications– Training to include all CSCS individual card schemes, plant operatives' skills, Health and Safety and Manual Handling Skills	25	37	12
Local residents to obtain a CSCS Card	15	12	-3
Local residents to enter NVQ LEVEL 2 Training programme in a construction skill.	10	1	-9
Expansion of Skills Register to local people	50	79	29

8.7 Achievement of outputs for the first two quarters of the second year of the project (2007-2008) are shown in Table 6 overleaf. Overall the project has made good progress against targets for Q1 and Q2 and in a number of cases has already made significant progress towards achieving the target for the year. In particular the project has overachieved the output *number of people entering construction related jobs* by nine, taking the total for Q1 and Q2 to 22, while the year target is 25.

8.8 The project has also overachieved the output *Number of people entering NVQ2 training* which is particularly encouraging given the difficulty in meeting this target during the first year of the project.

8.9 The fact that the project underachieved on the above two outputs during the first year yet has over/achieved them so far during the second year reinforces the point that the project should have been less ambitious with these outputs in the first year. It also highlights the importance of building close links with key stakeholders and communities alongside promotion locally to raise awareness and suggests that there was perhaps an underestimate of the lead-in time required for a scheme of this nature.

8.10 The project has underachieved *number of events held in local schools*, however events are planned for the rest of the year and underachieved *Number of recruitment events* which followed the decision to limit these given the current size of the skills register. One recruitment event with at least one of the major employers is currently being planned.

8.11 Currently the project does not monitor the outcomes of job searches which are then passed on the relevant people on the skills register. The recording of this information would give an indication as to how effective this use of time is and provide greater detail as to the added value of this offer when compared to the provision offered through Jobcentre Plus within the NDC area.

8.12 If in the future the project focuses more time on engaging the long term unemployed, young people or those with no construction skills, the outputs should be adapted to reflect this change of emphasis accordingly.

Table 6: Outputs 2007-2008 Q1 and Q2								
Output	Quarter 1		Quarter 2		Q1and Q2		Year Totals	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Number of events held in local schools	1	0	0	0	1	0	2	0
Number of people entering construction related jobs	6	4	7	18	13	22	25	22
Number of people entering NVQ2 training	2	1	3	6	5	7	10	7
Number of people getting CSCS card	4	3	3	2	7	5	15	5
Number of recruitment events	1	0	1	0	2	0	4	0
People attending accredited training	6	4	7	8	13	12	25	12

### Beneficiary consultation

8.13 Telephone interviews were held with four residents on the skills register. The type of support received reflects the diversity of skills and experience of residents on the skills register, with three of the beneficiaries previously unemployed. Two have undertaken entry level courses in forklift truck driving and plastering and two beneficiaries have up skilled to complete NVQ L2 in

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fork lift truck driving and painting and decorating. Two of the beneficiaries interviewed are currently working on development sites in Devonport, with one offered a permanent job.

- 8.14 It is interesting to note that three of the interviewees have secured a number of short term jobs themselves in their respective trades, including work within and outside of Plymouth, indicating that these are not the hardest to reach to or most disengaged residents (although it should be noted that they were not tasked with this in the original project application form).
- 8.15 All beneficiaries praised the support provided by the Construction Coordinator, including help to find and fund training and job searching. Two of the interviewees commented that without the support from the Construction Coordinator they would currently be unemployed.

### **Developers**

- 8.16 The most commonly highlighted benefits by developers to participating in the labour in construction programme could be interpreted as allowing them to promote their organisation's corporate social responsibility. Predominantly this was driven through the retention of investment in the local economy, providing a legacy through the upskilling of local people as part of the development and providing local people with a greater sense of ownership of the developments. The benefits of improved site security by having employees living near the site was also commonly referred to. Other benefits included the fact that local people would know the area and local company's employees would not need to travel during work hours, a reduction in recruitment time and that recruiting local labour is a means of addressing the industry wide skills shortage.

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## 9. FORWARD STRATEGY

### Focus

- 9.1 The DRC Partnership is keen for the project to explore increased targeting of beneficiary groups, such as young people and schools, which although was highlighted in the project application form, has not been a key area of work for the project. In addition, the DRC Partnership are keen for the project to focus on those without NVQ Level 2 skills and unemployed residents including young people who are unemployed and those who are long term unemployed (over 6 months). The **need for targeting employment projects at these groups in Devonport is clearly supported by local demographic data.**
- 9.2 In addition, this change in focus aligns with central government policy, namely the targeting of worklessness, skills and enterprise funding on small areas with the most persistent barriers, for example through the Working Neighbourhoods Fund which will come onstream from March 2008.
- 9.3 This targeting would represent a shift in focus of the project when compared to the project application form and would therefore require **a revised model of delivery and a reassessment of funding allocation.**
- 9.4 A shift in target groups would require appropriate methodologies for engagement. Given the nature of the target groups, the **project would need to be flexible and develop a 'test bed' approach** in order to best meet the needs of the target groups. The Construction Coordinator would need to increase time spent engaging with these target groups, potentially through other NDC employment projects and local community groups and organisations. It is likely that more innovative or ambitious engagement activity such as taster sessions and shadowing opportunities would have to be delivered on a 'trial and error basis' and associated outputs would need to be realigned to ensure that the ability to be creative is not overly constrained by the demand for outputs.
- 9.5 This represents a broader focus for the scheme which in turn would demand a greater level of resource. In order to ensure that the Construction Coordinator has the capacity to deliver the above, **existing elements of the role, such as the job search could be carried out by JobCentre Plus and**

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**the upkeep of the skills register could be delivered by a part time administrator.**

- 9.6 Implementing the above would require rewriting the project application form for post March 2008 and therefore discussions with **funders and partners to gauge their opinion of and commitment to delivering the new model** must be sought. Discussions should include the Construction Coordinator, Sovereign Housing association as the accountably body, developers, the Tamar Education Business Partnership, JobCentre Plus, Connexions and training providers, in particular those providing entry level courses such as Shekinah. Engagement with community groups, organisations and projects who work with the target groups would also be an essential aspect of the revised model.

### **Funding**

- 9.7 The project is asking current funders to continue funding the Construction Coordinator post after July 2008 and is approaching other developers working in the NDC area. Ideally the DRC Partnership would like the post to be entirely funded by developers and sub contractors. However, the cancellation of September's Steering Group meeting has delayed some of these discussions. One current funder has indicated that would be keen to continue funding the post. There are three developers in the area who are not currently funding the post, with one of these confirming that they will not consider funding the post for the proposed subsequent project period.
- 9.8 An informal event is planned for early December 2007 with the aim of further publicising the project, celebrating its successes and securing additional funding.
- 9.9 Given that the post has received private funding, the natural progression is to increase the proportion of private to public funding. However, this would assume that the project would continue in its current form. **If the project were to change its focus in terms of target beneficiaries, then any associated increase in resources may affect the proportion of funding or total amount of funding** provided by the DRC Partnership. Any change in direction of the project would need to be discussion with both current and potential funders at the earliest opportunity.

- 9.10 There is a risk that a greater level of targeting of hard to reach and unskilled beneficiaries may present less value to developers and sub-contractors and may lead to some level of disengagement with the programme and reinforces the need to retain the job matching aspect of the project albeit potentially driven through the Jobcentre Plus resource that is available. The study team believe that the realignment of resources will represent a relatively small financial outlay in terms of delivery in order to meet the tendering requirements and could potentially be adopted as the 'norm'.
- 9.11 It is clear from consultation with developers that the Construction Coordinator post is considered critical in supporting the contractors to meet the local labour agreement targets. Although some developers have/ are making a commitment to fund a Construction Coordinator role, this is on a project by project basis. As local labour agreements have become more common in the tendering process, the mechanism to support their implementation is strengthened i.e. **a funded Construction Coordinator role could also become an integral part of the tendering process.** In the medium to long term, a city wide clause to fund or part fund a similar role would ensure that this expectation of developers is established from the outset. However, this approach would require **actively engaging representatives from key stakeholders within the city** including SWRDA, Plymouth City Council, English Partnerships, English Cities Fund, and GOSW presenting the model of delivery and associated project evaluation as a **tried and tested approach.** Promotion on this basis may help to capture interest and promote a city-wide programme that could be linked to the emerging Working Neighbourhoods Fund.

### **Geographical scope**

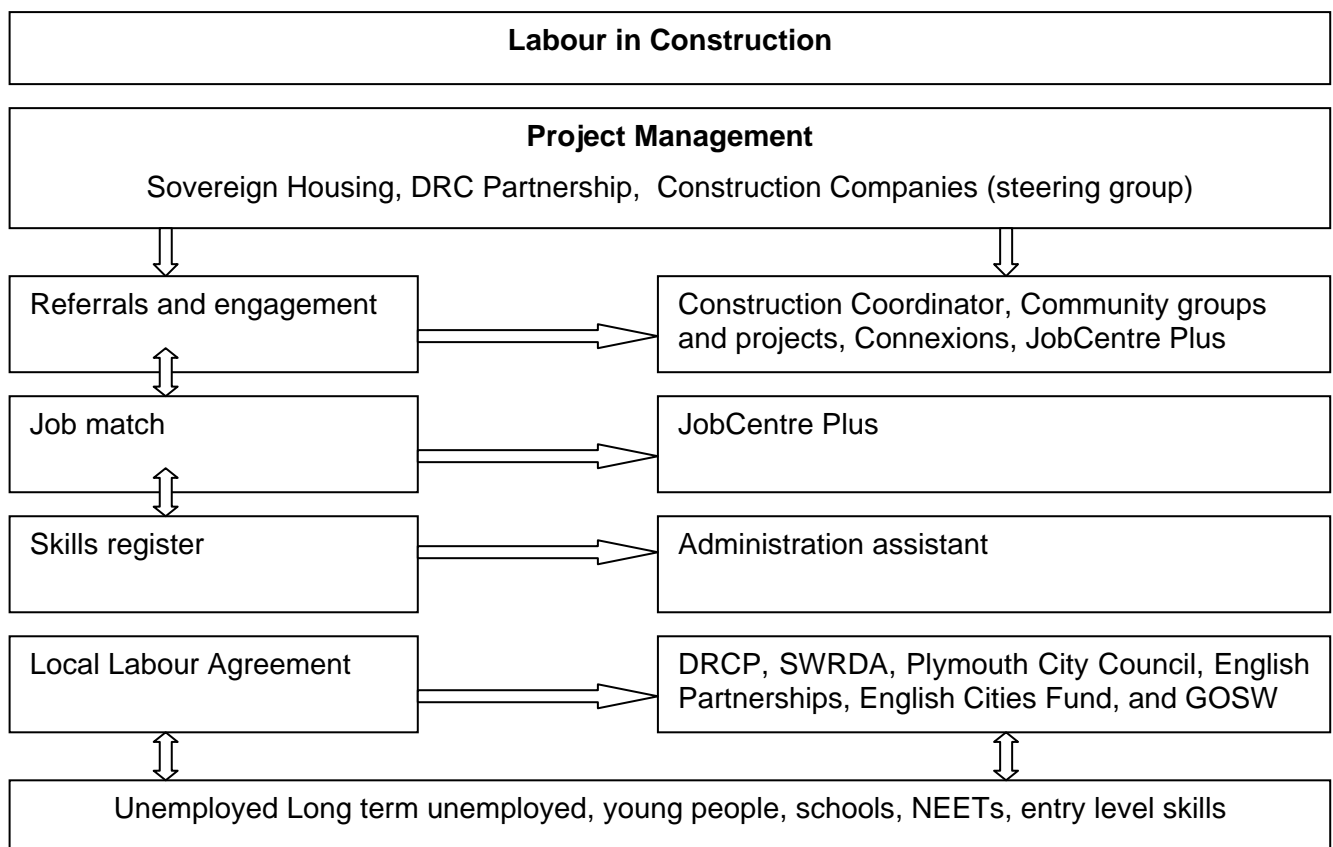
- 9.12 Given the development planned for Millbay and Stonehouse and the implementation of local labour agreements as part of the developments, **joint working opportunities with Stonehouse Action should be explored** to ensure that residents from both areas benefit from any employment and training opportunities on their doorstep.
- 9.13 This could be seen as **a first step to developing a city wide project in order to maximise opportunities** and linking in with the potential to develop

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Construction Coordinator role(s) funded by developers as part of the tendering and contractual process.

- 9.14 A figure illustrating the potential model of delivery for the project post March 2008 can be found overleaf.

**Figure 2: Model for Future Delivery**



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## 10. CONCLUSIONS AND RECOMMENDATIONS

- 10.1 The Construction Coordinator has been praised by developers, partners and beneficiaries alike for their dedication and enthusiasm. Key successes highlighted include providing Devonport residents with tailored support and advice, ensuring that they undertake the most appropriate training to meet their needs and that more intense support is provided to those who are not work ready. Developers commented that they are in regular contact with the Construction Coordinator and that the willingness of the Construction Coordinator to meet site managers on site is particularly valuable.
- 10.2 It is clear from consultation that developers have and will take on both unskilled and skilled labour and provide apprenticeship places. Developers commented that employees holding a CSCS card and undertaking health and safety tests was a minimum requirement in terms of skills levels and that it was crucial that the Construction Coordinator continues to arrange this.
- 10.3 It is clear from developers that both the Construction Coordinator post, and meeting the local labour agreements go hand in hand and that developers would struggle to deliver the latter without the former.
- 10.4 With regard to achieving target outputs the project had a slow start during the first year especially with regard to *Local people into construction and industry related jobs* and *Local residents to enter NVQ LEVEL 2 Training programme*. The underachievement of these outputs can however, be explained by delayed developments and time required to build relationships with the developers. However, this year the project is on target to achieve outputs, in particular *Local people into construction and industry related jobs*, which has already overachieved the target for the year.
- 10.5 Given the current size of the skills register (103) compared to the potential construction jobs to be created in Devonport, Stonehouse and Millbay (42) up to 2010, it is likely that demand for employment will not outstrip supply even when considering a greater inflation in numbers of local residents accessing construction opportunities albeit on a short term basis. Therefore although it is important that local opportunities are taken advantage of, the project needs to develop a more outwards facing approach, ensuring that links are made to construction opportunities across Plymouth and beyond.

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- 10.6 There is a desire by the DRC Partnership to focus the project on more targeted beneficiary groups including schools, young people, those without NVQ Level 2 skills and the long term unemployed. This is supported by data analysis for the Devonport area.
- 10.7 Targeting these groups would require a reshaping of the project post March 2008 and as such would require support from all partners, developers and local community and voluntary groups, in order to develop the referral and engagement process and the delivery of targeted activity and training. Given the needs of these target groups, the project would need to respond flexibly and creatively, whether it be through taster sessions or non/accredited courses aimed at people with entry level skills. In turn this would require responsibility for the skills register and job matching to be delivered by an administration assistant and JobCentre Plus respectively.
- 10.8 The change in direction of the project would have funding and resource implications which should be discussed with current and potential funders at the earliest opportunity.
- 10.9 The project and DRC Partnership are in the position to initiate a city wide delivery model, using the development at Stonehouse and Millbay as a stepping stone to this, to ensure that opportunities to Devonport residents are as wide geographically as possible and to take into account the life cycle of developments. In addition, DRC Partnership, with the commitment from key stakeholders are in the position to drive forward discussions for including funded coordinator posts as part of the tendering and contractual process.

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## **Recommendations**

### **Project operation**

Adopt, at least to some extent, proposals for the realignment of the local labour in construction project to adhere to evolving urban regeneration policy, particularly that around the engagement of worklessness and the obtainment of entry level skills.

To discuss any potential change in focus with regard to target groups and subsequent changes to project design and delivery with the Construction Coordinator, Sovereign Housing Association as the accountable body, funders and potential funders, developers and partners including JobCentre Plus, Connexions and community groups and community based initiatives.

Examine the potential for joint working with Stonehouse Action, as a first to step to developing a city wide model, to maximise the opportunities for Devonport residents.

Distribute executive summary of evaluation to city-wide stakeholders to highlight the model as a tried and tested approach that could be rolled out across the city.

### **Monitoring**

Record 'at a glance' figures to show which developers are on target to meet the 10% target (or where appropriate other negotiated target).

Record the outcomes of the job search.

Record on the skills register how many residents are young people aged 19 and under, whether residents are long term employed/ unemployed (over six months) and whether qualifications are construction specific.

### **Funding**

- To clarify the total amount of funding to be secured from developers post March 2008, taking into account any modifications required in terms of total funding and

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public to private ratio, following the change of focus of the project.

- To begin discussions with SWRDA and Plymouth City Council to examine long term potential for including the funding or part funding of Construction Coordinator posts as part of the tendering and contractual process on a Plymouth wide basis.

## ANNEX 1: LIST OF INTERVIEWEES

Contact	Organisation
Lisa Denison	Sovereign Housing
Margaret Prior	Construction Coordinator
Lynda Harris	Employment Theme Lead, DRC
Martin Brown	Midas Homes
Matt Ward	Devon and Cornwall Housing Association
Chris Anderson	Redrow Homes
Tim Moss	Building One Stop Shop (BOSS)
Bernadette Parkinson	CITB Construction Skills
Lesley Vincent-Piper	PSC Training Ltd
Jason Davis	Devonport Business Support Service
Mark Jordan	Devon Contractors
Andrew Nixon	Kier Western
Eric Doel	Midas Homes
Edward Tresloggett	Stonehouse Action
Jan Shilcott	Tamar Education Business Partnership