

# **HIGH SPEED TWO** PHASE 2a INFORMATION PAPER

# **H2: SKILLS AND EMPLOYMENT**

This paper outlines the arrangements proposed for training and employment in the relation to the construction and operation of the Proposed Scheme.

It will be of particular interest to those potentially affected by the Government's proposals for high speed rail.

This paper was prepared in relation to the promotion of the High Speed Rail (West Midlands-Crewe) Bill which is now enacted. It was finalised at Royal Assent and no further changes will be made.

If you have any queries about this paper or about how it might apply to you, please contact the HS<sub>2</sub> Helpdesk in the first instance.

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## **H2: SKILLS AND EMPLOYMENT**

#### 1. Introduction

- 1.1. High Speed Two (HS2) is the Government's proposal for a new, high speed north-south railway. The proposal is being taken forward in phases: Phase One will connect London with Birmingham and the West Midlands. Phase 2a will extend the route to Crewe. Phase 2b will extend the route to Manchester, Leeds and beyond. The construction and operation of Phase One of HS2 is authorised by the High Speed Rail (London West Midlands) Act 2017.
- 1.2. HS2 Ltd is the non-departmental public body responsible for developing and promoting these proposals. The company works to a Development Agreement made with the Secretary of State for Transport.
- 1.3. In July 2017, the Government introduced a hybrid Bill¹ to Parliament to seek powers for the construction and operation of Phase 2a of HS2 (the Proposed Scheme). The Proposed Scheme is a railway starting at Fradley at its southern end. At the northern end it connects with the West Coast Main Line (WCML) south of Crewe to allow HS2 services to join the WCML and call at Crewe Station. North of this junction with the WCML, the Proposed Scheme continues to a tunnel portal south of Crewe.
- 1.4. The work to produce the Bill includes an Environmental Impact Assessment (EIA), the results of which are reported in an Environmental Statement (ES) submitted alongside the Bill. The Secretary of State has also published draft Environmental Minimum Requirements (EMRs)<sup>2</sup>, which set out the environmental and sustainability commitments that will be observed in the construction of the Proposed Scheme.
- 1.5. The Secretary of State for Transport is the Promoter of the Bill through Parliament. The Promoter will also appoint a body responsible for delivering the Proposed Scheme under the powers granted by the Bill. This body is known as the 'nominated undertaker'. The nominated undertaker will be bound by the obligations contained in the Bill and the policies established in the EMRs. There may be more than one nominated undertaker.
- 1.6. These information papers have been produced to explain the commitments made in the Bill and the EMRs and how they will be applied to the design and construction of the Proposed Scheme. They also provide information about the Proposed Scheme itself, the powers contained in the Bill and how particular decisions about the Proposed Scheme have been reached.

<sup>1</sup> The High Speed Rail (West Midlands – Crewe) Bill, hereafter 'the Bill'.

<sup>2</sup> For more information on the EMRs, please see Information Paper E1: Control of Environmental Impacts.

#### 2. Overview

2.1. This information paper outlines the proposed arrangements for skills and employment during the construction and operation of HS<sub>2</sub>.

### 3. Approach to skills and employment

- 3.1. The design, planning, construction, operation and maintenance of HS2 will create a significant number of employment opportunities. HS2 is forecast to support at its peak over 30,000 jobs in construction and rail engineering activities. and 3,100 permanent jobs in operation and maintenance<sup>3</sup>. This growth comes at a time when other large infrastructure projects will also create demand for construction and engineering skills. The sector faces a number of employment challenges: an ageing workforce; a need to upskill the current workforce; and a shortfall in the number of people entering the highly skilled jobs needed to deliver the planned infrastructure projects.
- 3.2. To support the forecast employment growth and the challenges outlined above, HS2 Ltd is working to attract the individuals it needs to fill the new jobs and roles which will be created. HS2 Ltd and its supply chain will seek out new ways to diversify the talent it brings into the sector.
- 3.3. HS2 Ltd or the nominated undertaker will require the supply chain to create appropriate apprenticeship and employment opportunities for local, disadvantaged and under-represented groups in order to promote fair and equal access to the employment opportunities generated by HS2.
- 3.4. The construction and operation of depots and stations in across both Phase One and Phase Two of HS2 will generate a significant number of accessible employment opportunities. Communities with unemployment rates considerably above the national average particularly stand to benefit from the creation of these jobs. The first phase of HS2 alone is expected to support about 40,000 jobs<sup>3</sup>.
- 3.5. Working closely with local and national stakeholder groups, the project's skills, employment and education achievements will leave a lasting legacy of jobs, expertise and exportable innovations and labour.
- 3.6. During the construction phase of Phase One of HS2, the Proposed Scheme, and any future phases, the nominated undertaker will have to comply with UK equality legislation, including the Equality Act 2010<sup>4</sup>. Contractors will be obliged to select labour exclusively on merit.
- 3.7. The nominated undertaker shall, insofar as it is lawful to do so, ensure equality of opportunity in order to encourage the recruitment of local, disadvantaged or

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<sup>3</sup> HS2 Labour and Skills Demand and Supply Forecasting and Analysis, 2018, Phase One Environmental Statement and Phase Two Appraisal of Sustainability

<sup>4</sup> https://www.legislation.gov.uk/ukpga/2010/15/section/4

under-represented groups. This is in accordance with the HS<sub>2</sub> Ltd Sustainability Policy<sup>5</sup>, which commits to "providing rewarding jobs and careers that are open to all in society, setting new standards for equality, diversity and inclusion and providing a legacy of skills, learning, expertise and experience". This commitment is explained in greater detail in HS<sub>2</sub>'s Skills, Employment and Education Strategy <sup>6</sup>. The strategy sets out four key objectives:

- Ensure we have the skills to deliver the HS2 Programme and leave a skills legacy for the transport infrastructure sector and the wider UK economy
- Create sustainable skills, employment and education opportunities in HS2 Ltd.'s supply chain through the use of procurement levers
- Stimulate interest in STEM subjects to encourage more young people into transport infrastructure careers
- Work in partnership with stakeholders and industry as they maximise the
  economic and regeneration benefits of the HS2 Programme locally along the
  line of the route and across the UK
- 3.8. During the procurement of any relevant contract, HS<sub>2</sub> Ltd or the nominated undertaker will seek to evaluate contractors' responses against a number of skills and employment criteria<sup>7</sup>. The procurement process will look to assess:
  - at pre-qualification stage the tenderers' track record of delivering apprenticeships and employment interventions relevant to the requirement being procured; and
  - at Invitation to Tender Stage the tenderers' proposed method of meeting reasonable, proportionate and achievable apprenticeship and employment benchmarks stated by HS2 Ltd. Examples of the areas covered by these benchmarks will include numbers of apprenticeships, unemployed job starts, and work experience placements.
- 3.9. The tenderers' responses on all the above will be objectively evaluated against published criteria supplied to tenderers in advance.
- 3.10. This evaluation process will support HS2 Ltd or the nominated undertaker in appointing contractors that are suitably qualified and experienced to meet HS2 Ltd's skills and employment objectives.

 $6 \, \underline{\text{https://assets.hs2.org.uk/wp-content/uploads/2018/09/26114402/CS962-HS2-Skills-Education-Employment-Strategy-210x2101.pdf}$ 

<sup>5</sup> https://www.gov.uk/government/publications/hs2-sustainability-policy

<sup>7</sup> The 'default' HS2 Ltd position requires that clauses specifying skills and employment requirements be routinely considered for their relevance to all stages of the procurement process and for each procurement exercise. Exclusion of skills and employment clauses are by exception.

- 3.11. Contractors will be required to employ apprentices in the delivery of the works. This can be achieved through a mixture of both new apprentices being recruited as well as existing roles becoming apprenticeship opportunities.
- 3.12. Contractors will be required to help local, disadvantaged and under-represented groups to access the apprenticeship and employment opportunities generated by HS2 by:
  - placing all job vacancies with Jobcentre Plus and any other job brokerage mechanisms that may be nominated by the nominated undertaker. HS2 Ltd is developing an HS2 Jobs Brokerage service, which contractors will be required to be part of. Their vacancies will be advertised through a HS2 public facing jobs board and they will work with designated Job Brokerage Partners who will support those people looking for work;
  - participating in relevant external recruitment and skills events and communicating and publicising employment opportunities;
  - nominating a suitably qualified member of staff to act as a Skills
     Employment and Education (SEE) Co-ordinator, with responsibility for
     delivering their skills, employment and education contractual requirements
     working with its supply chain, and skills and employment stakeholders; and
  - performance managing, monitoring and reporting progress on the achievement of skills, employment and education outputs to HS<sub>2</sub> Ltd or the nominated undertaker.
- 3.13. In situations where agencies are used to source labour, contractors will set out proposals to ensure that those agencies, including those of its subcontractors, directly support the delivery of the aims and objectives of the HS2 Ltd. Sustainability policy (summarised at 3.7).

## 4. National College for Advanced Transport and Infrastructure

- 4.1. HS2 Ltd supports the National College for Advanced Transport and Infrastructure which opened its doors at its two sites in Doncaster and Birmingham in October 2017. The college works with HS2 Ltd and the wider industry to help existing members of the workforce who want to upskill and gain new qualifications in disciplines like project management and town planning, as well as railway engineering and design.
- 4.2. More information about the college can be found in Information Paper H4: National College for Advanced Transport and Infrastructure.

## 5. More information

5.1. More detail on the Bill and related documents can be found at: <a href="www.gov.uk/HS2">www.gov.uk/HS2</a>