

## EMPLOYMENT AND SKILLS COMMITTEE

MEETING TO BE HELD AT 2.00 PM ON THURSDAY, 14 MARCH 2024  
IN MEETING ROOM 1, WELLINGTON HOUSE, WELLINGTON STREET,  
LEEDS LS1 1DE

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### A G E N D A

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1. **APOLOGIES FOR ABSENCE**
2. **DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS**
3. **EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**
  1. To highlight Agenda Item 6, Appendix 1 and Agenda Item 7, Appendix 1 which officers have identified as containing exempt information within the meaning of Schedule 12A to the Local Government Act 1972, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.
  2. To consider whether or not to accept the officers' recommendation in respect of the above information as set out in Agenda Item 6, Appendix 1 and Agenda Item 7, Appendix 1.
  3. If the recommendation is accepted, to formally pass the following resolution:-

**RESOLVED** – That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of Agenda Item 6,

Appendix 1 and Agenda Item 7, Appendix 1 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**4. MINUTES OF THE MEETING HELD ON 15 FEBRUARY 2024**

(Pages 1 - 10)

**5. ECONOMIC STRATEGY**

Lead Director: Felix Kum-Ampofo, Lead Author: Jo Barham

(Pages 11 - 68)

**6. SKILLS SYSTEM REVIEW**

Lead Director: Felix Kumi-Ampofo, Lead Author: Michelle Burton

(Pages 69 - 84)

**7. DECISIONS - WORKWELL**

Lead Director: Felix Kumi-Ampofo, Lead Authors: Michelle Burton

(Pages 85 - 122)

**8. DEVOLUTION LEVEL 4**

Lead Director: Felix Kumi-Ampofo, Lead Authors: Josh Rickayzen, Sonya

Midgley

(Pages 123 - 142)

**For Information**

**9. DATE OF THE NEXT MEETING**

The date of the next meeting will be confirmed at the Combined Authority's Annual Meeting, subject to the approval of the proposed Calendar of Meetings 2024-25.

**Signed:**



**Chief Executive  
West Yorkshire Combined Authority**



**MINUTES OF THE MEETING OF THE  
EMPLOYMENT AND SKILLS COMMITTEE  
HELD ON THURSDAY, 15 FEBRUARY 2024 AT MEETING ROOM 1,  
WELLINGTON HOUSE, WELLINGTON STREET, LEEDS LS1 1DE**

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**Present:**

Councillor Cathy Scott (Chair)	Kirklees Council
Professor Shirley Congdon (Deputy Chair)	Private Sector (West Yorkshire Business Board)
Councillor Eleanor Thomson	Leeds Council
Councillor Jo Hepworth	Wakefield Council
Dr Milton Brown	Private Sector Representative
Tim Craven	Private Sector Representative
Claire Paxman	Private Sector Representative
Colin Booth	Advisory Representative (Further Education)
Phillip Day	Advisory Representative (TUC)
Natasha Babar-Evans	Advisory Representative (Voluntary and Community Sector)
Tim Thornton	Advisory Representative (West Yorkshire Skills Partnership)
Sharon Riding	Advisory Representative (Department for Work and Pensions)

**In attendance:**

Michelle Burton	West Yorkshire Combined Authority
Peter Glover	West Yorkshire Combined Authority
Myles Larrington	West Yorkshire Combined Authority
Sonya Midgley	West Yorkshire Combined Authority
Phillipa Syers	West Yorkshire Combined Authority

**1. Apologies for Absence**

Apologies for absence were received from Councillor Silvia Dacre (Calderdale Council), Councillor Imran Khan (Bradford Council), Councillor Peter Kilbane (York Council), Advisory Representatives, Nikki Davis (West Yorkshire Skills Partnership), Martin Hathaway (Mid Yorkshire Chamber of Commerce), and Dr Peter O'Brien (Higher Education).

**2. Declaration of Disclosable Pecuniary Interests**

There were no declarations of pecuniary interests at the meeting.

### **3. Exempt Information - Possible Exclusion of the Press and Public**

There were no agenda items present on the agenda which required the exclusion of the public and press.

### **4. Minutes of the Meeting Held on 13 July 2023**

**Resolved:** That the minutes of the meeting of the Employment and Skills Committee held on 13 July 2023 be approved as a correct record.

### **5. Chair's Update**

The Chair, Councillor Scott, opened the meeting by extending a warm welcome to all members of the Employment and Skills Committee. The Chair explained that she was the leader of Kirklees Council and the new Chair of the Committee. Before proceeding to the formal business, the Chair referred to a number of highlights.

The Chair announced that the deadline for submissions for the UK SPF pillar 3; people and skills bids had passed on 12 January 2024, with a substantial number of applications received. Currently, those applications were undergoing assessment, with further details to be shared imminently.

The Chair had informed the Committee that, in late 2023, the government had published the level 4 devolution framework, emphasising a deeper commitment to a decentralised adult skills system. The Chair then asked the Head of Employment and Skills about the latest developments on this.

The Head of Employment and Skills explained that the West Yorkshire Combined Authority (WYCA) and the five local authorities (LAs) within the region collaborated closely to comprehend the ramifications of this framework. By the end of January, they had submitted a letter of application to the government, advocating for advancement in all areas of devolution outlined in the framework, including a plea for complete devolution of the employment, careers, and adult skills system. The Head of Employment and Skills also referred to central career provisions, with additional information contingent on developments relating to trailblazer devolution deals in other regions.

Lastly, the Chair observed that collaborative efforts had led to an application for the WorkWell program in West Yorkshire, aiming to aid those facing unemployment due to health issues. If successful, the program would start immediately, with full delivery planned from September to April 2026. Progress updates were expected by early April, and if West Yorkshire secured a pilot position, implementation would begin promptly. Additionally, a survey targeting employers' engagement with education for workforce development was ongoing as part of the All Age Careers Blueprint.

### **6. Economic and Sector Reporting**

The Committee considered a report of the Director of Inclusive Economy, Skills and Culture, aiming to update on the labour market and skills situation in West Yorkshire.

Officers introduced the report, outlining a new monitoring approach approved by the Employment and Skills Committee in October 2021. Key regional indicators were identified, focusing on employment rate, quality work, apprenticeship take-up, and more.

The report highlighted challenges such as inclusivity in employment and the proportion of NEETs (young people not in education, employment, or training), with specific attention to job quality and qualifications. Despite steady improvements in qualifications over the past two decades, disparities persist compared to national averages. Additionally, the report noted stagnation in apprenticeship starts post-pandemic and signs of a cooling labour market, with indications of plateauing employment growth, levelling median pay, and moderate growth in unemployment.

Members made the following observations:

- A member emphasised West Yorkshire's high rate of NEETs (young people not in education, employment, or training), particularly in Bradford and Leeds, attributing it to a lack of post-16 places rather than engagement issues.
- A member highlighted struggles within skills organisations, indicating high turnover rates and the depletion of reserves, underscoring the importance of the sector in supporting economically inactive adults.
- A member emphasised the role of local authorities (LAs) as gatekeepers for increasing NEET provision, noting the need for alternative providers due to the lack of additional capacity in colleges.
- Several members discussed challenges in the apprenticeship system, including employer demand, system complexity, and the decline of lower-level apprenticeships.
- A member highlighted challenges with the SMEs (Small and Medium Enterprises) procurable program, urging for meaningful engagement with businesses rather than solely measuring the number of apprenticeship starts.
- Phil Day mentioned TUC's efforts, supported by the West Yorkshire Combined Authority, to advocate for a real living wage increase and emphasised the significance of learning aspects such as negotiation and recognition for workers notwithstanding direct union involvement.
- A member noted that many NEETs are likely below the living wage, emphasising the importance of addressing this issue comprehensively.

## **Resolved:**

- i. That the Committee noted the content of the report and the feedback provided.
- ii. That the Committee noted the latest intelligence relating to employment and skills in West Yorkshire and the current performance of West Yorkshire against the State of the Region indicators.

## **7. Skills System Review**

The Committee considered a report of the Director of Inclusive Economy, Skills and Culture, aimed at updating on planned work in the context of potential deeper devolution on the Employment and Skills agenda.

Officers introduced the report, highlighting changes since the publication of the Employment and Skills Framework, the Future-Ready Skills Commission, and the AEB Strategy. They emphasised the varying operating models across the region and the need for a review considering the impending devolution. Discussions centred on the need for a more consistent approach to local Employment and Skills Boards and how best to engage with them.

Options included representation of local partnerships' views by elected members or appointing a representative Chair from the Boards to the Employment and Skills Committee. The report also suggested exploring greater consistency in terms of reference, makeup, and remit of the local boards.

Members made the following observations:

- Members expressed support for a more logical and rational structure for boards and committees. They emphasised the importance of standards and consistency across local boards. Concerns were raised about representation, reporting structures, and the varying needs of different authorities.
- Suggestions were made to engage elected members and consider their roles in working with local skills boards. There were discussions about the involvement of councillors, officers, and regional representatives in committees. The need for regularity and standards across the region was highlighted. Some members proposed reviewing terms of reference for skills boards before they were subject to approval.
- The committee's decision-making powers and their relationship with local authorities were questioned. The evolving nature of the committee's remit, particularly regarding work and health, was acknowledged. Implications of district and West Yorkshire Combined Authority relationships were considered. Suggestions were made to align various agendas and establish consistent structures across authorities.

- Requests were made for standard approaches and outline terms of reference.
- The importance of considering local context, such as differences in education providers in different districts, was emphasised.
- Members stressed the need for consistency and best practices in governing partnerships.
- Opportunities to maximise government funding for local authorities were discussed, highlighting the importance of a combined approach between the West Yorkshire Combined Authority and local authority partners.

**Resolved:**

- i. That the Committee noted the content of the report and the feedback provided.
- ii. That the Committee endorsed the proposed review of the skills system and indicated how they would like the planned work to proceed.
- iii. That the Committee considered how best to engage with local Employment and Skills Boards where they existed and whether a more consistent approach to how they were constituted and governed may be beneficial.

**8. Digital Blueprint and Digital Inclusion**

The Committee considered a report of the Director of Inclusive Economy, Skills and Culture, presenting a draft of the new Digital Blueprint and seeking feedback and endorsement.

Officers introduced the report, outlining progress since the launch of the Digital Skills Plan, including the West Yorkshire Digital Inclusion initiative. The Digital Blueprint, evolving from the Skills Plan, received feedback from various stakeholders and underwent public consultation. The Blueprint focuses on horizontals like Place, People and Education, and Business and Organisations, intertwined with seven cultural themes. Pending committee endorsements, it will move forward for approval.

Additionally, the report detailed achievements and initiatives of the Digital Skills Plan over the past year, emphasising progress made in digital skills through the Local Digital Skills Partnership. Furthermore, it highlighted the West Yorkshire Digital Inclusion initiative's objectives and funding allocation to address digital exclusion challenges in the region.

Members made the following observations:

- A member emphasised the importance of ensuring the plan is ambitious enough to raise digital apprenticeship starts. Officers agreed to take forward this point and share it with officers.
- A member raised concerns about the narrow focus on computer science courses and suggested framing a more ambitious agenda to include other digital courses like music technology.
- A member highlighted the need to be ambitious in supporting businesses with high-level skills, especially in areas like AI (artificial intelligence).
- A member questioned whether the outcomes in the plan were already funded or just ideas and where they sit in terms of timescales. Officers explained that the action plan is emerging, consisting of a mixture of ongoing activities, upcoming investments, and partnership goals.

**Resolved:**

- i. That the Committee noted the content of the report and the feedback provided.
- ii. That the Committee noted the progress made since the publication of the Digital Skills Plan, particularly on the West Yorkshire Digital Inclusion initiative.
- iii. That the Committee endorsed the Digital Blueprint, with current progress in mind.
- iv. That the Committee delegated endorsement to the Chair, in the case of outstanding feedback from members, ahead of the final design.

**9. Devolved Adult Skills**

The Committee considered a report of the Director of Inclusive Economy, Skills and Culture detailing updates on adult skills programmes and seeking guidance on future work.

Officers presented updates on the year 2 performance of the Adult Education Budget (AEB), Skills Bootcamp Wave 5, changes to the residential uplift, and Community Learning allocations. The West Yorkshire AEB, with a fund of £66.8 million for 2023/24, supported learners to enhance skills and access further learning and employment opportunities. Notably, there was substantial growth in starts and learners compared to the previous academic year.

Additionally, progress was made in unlocking progression opportunities, making learning inclusive, supporting key sectors, and enhancing digital skills. Approval was granted for an additional year of funding for the Skills



Bootcamp programme, and plans were outlined to address issues with Community Learning funding allocation.

Members made the following observations:

- A member commended the team on the results and noted that the devolved adult skills budget rollout in West Yorkshire was managed better than in other parts of the country.
- A member enquired about the origin of the diverse audience. Officers explained that learners were recruited mainly from the centres of Leeds and Bradford but also from other areas across West Yorkshire.
- A member emphasised the importance of capturing strategies to entice hard-to-reach learners.
- A member thanked officers for the facilitation of funding for the programs.

**Resolved:**

- i. That the Committee noted the content of the report and the feedback provided.
- ii. That the Committee noted the progress of the devolved Adult Education Budget and indicated how performance could have been improved and suggested changes that were needed in the period ahead.

## **10. Skills Support for Business**

The Committee considered a report of the Director of Inclusive Economy, Skills and Culture aimed to update them on the development and delivery of activity supporting employers to create a talent pipeline and encourage investment in skills.

Officers introduced the report, highlighting key points regarding the economic and labour market context, including tight labour markets and high demand for higher-skilled technical roles. They outlined funding secured to support emerging skills, particularly digital and green, through co-investment with businesses until March 2026.

Additionally, the Mayor of West Yorkshire's Fair Work Charter was launched to promote fair work practices, with over 40 businesses already onboard. Strategic engagement with businesses and educational institutions, as well as the continuation of skills advisory support programs, were also discussed, aiming to address skills gaps and enhance workforce development.

Members made the following observations:

- A member suggested capturing support for skills within the Fair Work Charter questionnaire.
- A member highlighted issues with employer reluctance to train due to staff turnover and questioned the framework's consistency across local authorities. Officers noted the entrenched issue of low demand and proposed a piloting approach based on member wishes.
- A member emphasised the importance of work placements and suggested extending opportunities for internships in green and digital fields.
- The Chair raised concerns about potential overlap and positioning of skills bootcamps. She also emphasised the importance of meeting employer needs in training.
- A member advocated for retaining talent through degree apprenticeships and enhancing careers advice for young people.
- A member emphasised the need to align apprenticeships with employer needs and secure more funding regionally and nationally.
- A member suggested proactive engagement with businesses regarding lifelong learning opportunities.
- A member expressed frustration over the lack of clarity on employer needs and suggested better collaboration among stakeholders.

**Resolved:**

- i. That the Committee noted the content of the report and the feedback provided.
- ii. That the Committee noted the update on the development and delivery of activity to support employers to recruit a pipeline of talent and to encourage employer investment in skills.
- iii. That the Committee discussed the potential scope of funding to support co-investment by employers in emerging skills.

**11. Business Plan summary 2024-25**

The Committee considered a report of the Director of Inclusive Economy, Skills and Culture, aiming to share the headline business plan priorities recently agreed by the West Yorkshire Combined Authority.

Officers introduced the report, outlining an outcome-led approach introduced in 2023/24, where service-area business plans align with multi-year outcomes set by the outcome-Directorates. For the employment and skills agenda, the focus is on ensuring everyone, particularly the most

disadvantaged, can access high-quality support and training to progress in their careers.

The planning process has been directed by setting multi-year outcomes driving each directorate's work focus. A 'plan on a page' for the Inclusive Economy, Skills, and Culture outcome-Directorate was provided for the Committee's attention, highlighting strategic priorities.

**Resolved:**

- i. That the Committee noted the content of the report and the feedback provided.
- ii. That the Committee noted the plan on a page and outlined suggestions to officers on how to deliver agreed outputs and outcomes.

**12. Date of the Next Meeting**

It was noted that the next meeting of the Employment and Skills Committee was scheduled to be held on 14 March 2024.

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<b>Report to:</b>	Employment and Skills Committee
<b>Date:</b>	14 March 2024
<b>Subject:</b>	<b>Economic Strategy</b>
<b>Director:</b>	Felix Kumi-Ampofo, Director: Inclusive Economy Skills and Culture
<b>Author:</b>	Jo Barham, Policy Manager

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this Report

- 1.1 To seek Committee members' views and share evidence and emerging priorities from the Economic Strategy in advance of a draft for consultation being produced.

## 2. Information

### Background

- 2.1 Members were made aware in [October's meeting](#) that work is ongoing to develop a new Economic Strategy for West Yorkshire, reflecting the vision and missions of the West Yorkshire Plan. An emerging conceptual framework and draft priorities are now being developed.

### West Yorkshire Economic Assessment

- 2.2 A comprehensive economic assessment considering the key drivers of productivity in West Yorkshire has been undertaken. Appendix 1 to this report provides a summary of the Economic Assessment with a particular focus on the skills data. The full economic assessment will be published on the Combined Authority website before the pre-election period starts.

## Productivity

- 2.3 The analysis considers the overall performance of West Yorkshire over the past 20 years, exploring the economic geography and local specialisms of the region. The evidence shows a **resilient, diversified, and polycentric economy that nevertheless has struggled to keep pace with national growth and productivity**. This has had an adverse effect on living standards.
- 2.4 West Yorkshire's diverse economy has some deep pockets of specialisation. There are positive examples of manufacturing specialisms with above average productivity, alongside knowledge-based specialisms where productivity improvements are needed. These specialised clusters provide an opportunity for productivity growth. As West Yorkshire can be said to be a largely self-contained labour market with around 90% of people working in the region also living in the region, these specialisms can bring benefits across the whole area.
- 2.5 Three of the major drivers of West Yorkshire's poor productivity performance are low levels of skills and investment and inadequate connectivity. A deficit of higher-level skills and employer-reported skills shortages are holding back economic growth.

## Poverty

- 2.6 More than one in five people in West Yorkshire live in areas within the 10% most deprived in England, according to the Index of Multiple Deprivation (IMD). Many of these areas are in towns and cities that have high levels of productivity, but this has so far failed to translate into benefits for residents.
- 2.7 Poor health plays a role in the underperformance of the West Yorkshire economy with healthy life expectancy below the national average for both males and females. Around 350,000 people are economically inactive in West Yorkshire (160,000 of this is due to sickness or caring responsibilities) driving an employment gap with the national average particularly for women and ethnic minority groups.

## Access to Opportunity

- 2.8 School performance is especially weak for learners who qualify for Free School Meals (FSM) and progression into Higher Education is below the national average. Young people not in education, employment or training (NEET) face an increased likelihood of unemployment, low wages, or low-quality work later on in life. The proportion of young people who are NEET in West Yorkshire increased between 2021/22 and 2022/23 and is above the national average.

- 2.9 A skilled workforce is essential to an inclusive and productive economy. The skills challenges facing the West Yorkshire economy are well documented<sup>1</sup> including a significant deficit of higher skilled people - West Yorkshire needs 60,000 more higher qualified residents to match the performance of Greater Manchester, with employers reporting difficulty finding people with the right skills. At the same time, closing the productivity gap by solely addressing higher level skills will not necessarily improve wages for those at the lower end of the skills continuum.
- 2.10 To support aspirations for an inclusive economy, skills pathways will play an important role in enabling opportunity across the region. The proposed review of the skills system (a separate Committee Paper provides further details) and further devolution will support ambitions to fully integrate business and skills support working with local employers to understand their current and future skills needs and make sure schools, colleges, universities and training providers across the region deliver the right courses. This includes major infrastructure projects in the region such as Mass Transit and skills for a net zero economy.

### **The Enablers**

- 2.11 Connectivity is constraining West Yorkshire's economic growth and investment in transport infrastructure has not kept pace with need. Average commuting times have been increasing overtime with congestion in Leeds much higher than international peers in more productive second-tier cities. Furthermore, sectors that are expected to play an important role in closing the productivity gap, like advanced manufacturing and professional services report higher dissatisfaction with connectivity than average. Digital connectivity in West Yorkshire overall is strong, however there are pockets of underperformance, particularly in rural areas of Calderdale and Kirklees.
- 2.12 Despite levels being lower than the national average, house prices and rents have been rising faster than the national average, delivering new homes, in the right places, is necessary to keep West Yorkshire affordable to support attracting and retaining talent.
- 2.13 Working with local authorities to ensure that there is adequate space to accommodate business growth reflecting existing Spatial Priority Areas<sup>2</sup> and emerging cluster opportunities across the region will be an important driver.

### **Emerging Conceptual Framework**

- 2.14 The emerging conceptual framework puts inclusive sustainable growth, and equality, diversity and inclusion at its heart, promoting health in all policies and building on our sector strengths as the driving focus for the Economic Strategy. The framework aligns with the vision and missions of the West Yorkshire Plan against the pillars of productivity

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<sup>1</sup> [Microsoft Word - LMI report 2022 w covers \(westyorks-ca.gov.uk\)](https://www.westyorks-ca.gov.uk/media/10402/westyorks-ca-lmi-report-2022-w-covers)

<sup>2</sup> <https://www.westyorks-ca.gov.uk/media/10402/west-yorkshire-spatial-priority-prospectus.pdf>

where we need to act. Prioritisation must unpick the relationship between prosperity and inclusivity ensuring that all areas can benefit from the region’s strengths.

- 2.15 The framework identifies direct action and priorities on business support and skills, while reflecting the role of major enablers and transformational opportunities for the region including mass transit, bus reform, the Better Homes Hub and the West Yorkshire Strategic Place Partnership and the implications of net zero including economic opportunities aligned to West Yorkshire sector strengths.



- 2.16 Detailed priorities are being developed across the focus areas of business, people, place and infrastructure. Draft business priorities are included in the Appendix 2 while work continues on other areas. Priority development is being informed by more detailed policy work on infrastructure including a newly developed West Yorkshire Housing Strategy, the emerging Local Transport Plan, and a Digital Blueprint. What remains consistent and reflects the challenges and opportunities identified, is the need to approach this work and subsequent delivery in a holistic way that ensures that relationship between each element can be realised. In particular, priorities for skills and employment must ensure the system in West Yorkshire is effective and meets the needs of all who need it. These include:



- Working with local employers to better integrate business and skills support
- Building skills pathways aligned to areas of future growth and sector strengths.
- Promoting health in work to enable more people to enter, stay and progress in the labour market and in their careers.
- Ensuring that careers advice is linked to opportunities for the future across the region and that everyone has access to the information and insights they need.

2.17 Following committee feedback, a draft summary document will be shared.

### **3. Tackling the Climate Emergency Implications**

3.1 Tackling the climate emergency is a guiding principle for the Economic Strategy reflected in the framework for action.

### **4. Inclusive Growth Implications**

4.1 Mission one of the West Yorkshire Plan is for an Inclusive Economy with well paid jobs and is a driving principle of the Economic Strategy, reflected in the emerging conception framework.

### **5. Equality and Diversity Implications**

5.1 Equality, Diversity and Inclusion is a driving principle of the Economic Strategy and reflected in the emerging conceptual framework.

### **6. Financial Implications**

6.1 There are no financial implications directly arising from this report.

### **7. Legal Implications**

7.1 There are no legal implications directly arising from this report.

### **8. Staffing Implications**

8.1 There are no staffing implications directly arising from this report.

### **9. External Consultees**

9.1 A questionnaire distributed via the Your Voice tool has been analysed with feedback helping to shape the emerging areas for action set out in Appendix 1.

### **10. Recommendations**

10.1 That members of the Committee note the content of the evidence summary included in Appendix 1 and emerging priorities set out in Appendix 2 and provide feedback on the following:



- What are the greatest socio economic challenges and opportunities in West Yorkshire?
- How can the competing needs be identified and prioritised?
- How can priorities be better aligned to commitments towards a sustainable and inclusive economic growth?

## 11. Background Documents

[Employment and Skills Committee - Thursday, 19th October, 2023 2.00 pm: Item 5 – Economic Strategy and Digital Blueprint](#)

## 12. Appendices

Appendix One: EVIDENCE SUMMARY PACK

Appendix Two: Summary document on emerging priorities



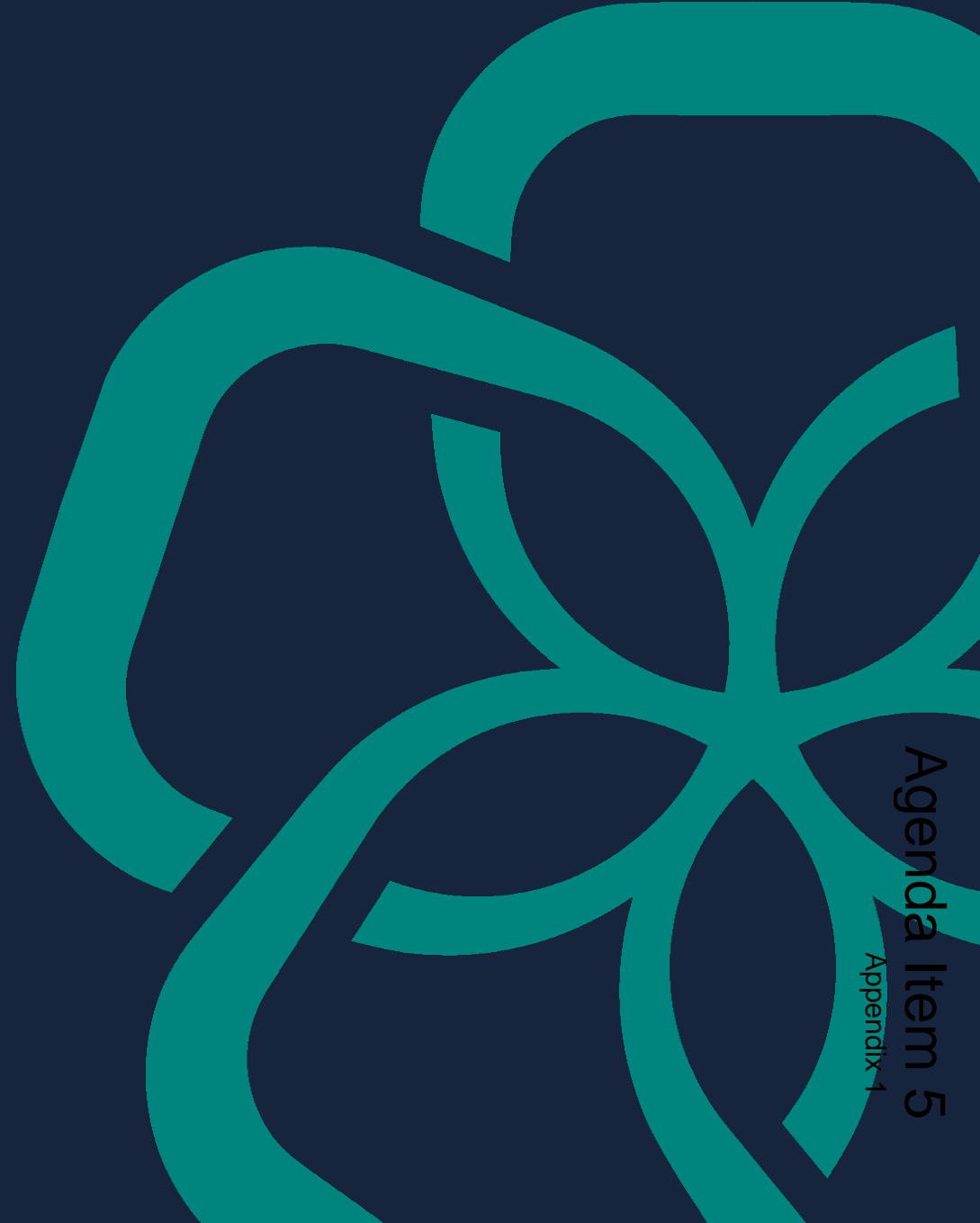
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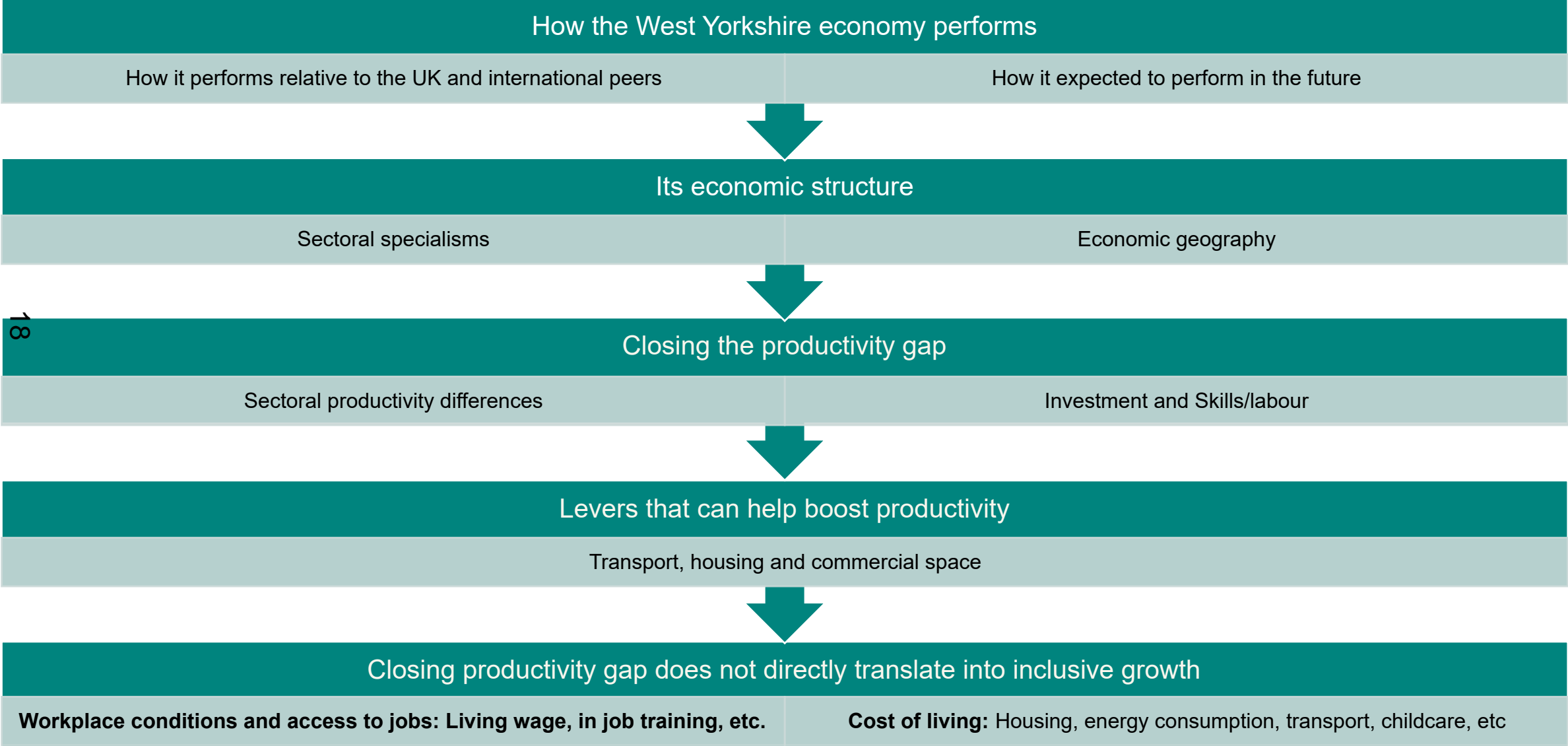
# Evidence for economic strategy

Date



Agenda Item 5  
Appendix 1

# Framework for analysis

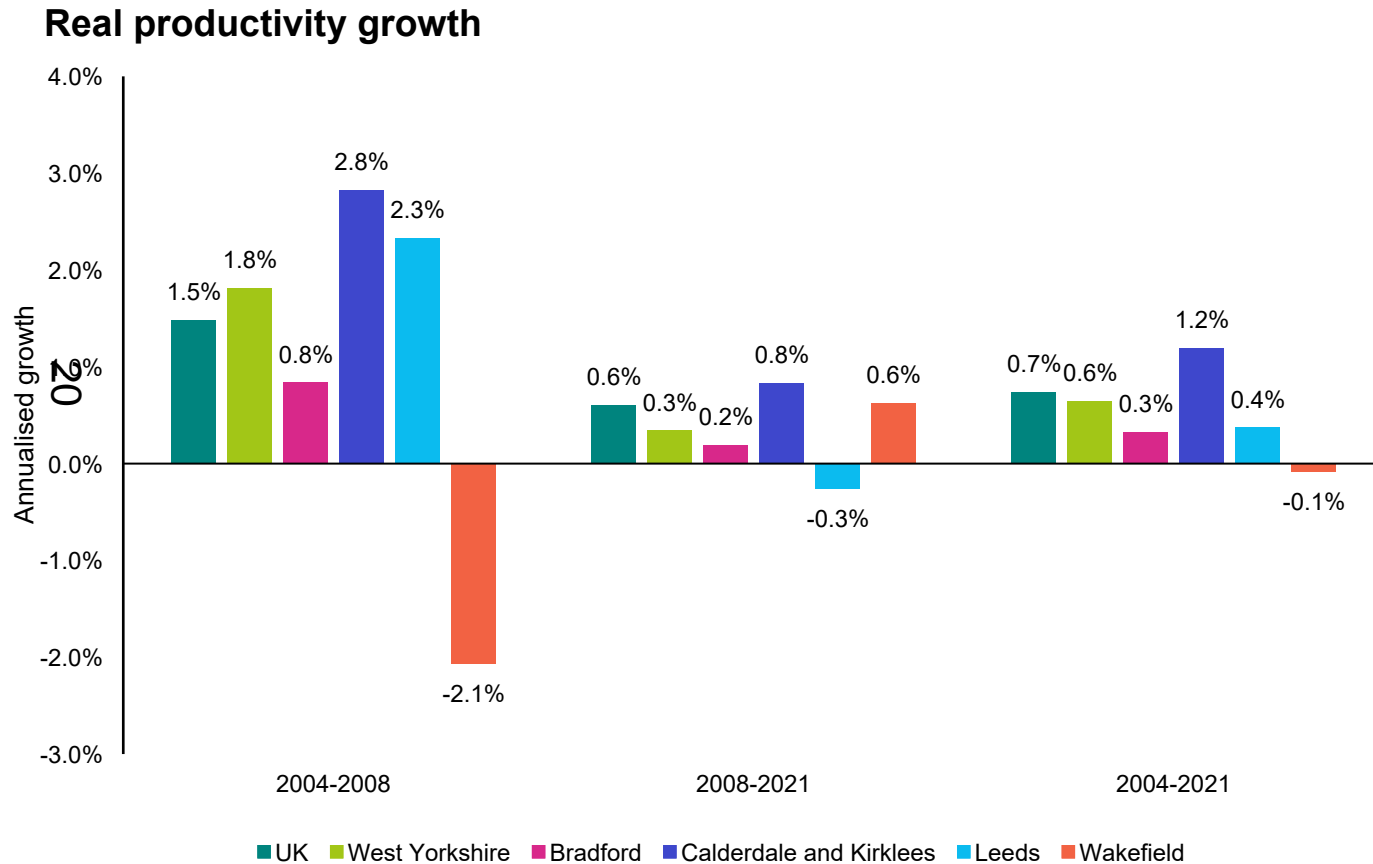


# Economic performance and specialisms

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# Since 2004, real productivity growth below national average in West Yorkshire, with the exception of Calderdale & Kirklees

**Figure:** Chained Volume (unsmoothed) GVA per hour, 2004-2021

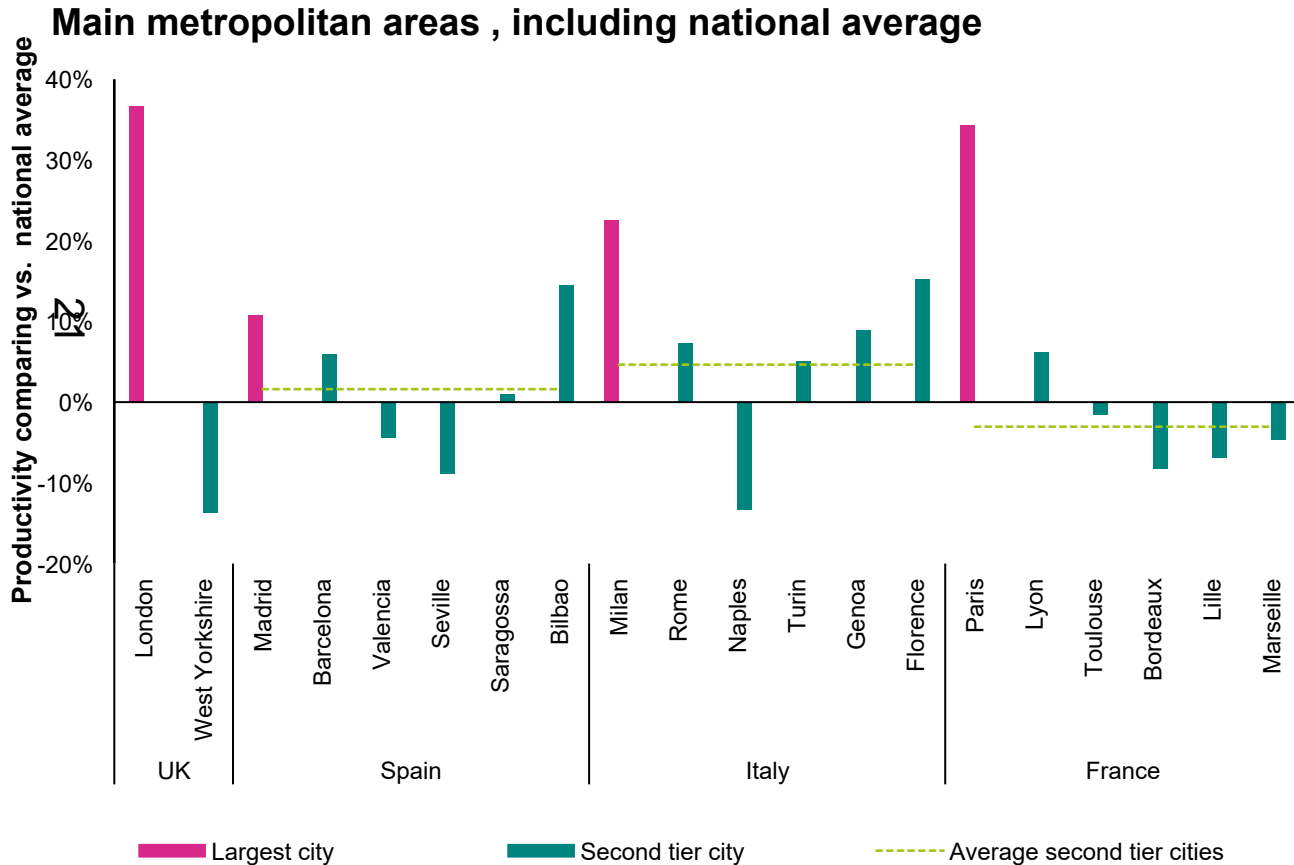


Source: ONS, Subregional productivity: labour productivity indices by UK ITL2 and ITL3 subregions.  
 Note: Data not available at the Local Authority level, unlike nominal productivity.

- West Yorkshire faced a larger productivity slowdown than the national average. Productivity growth since 2008 was 0.3% a year.
- With strong differences across its districts. Leeds and Bradford being the two local authorities performing the national average.
- Wakefield had a relatively good performance since the financial crisis, in line with the national average. However, the previous period was characterised by a significant productivity decline.
- Calderdale & Kirklees are the only areas where productivity growth has been above national average, both before and after the financial crisis.
- That gap accounts for **£9.6 billion in 2021 alone (around £4,100 per resident)**. Closing that gap would boost West Yorkshire living standards.
- Projections that the gap will widen in the next decades. Estimated to reach £14.9bn (around £5,900 per resident) in 2042.

# Comparisons with peer countries suggest that West Yorkshire should aim to reach UK's average productivity

**Figure:** Labour productivity, 2019 (GDP per worker in USD, constant prices, constant PPP, base year 2015)



- West Yorkshire underperforms the national average, while second tier cities in other large countries tend to perform in line with the average.
- Not all metro areas overperform the national average, but only Naples underperforms (against the national average) as much as West Yorkshire.
- In absolute terms, West Yorkshire is the third least productive area analysed. Only ahead of Naples and Seville by 1.4% and 0.7%, respectively.
- This [feature](#) is common across the UK's largest cities outside London like Manchester, Glasgow and Birmingham.
- London's productivity relative to the national average is broadly in line with other countries.

Source: OECD, Metropolitan areas, GDP per worker. Leeds OECD's definition of metropolitan area being used for West Yorkshire. The second cities considered are the following. **Spain:** Barcelona, Valencia, Seville, Bilbao and Saragossa. **Italy:** Rome, Milan, Naples, Turin, Palermo, Genoa and Florence. **France:** Lyon, Toulouse, Strasbourg, Bordeaux, Nantes and Lille.

# West Yorkshire is a diversified economy – large manufacturing sector dispersed across the region and service specialisms mostly located in Leeds

Figure: Industrial specialisms within West Yorkshire

Local Authority	Specialisms (based on jobs Location Quotients for tradeable activities), 2021
Bradford	<ul style="list-style-type: none"> <li>Manufacture of textiles</li> <li>Printing and reproduction of recorded media</li> <li>Manufacture of chemicals and chemical products</li> <li>Manufacture of machinery and equipment</li> <li>Financial service activities, except insurance and pension funding</li> </ul>
Calderdale	<ul style="list-style-type: none"> <li>Insurance, reinsurance and pension funding, except compulsory social security</li> <li>Manufacture of coke and refined petroleum products</li> <li>Manufacture of other non-metallic mineral products</li> <li>Manufacture of machinery and equipment</li> <li>Financial service activities, except insurance and pension funding</li> </ul>
Kirklees	<ul style="list-style-type: none"> <li>Manufacture of furniture</li> <li>Manufacture of textiles</li> <li>Chemicals and chemical products</li> <li>Manufacture of machinery and equipment</li> <li>Manufacture of basic pharmaceutical products and pharmaceutical preparations</li> </ul>
Leeds	<ul style="list-style-type: none"> <li>Advertising and market research</li> <li>Printing and reproduction of recorded media</li> <li>Manufacture of coke and refined petroleum products</li> <li>Activities auxiliary to financial services and insurance activities</li> <li>Telecommunications</li> </ul>
Wakefield	<ul style="list-style-type: none"> <li>Manufacture of wearing apparel</li> <li>Printing and reproduction of recorded media</li> <li>Warehousing and support activities for transportation</li> <li>Manufacture of other non-metallic mineral products</li> <li>Manufacture of beverages</li> </ul>

- West Yorkshire has a strong manufacturing sector with more than **100,000 manufacturing jobs** - the highest number of manufacturing jobs per capita in a Combined Authority; and 13.4% of GVA.
- The manufacturing base is diverse both geographically (mostly outside Leeds) and sectorally (textile, furniture, chemicals and machinery).
- Across all Combined Authorities, West Yorkshire has the highest number of jobs in “Financial service activities” and “Computer programming, consultancy and related activities” (2021). Combined accounting for almost 50,000 jobs.
  - Around 22,000 jobs in financial services (44% of them in Leeds) and 26,000 in Computer programming, consultancy and related activities (76% of them in Leeds);
  - Mostly Leeds, but some in Calderdale. Some evidence that Bradford is becoming more relevant on this front.

Source: ONS, Business Register and Employment Survey. Note: Leeds air transport was excluded due to the specific geographical nature of that activity.

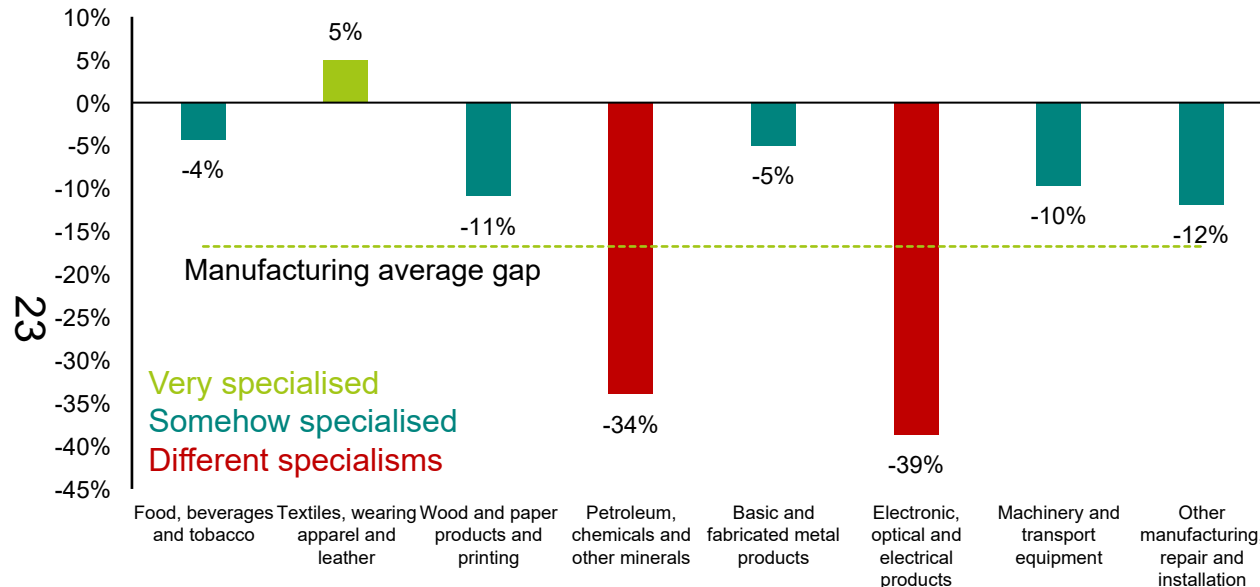


# Closing the productivity gap will require new manufacturing specialisms in West Yorkshire and a deepening of the sector specialisms that Leeds already has

Figure: Manufacturing productivity by ITL3 and industry, West Yorkshire 2019

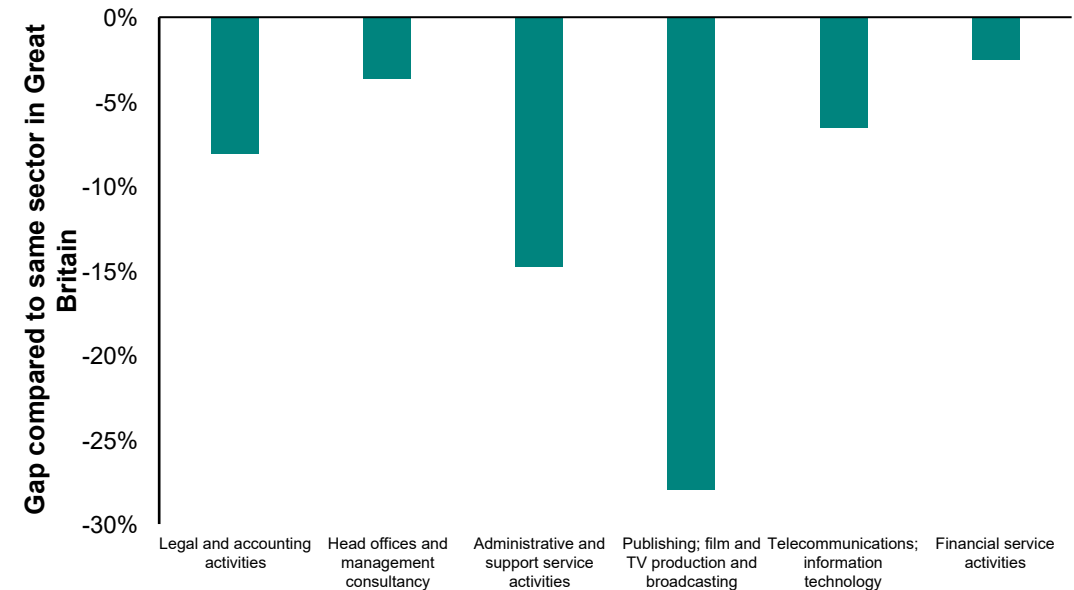
Figure: Services productivity in Leeds by its specialisms, 2019

## Productivity gap



Source: ONS, Regional gross value added (balanced) by industry: all ITL regions. ONS, Business Register and Employment Survey.

## Productivity gap



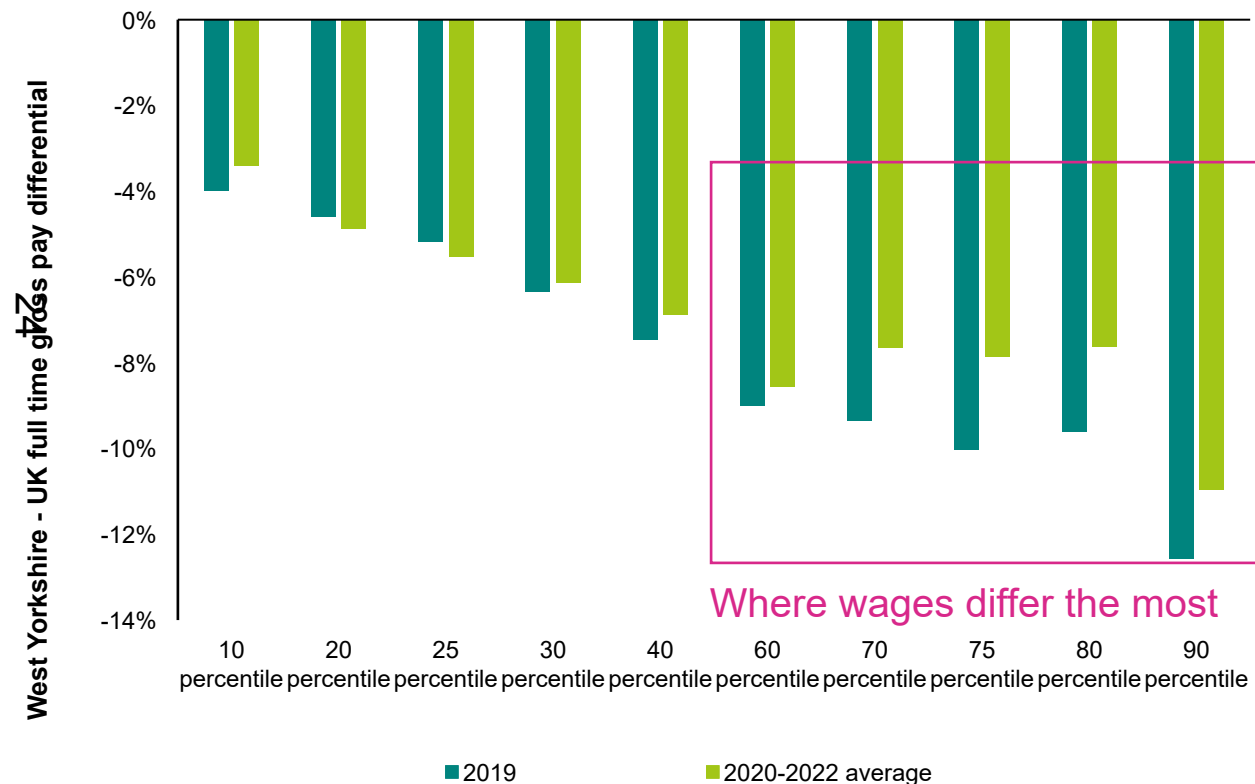
- Leeds underperforms in the services that it has a specialism. Closing the productivity gap requires making those sectors more productive. Either by attracting new businesses in these sectors and enabling the benefits of agglomeration.

- The productivity gap is small (if existent) in areas that West Yorkshire is specialised. The gap is driven by the absence in specialisms in highly productive industries like electronics (electric lighting equipment vs. electronic components) and chemicals (agrochemicals vs. pharma and petroleum). The main productivity differences are in sectors in which **West Yorkshire is not specialised**.
- Closing the **productivity gap will require new manufacturing-related specialisms**. Closing (or widening) the gap in existing specialisms may not be enough.

# Closing productivity gap alone likely to boost wages at the top, unlikely at the bottom of the wage distribution

**Figure:** Workplace median pay, full time workers by Metropolitan County 2019-2022

## Differences by wage distribution



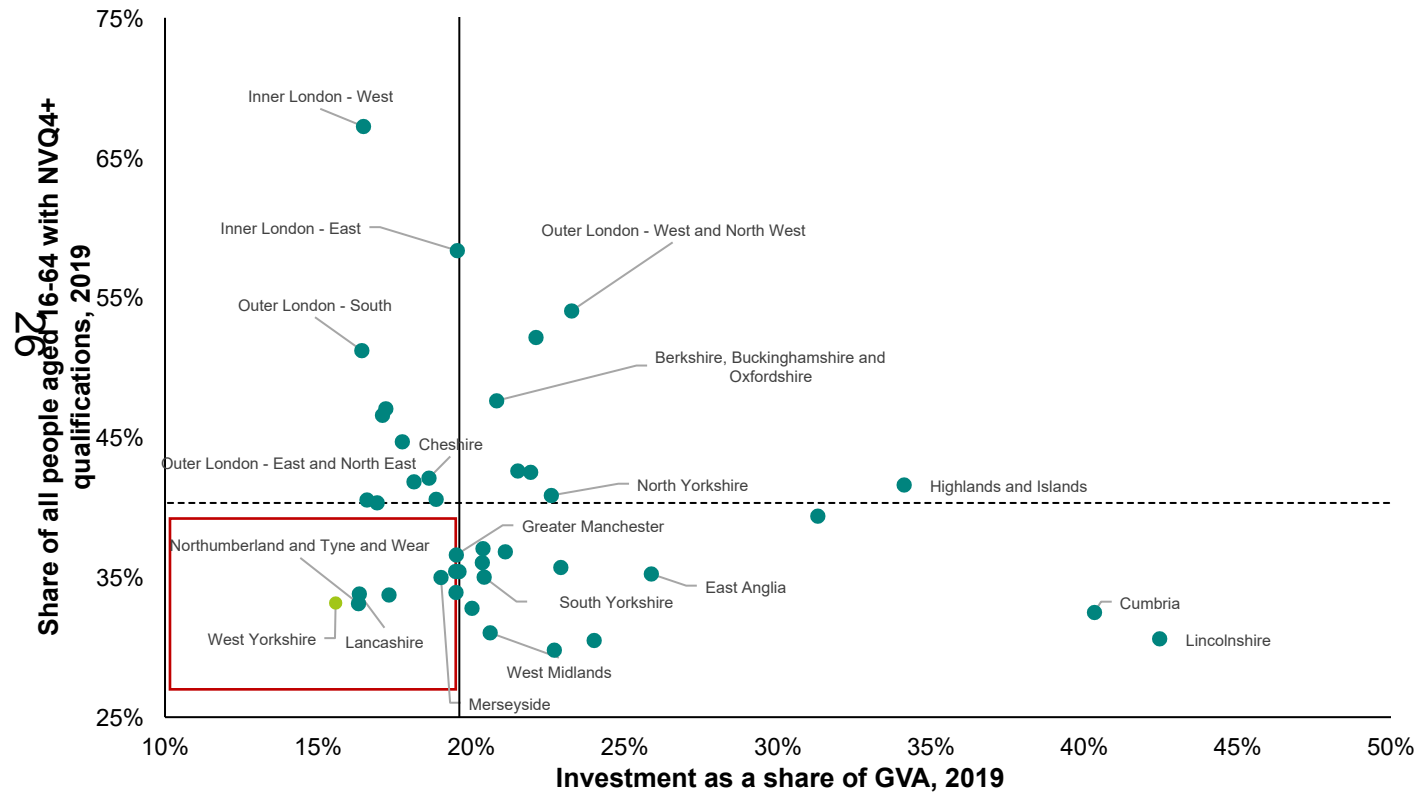
- The same way the productivity gap is driven by the lack of high performing firms, a similar trend is observed in wages, with the largest gap at the top of the distribution.
- The wage differences between West Yorkshire and the national average are **mostly driven by lack of highly paid jobs.**
- Under certain circumstances, closing this gap could lead to issues around housing affordability.
- This highlights the importance of **aiming for inclusive growth.**

# Main productivity drivers: labour and capital

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# West Yorkshire is currently in an equilibrium of low investment intensity and relatively low share of workers with level 4 qualifications that affects its productivity

**Figure: Productivity per hour and share of all people aged 16-64 with NVQ4+ qualifications by ITL2 (2019)**

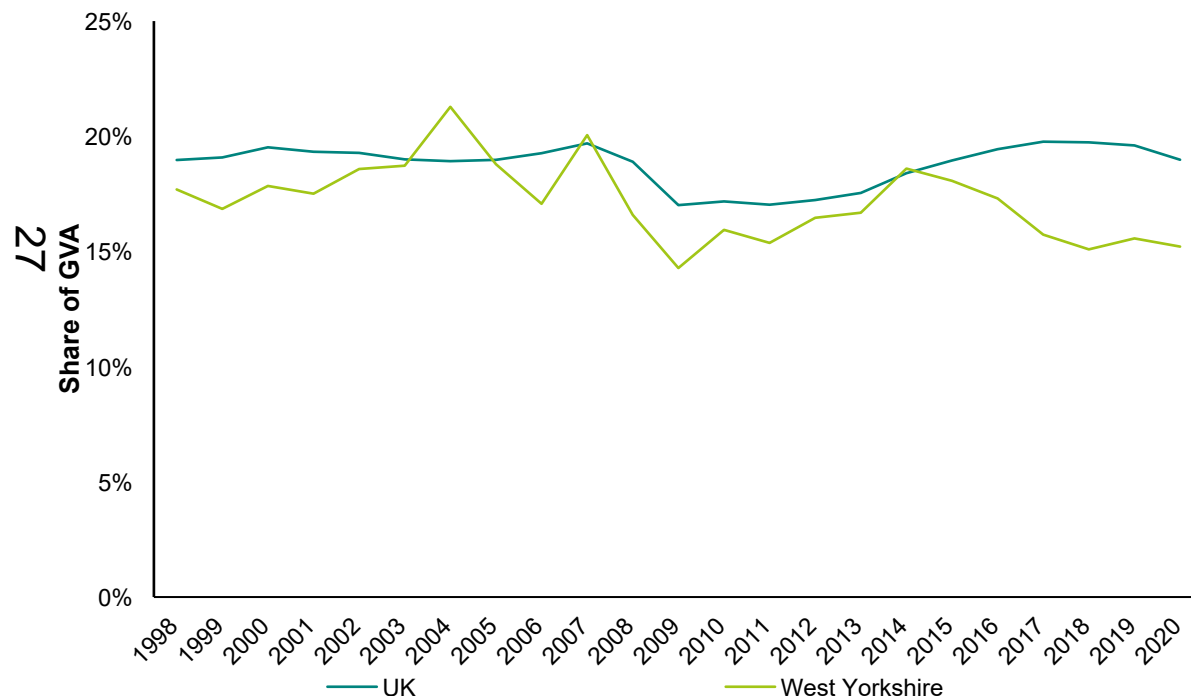


- In terms of investment and skills, West Yorkshire underperforms the national average.
- Investment as a share of GVA is estimated to be the lowest among all ITL2. A common feature across all local authorities.
- Below the national average in terms of working age population with level 4 qualification of above. Particularly low for Bradford and Wakefield. Only Leeds perform in line with the national average.
- Closing the productivity gap likely to involve an increase in both components.
- Today, closing the investment gap (public and private) would require **£2.6bn a year**. Closing the skills gap would require around **100,000 additional graduates, which would require new graduates from elsewhere (either new residents or commuters from other areas)**.

# West Yorkshire's investment pipeline is diverging from UK average mainly since 2013

**Figure:** Investment at the subnational by ITL2 (1998-2020)

## Gross Fixed Capital Formation share of GVA



- Lower investment than the national average (which is **lower** than its peers), diverging especially since 2013. **It is around this time that West Yorkshire's productivity diverges from the national average.**
- This is a common feature across all local authorities.
- Asset composition (buildings, ICT, intangibles, etc) in West Yorkshire similar to national average.
- Investment underperformance in almost all industries.
- Research and Development investment also underperforms the national average.

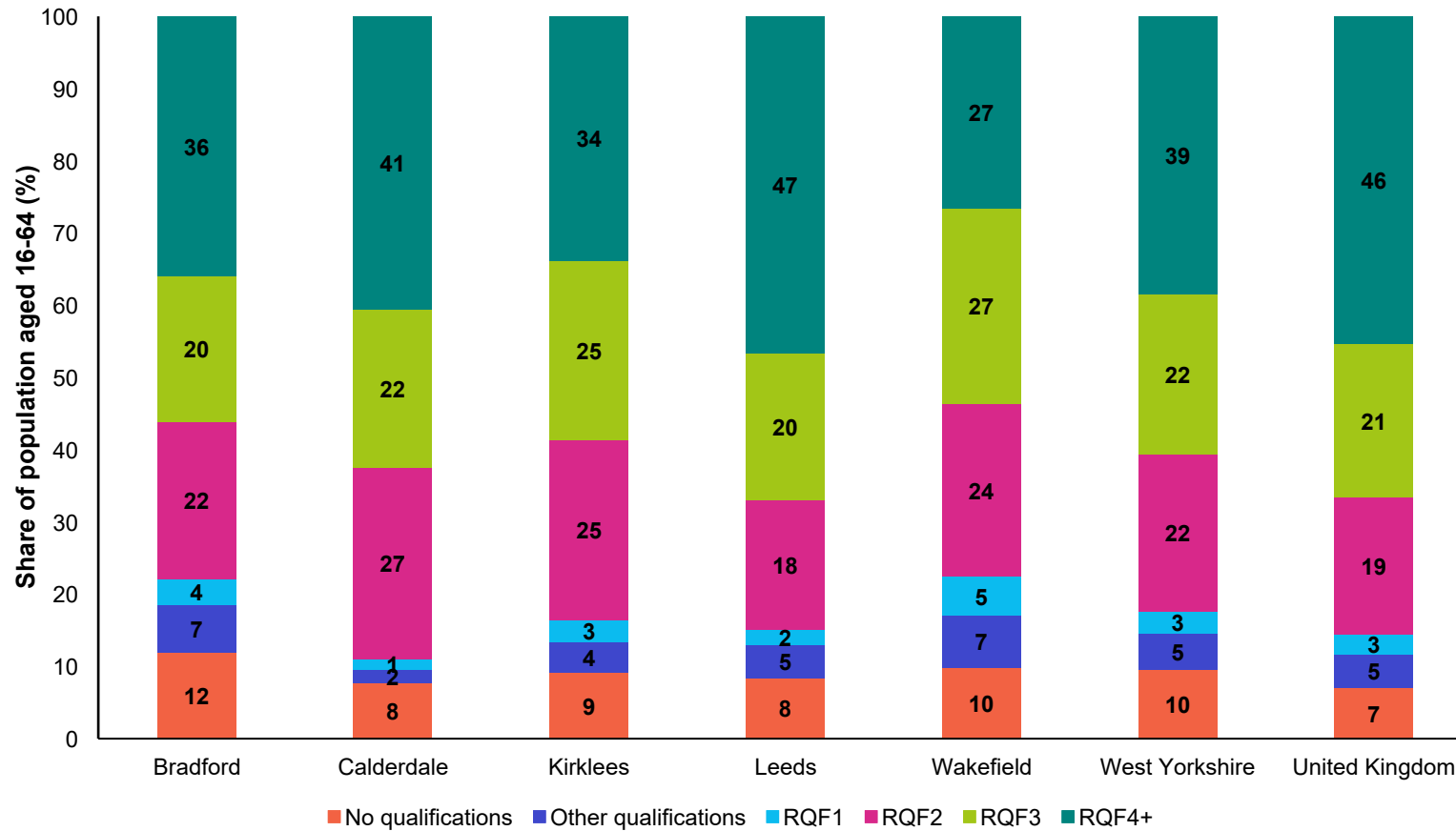
Source: ONS, Experimental regional gross fixed capital formation (GFCF) estimates by asset type: 1997 to 2020. ONS, GVA at ITL2, current price estimates: 1998 to 2020. West Yorkshire Combined Authority calculations.

# Skills to unlock productivity and reach inclusive growth

28

# West Yorkshire has a weak qualification profile but again picture varies by local authority

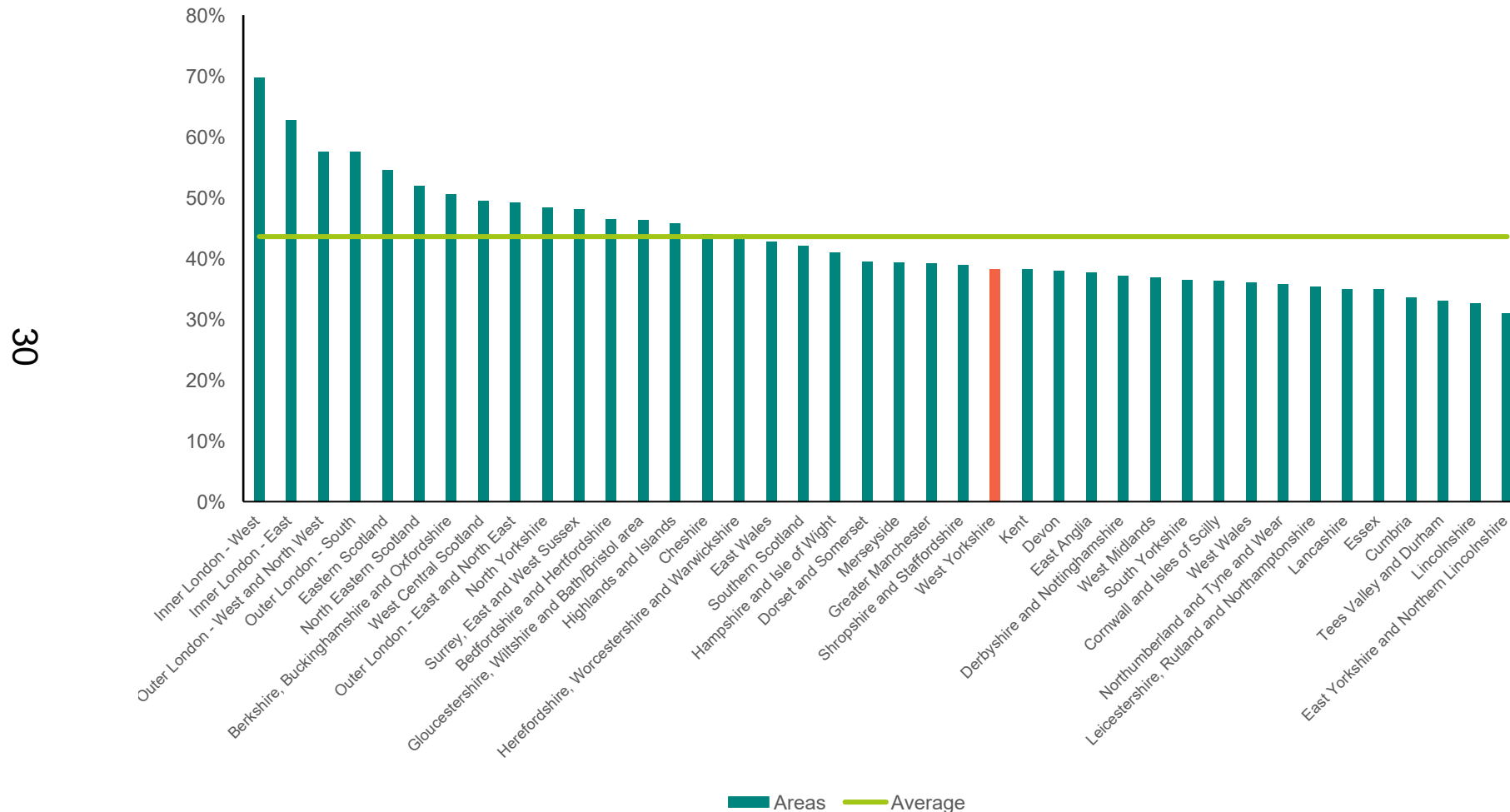
Figure: Profile of working age population by RQF level of highest qualification held



National Vocational Qualifications (NVQ) estimates have been replaced with estimates on a Regulated Qualifications Framework (RQF) basis

# West Yorkshire has a significant deficit of higher skilled people

Figure: Proportion of working age population qualified to Level 4 by NUTS2 area (people aged 16-64)



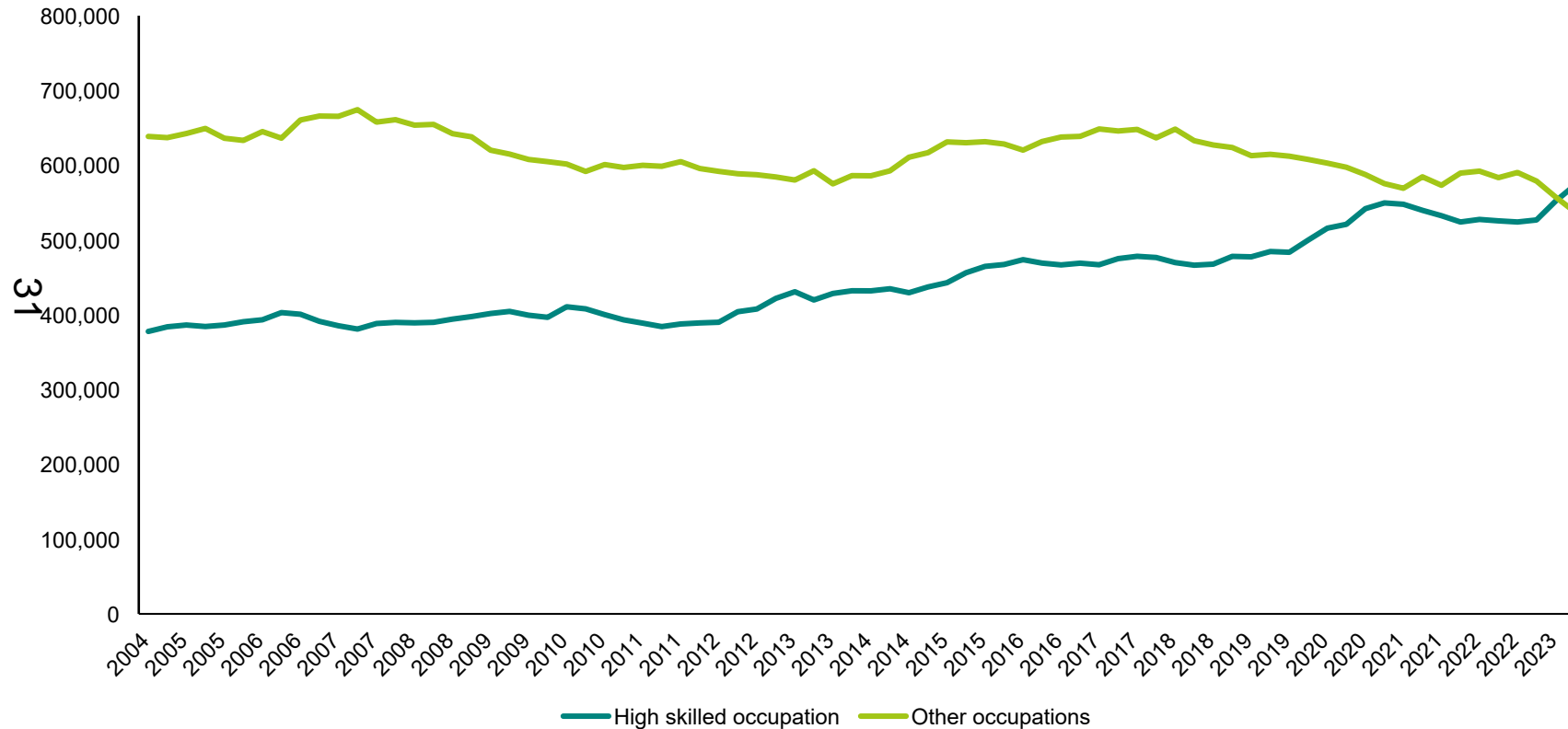
*West Yorkshire would need 100,000 additional higher qualified residents simply to match the national average*

Source: Annual Population Survey, ONS (Jan 2021-Dec 2021)



# Despite weak productivity performance, there has been a shift towards higher skilled occupations

Figure: Trend in employment for high skilled occupations, West Yorkshire 2004-2023

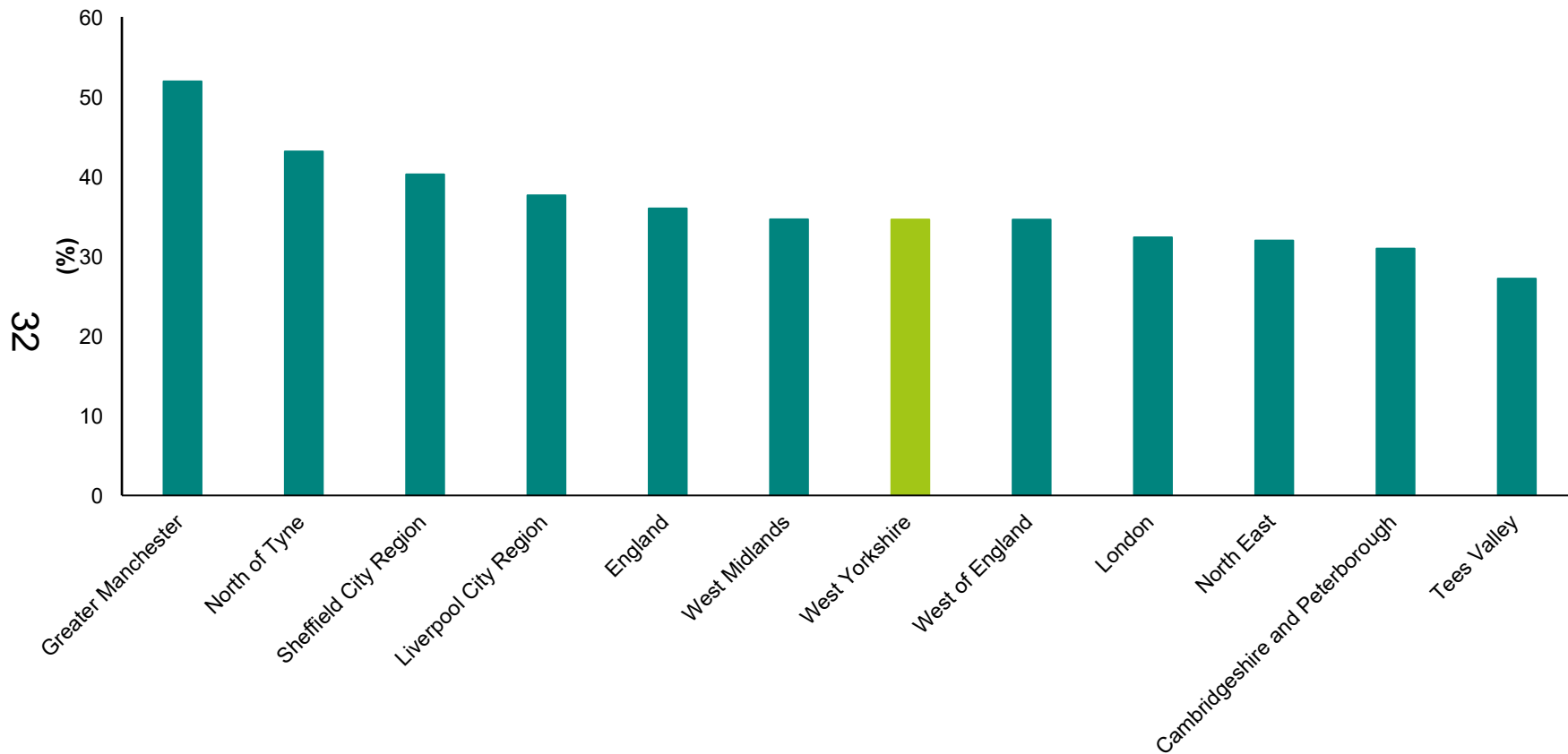


Source: Annual Population Survey, workplace employment.

Note: High skilled defined by “managers”, “professionals” and “associated professionals”, based on SOC2010 groups (codes 1 to 3).

# Employers find it difficult to get the skilled people they need

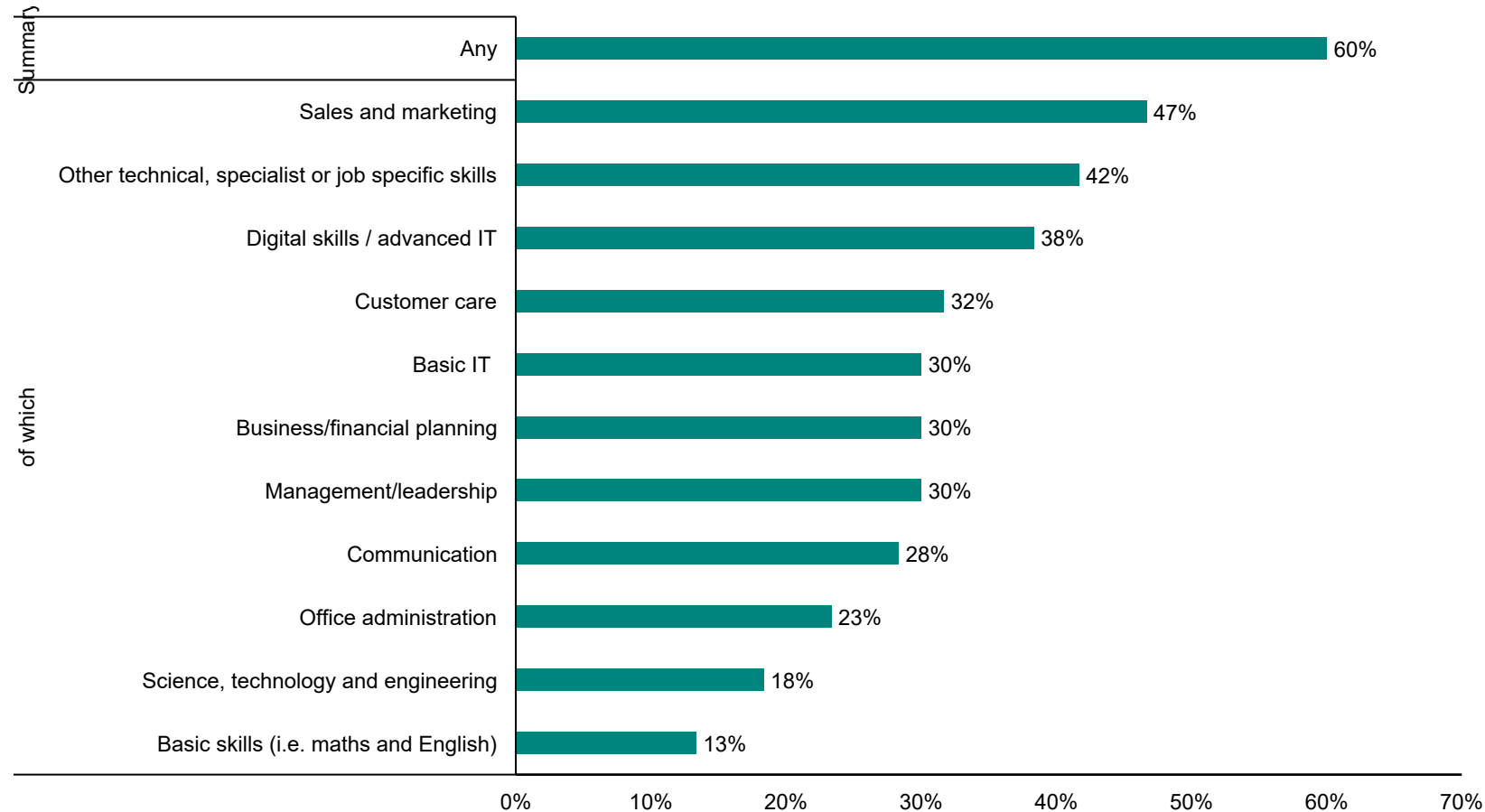
**Figure:** Share of skill shortage vacancies as a share of all vacancies, by Mayoral authority area, 2022



Skills shortage vacancies happen when employers face a shortage of candidates with the right skills for the job - they have a significant impact on firms' productivity performance.

# Evidence of skills deficits suggests that the skill base is likely to be constraining the economy today

**Figure:** Which of the following skills need improving during the next 12 months to meet your business/organization's needs?

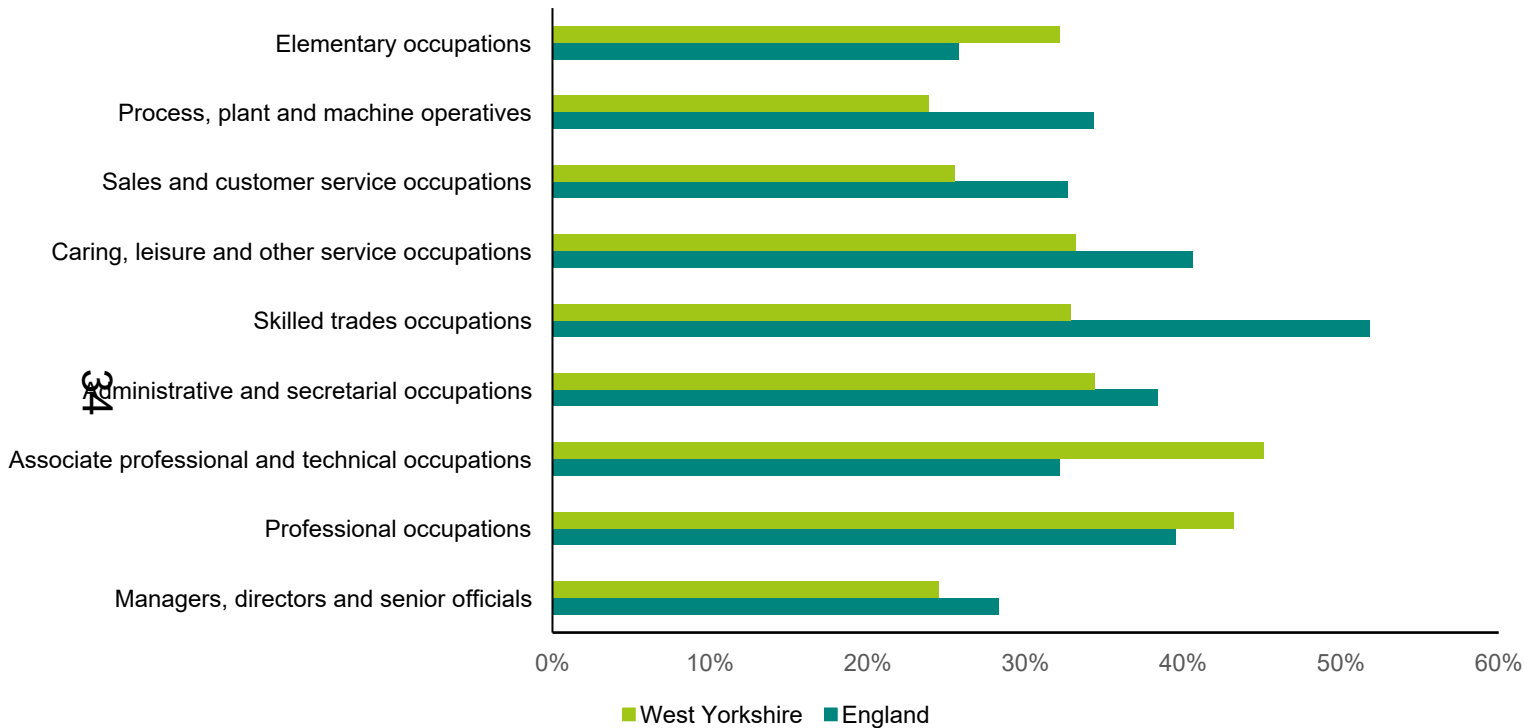


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Source: West Yorkshire Business Survey, 2023.

# Shortages suggests that the skill base is likely to be constraining the economy today

**Figure:** Skill shortage vacancies as a share of total vacancies, by occupation major group



- Relative to occupations, compared to England, occupations shortages are more acute for professional and associated professionals.
- Research [shows](#) that deficits of STEM skills may be limiting the UK economic performance, especially outside the South of England.

# West Yorkshire performs below national average on supply of young people with qualifications and divergence in recent years

Figure: Proportion of young people achieving qualifications at level 2 and level 3 equivalent by age 19 in 2021/22 (State sector)

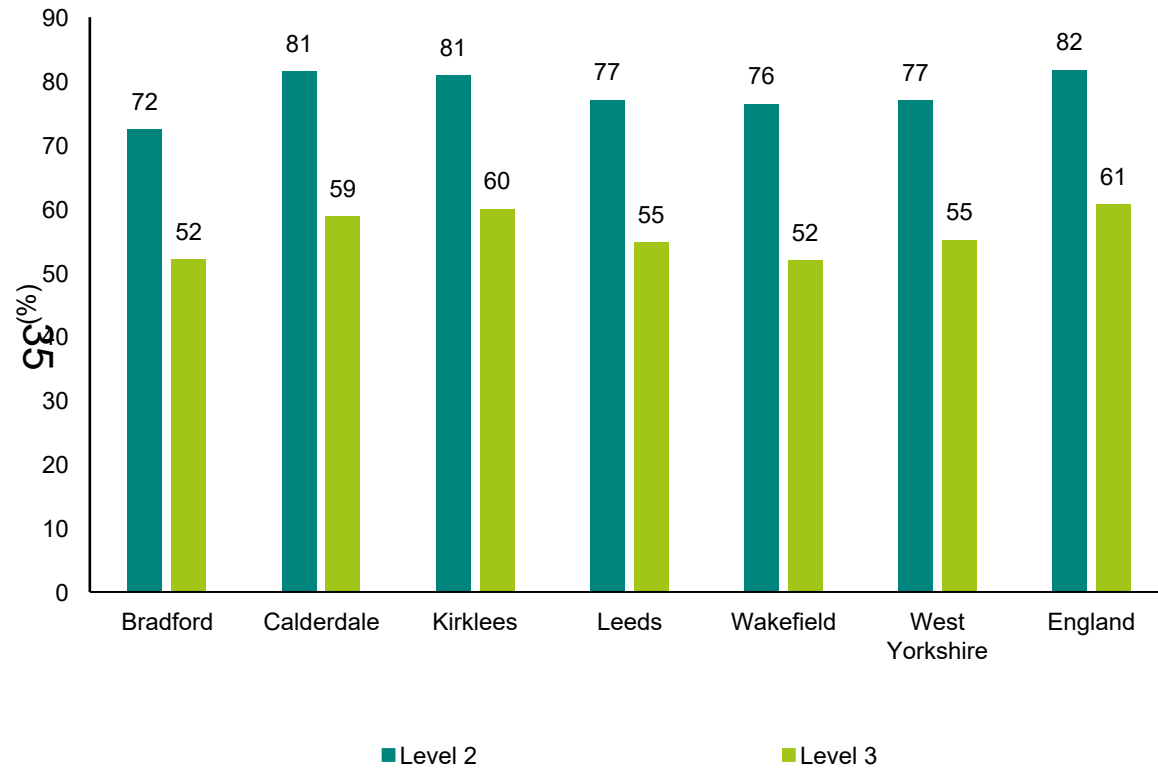


Figure: Share of who achieve level 2 by the age of 19 (2004/05 and 2021/22)

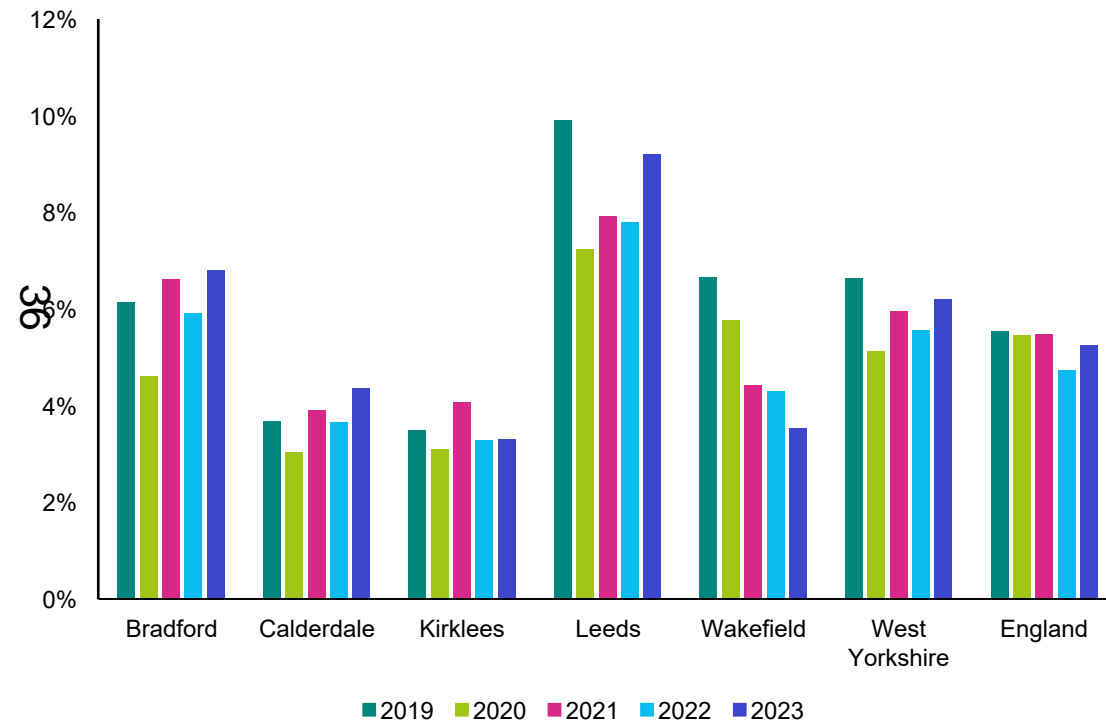


Source: Department for Education

Source: DfE, Level 2 attainment age 16 to 25, Academic year 2021/22.

# Build a pipeline that can benefit from future well-paid jobs

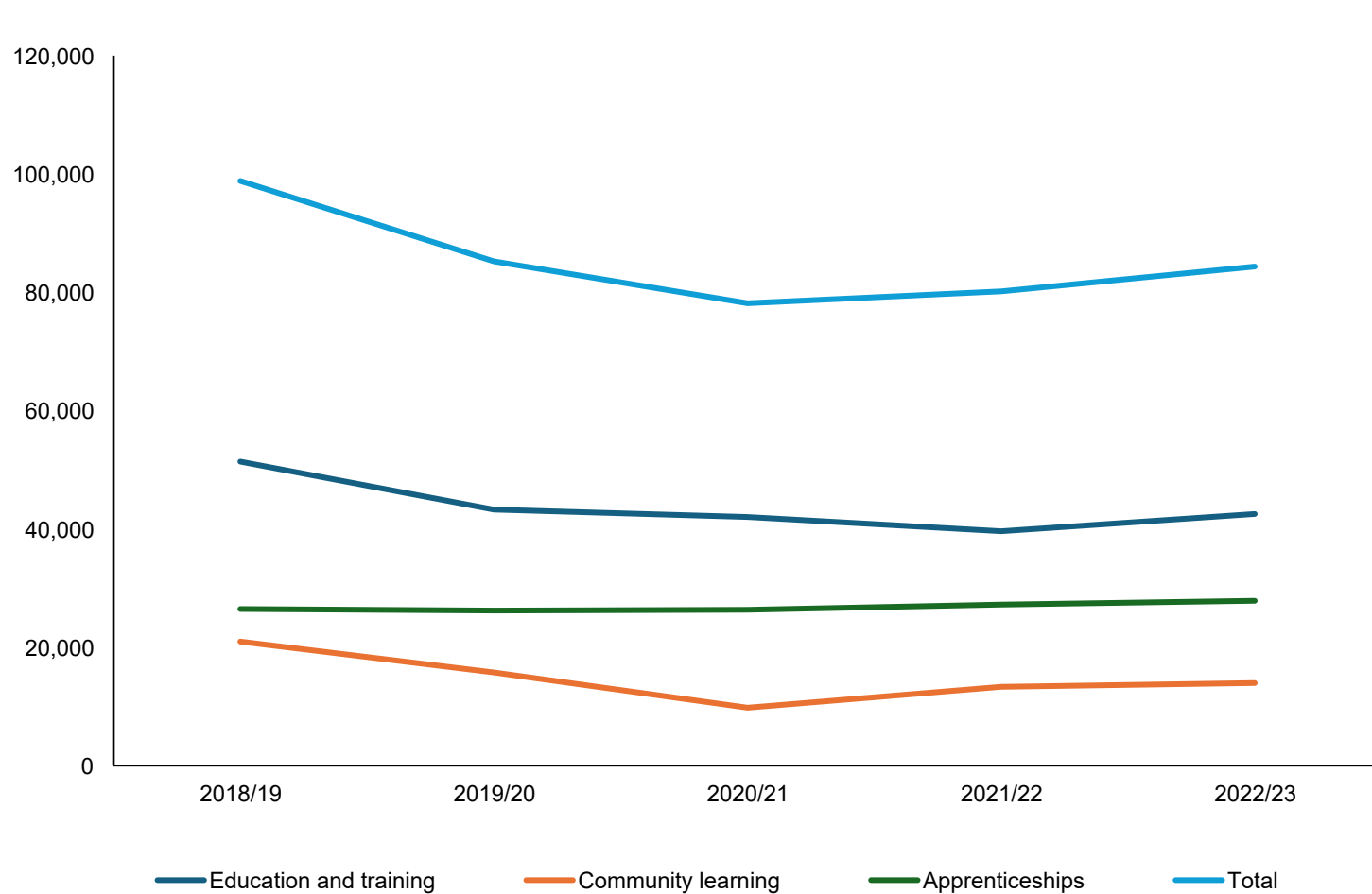
**Figure:** Young people not in education, employment or training (NEET) or activity unknown, by local authority (2019-2023)



- West Yorkshire residents will need to have a certain level of skills to benefit from high paying jobs of the future.
- Today, West Yorkshire has an above average high share of NEETs, mainly driven by in Leeds and Bradford, which shows exclusion among the young.
- Unlike England, the share of NEET has been rising in recent years.
- Without further interventions, building on the existing productive industries in West Yorkshire would not directly benefit the NEET.

# Government investment in further education and skills programmes has fallen in recent years

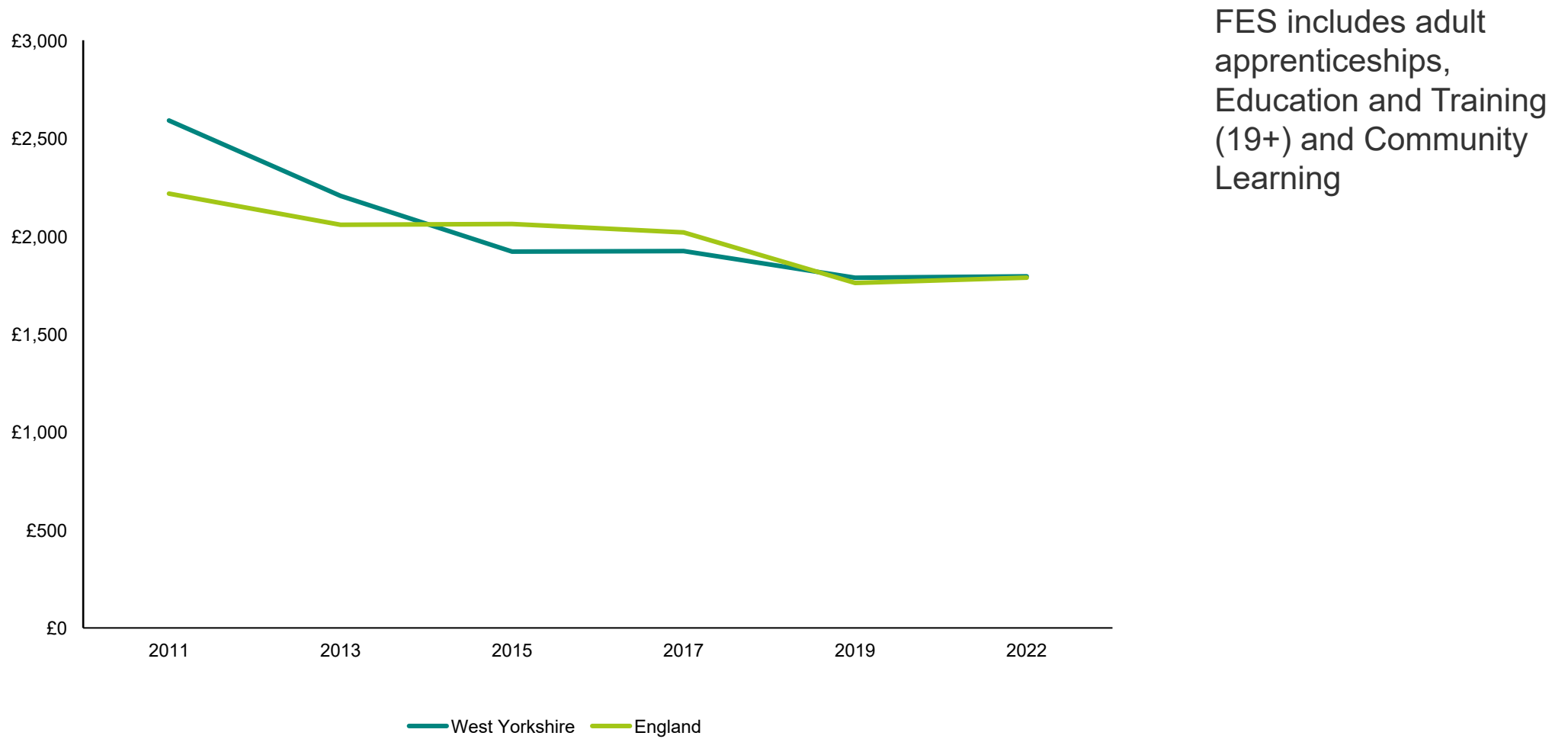
Figure: Adult participation in further education and skills programmes, West Yorkshire



FES includes adult apprenticeships, Education and Training (19+) and Community Learning

# Estimated employer investment in training has also fallen over the last decade

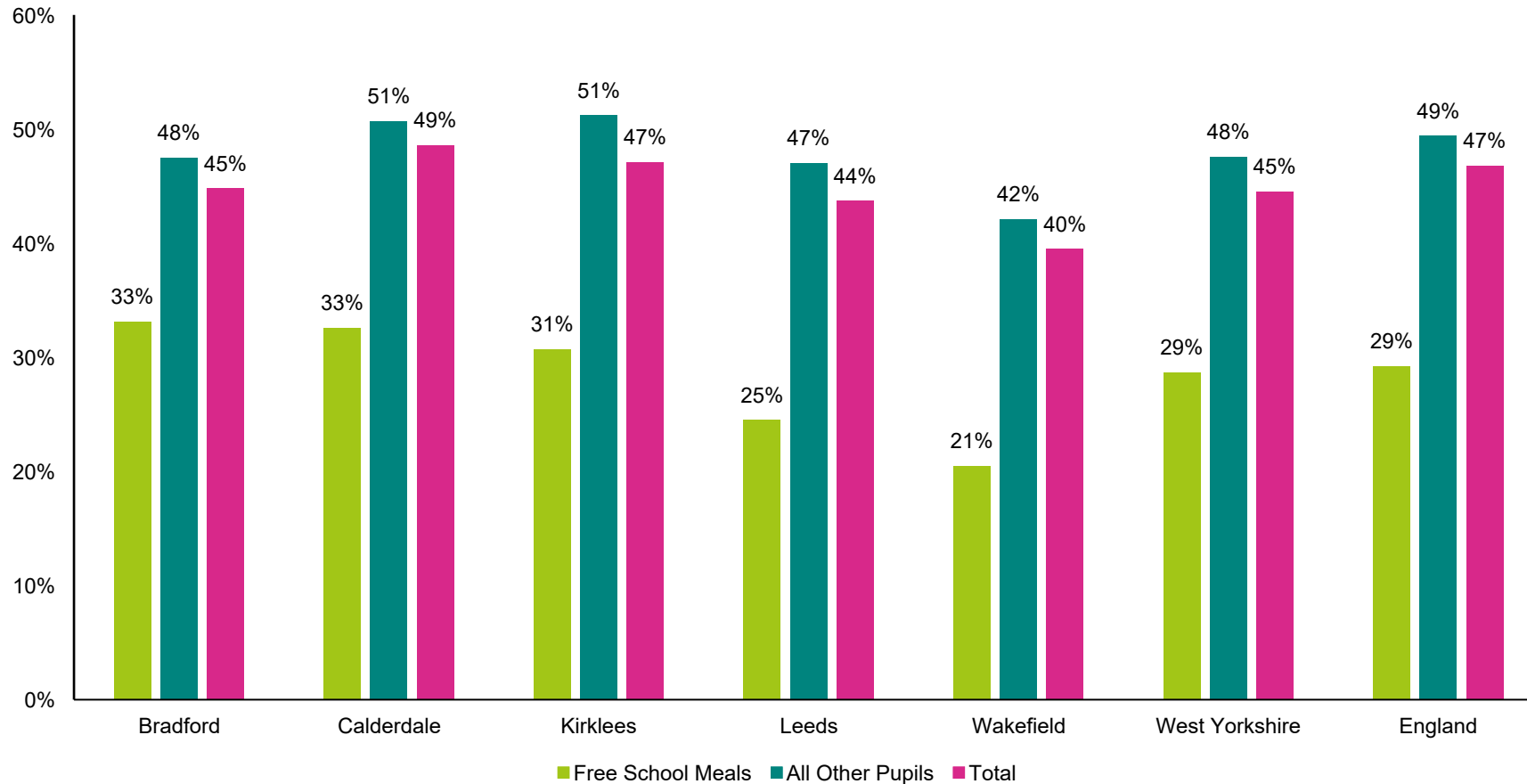
Figure: Trend in estimated employer investment in training per employee, West Yorkshire





# West Yorkshire has a mixed picture in terms of entry rates into higher education

**Figure:** Progression rates to higher education by age 19 for state-funded pupils, 2021/22 by free school meal status



# West Yorkshire's employment rate gap with national average is due to economic inactivity

Figure: Employment, unemployment and economic inactivity by local authority (2023)

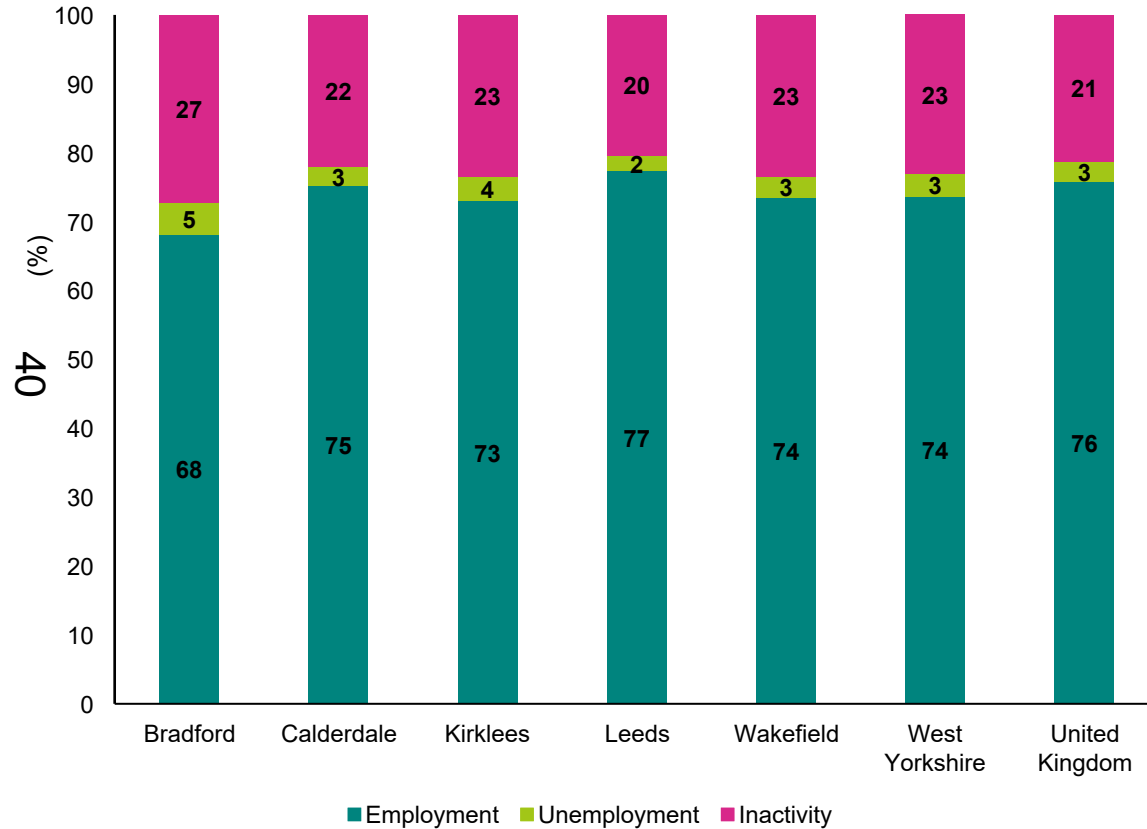
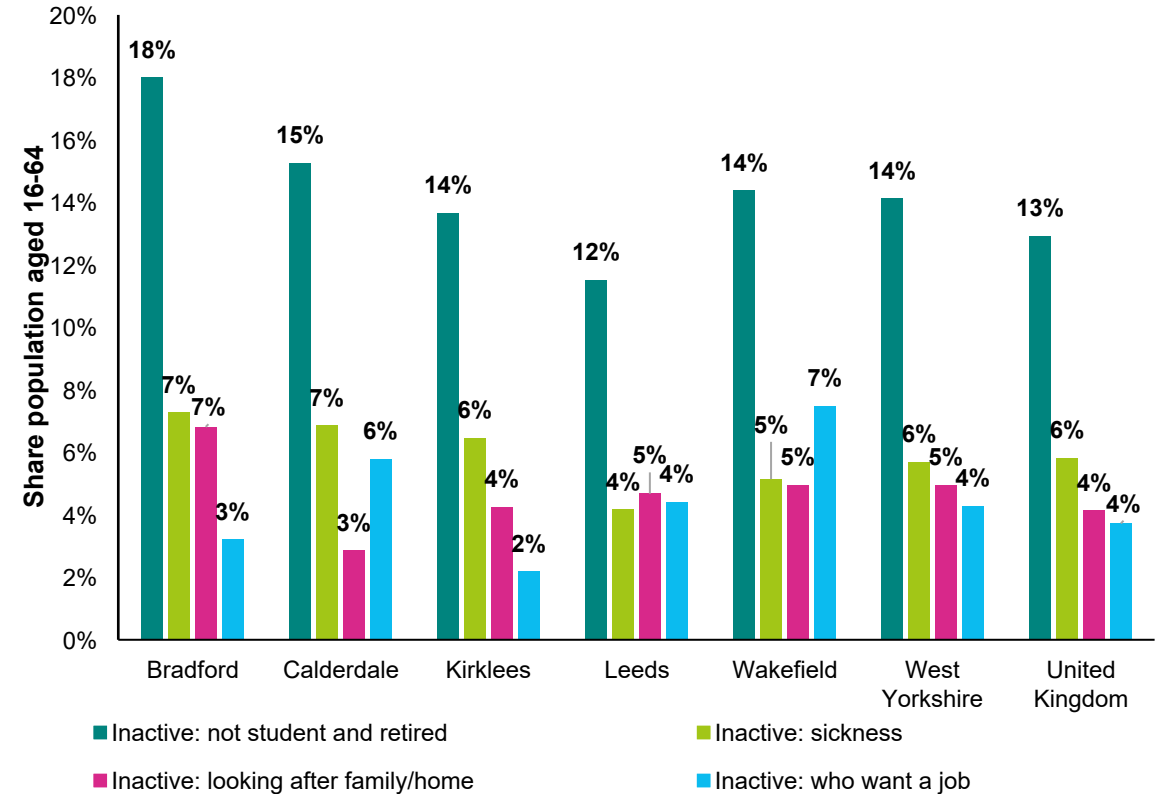


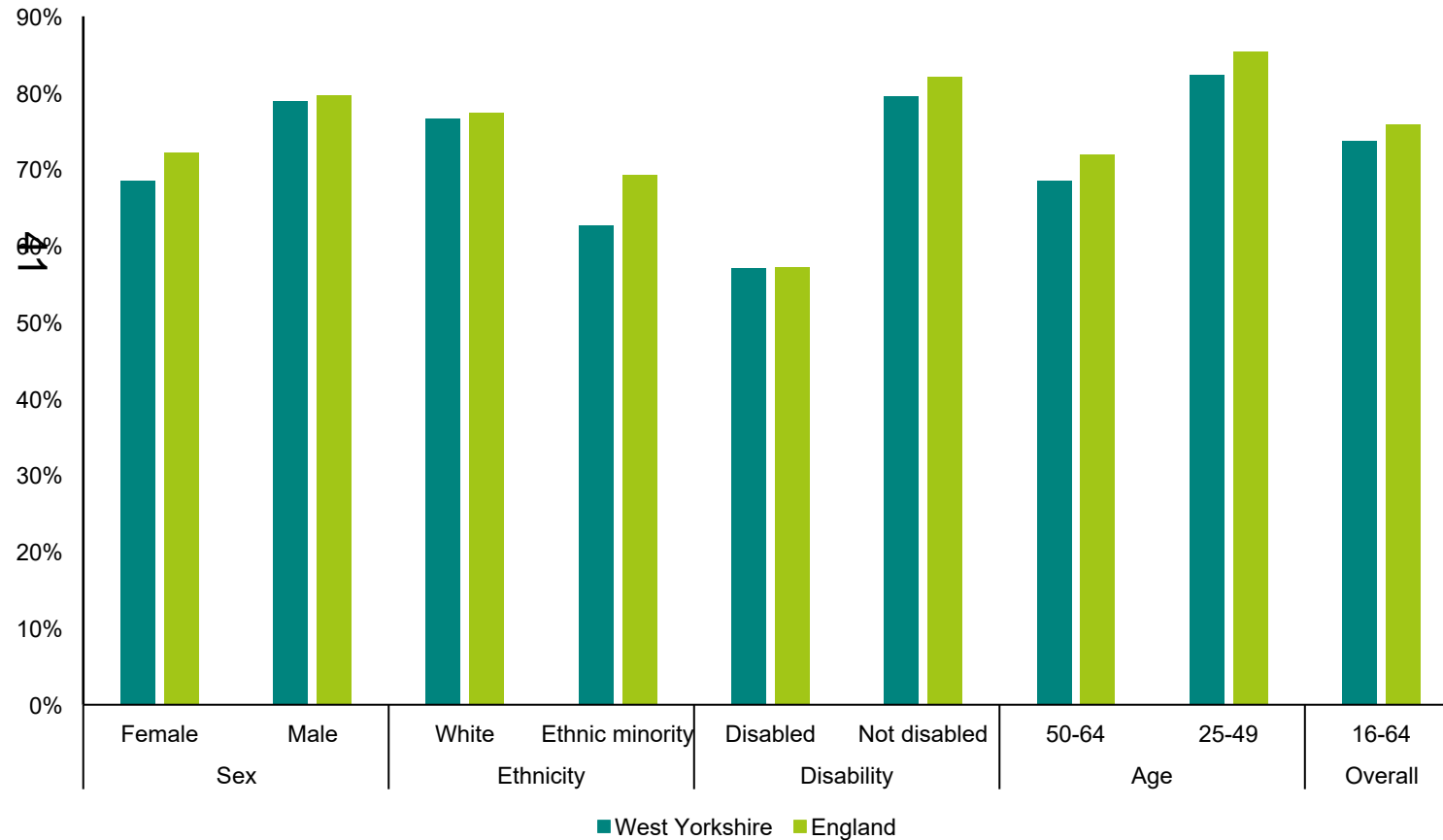
Figure: Inactivity by reason (2023)



Source: Annual Population Survey, October 2022 to September 2023

# Key groups face significant employment rate gaps

**Figure:** Employment rates by selected population groups (Oct 2022-Sep 2023)

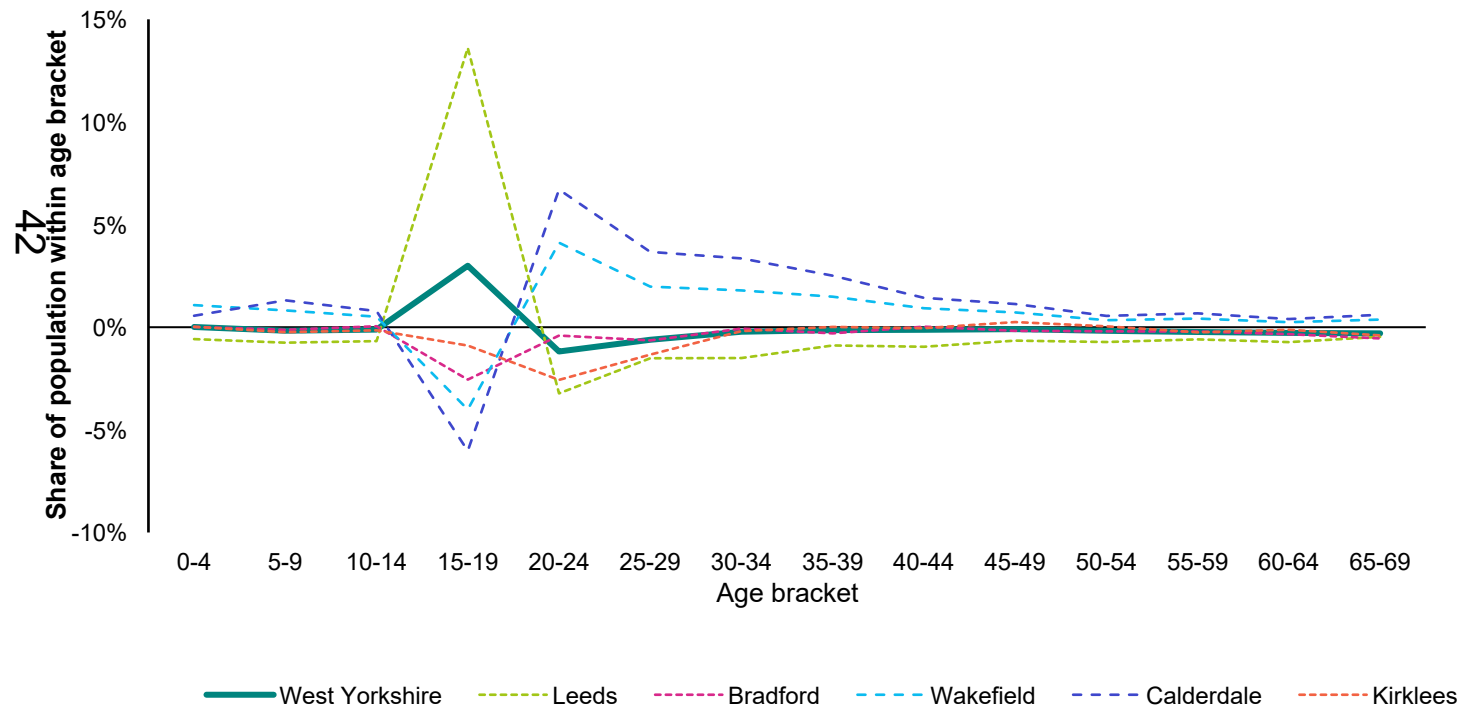


Source: Annual Population Survey.

# West Yorkshire loses people to other parts of UK over time, especially at peak prime working age

Figure: Internal migration by age bracket (2019)

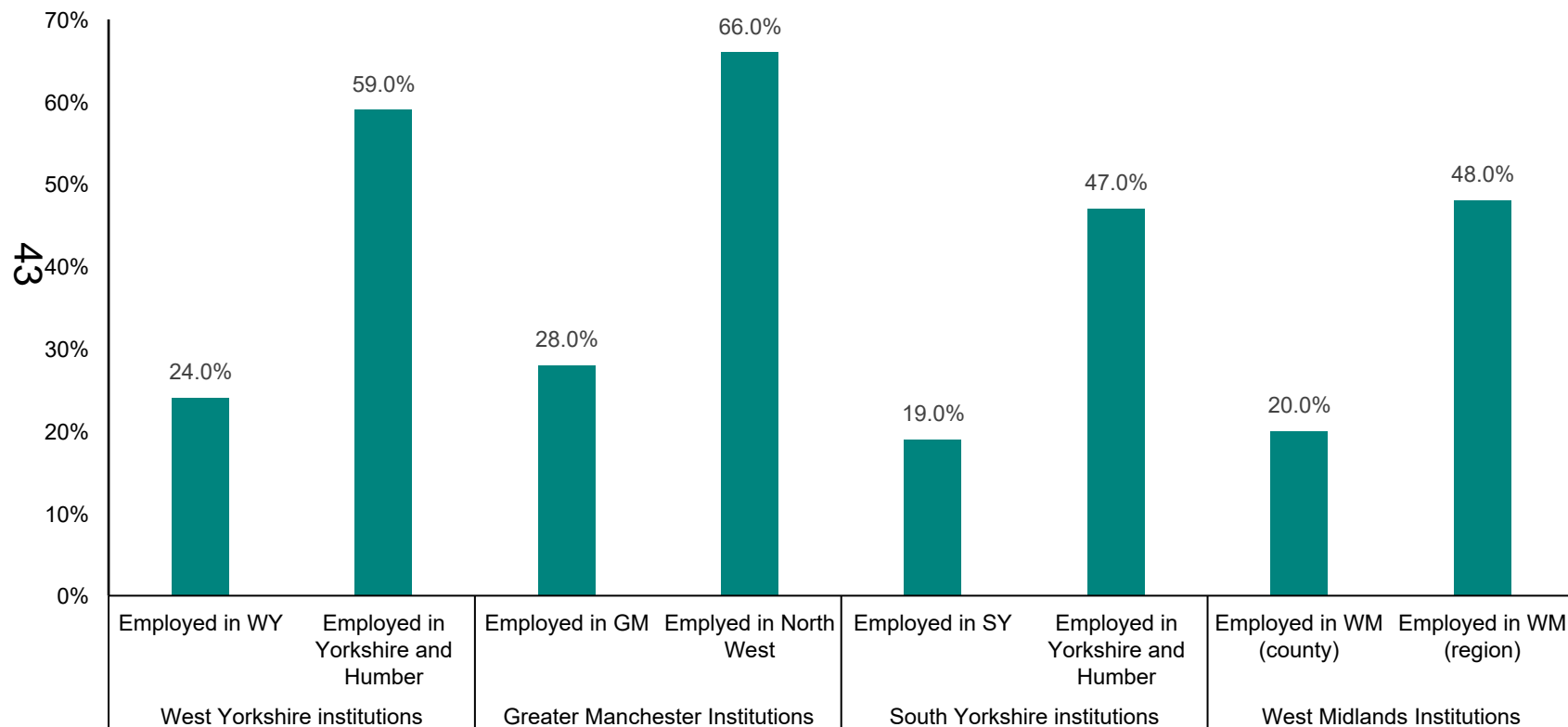
## Internal migration by age bracket



- West Yorkshire sees net outflow of people at prime working age.
- West Yorkshire absorbs population between 15 and 19, when a lot of people attend its universities. However, over time West Yorkshire loses population to other areas of the UK.
- Calderdale and Wakefield attract people during their prime working age years. This may be driven by intra WY flows.
- Improving West Yorkshire's economy requires being an attractive place for workers at prime age. Both retaining graduates but also attracting new people.

# Most graduates go elsewhere limiting the labour pool of West Yorkshire

**Figure:** Share of graduates in employment retained in MCA area and ITL region at 15 months, by location of institution (2020/21)

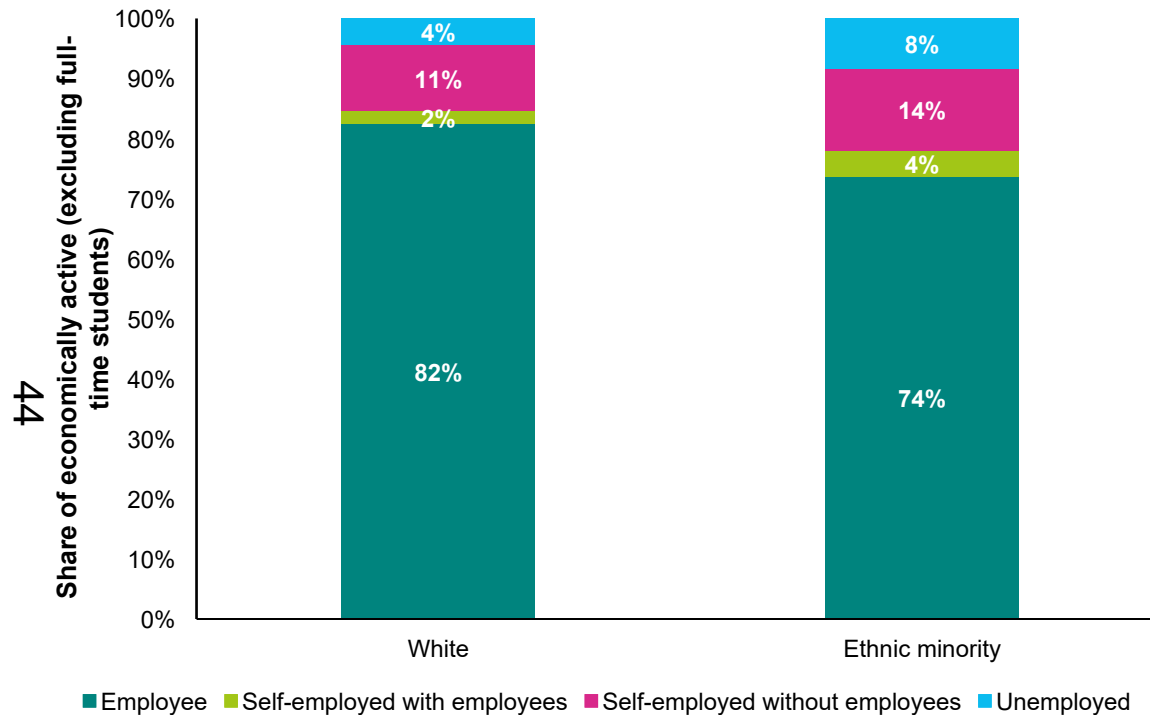


*Note: UK domiciled leavers from WY institutions in employment after 15 minutes. Excludes overseas destinations and not known destination.*

*Source: Graduate Outcomes Survey 2020/21.*

# Self-employment without employees is high within ethnic minorities but slightly lower in the most deprived areas

**Figure:** Distribution of economic activity by ethnicity, West Yorkshire (2021)



Source: Census 2021.

**Figure:** Distribution of economic activity by IMD in West Yorkshire (2021)

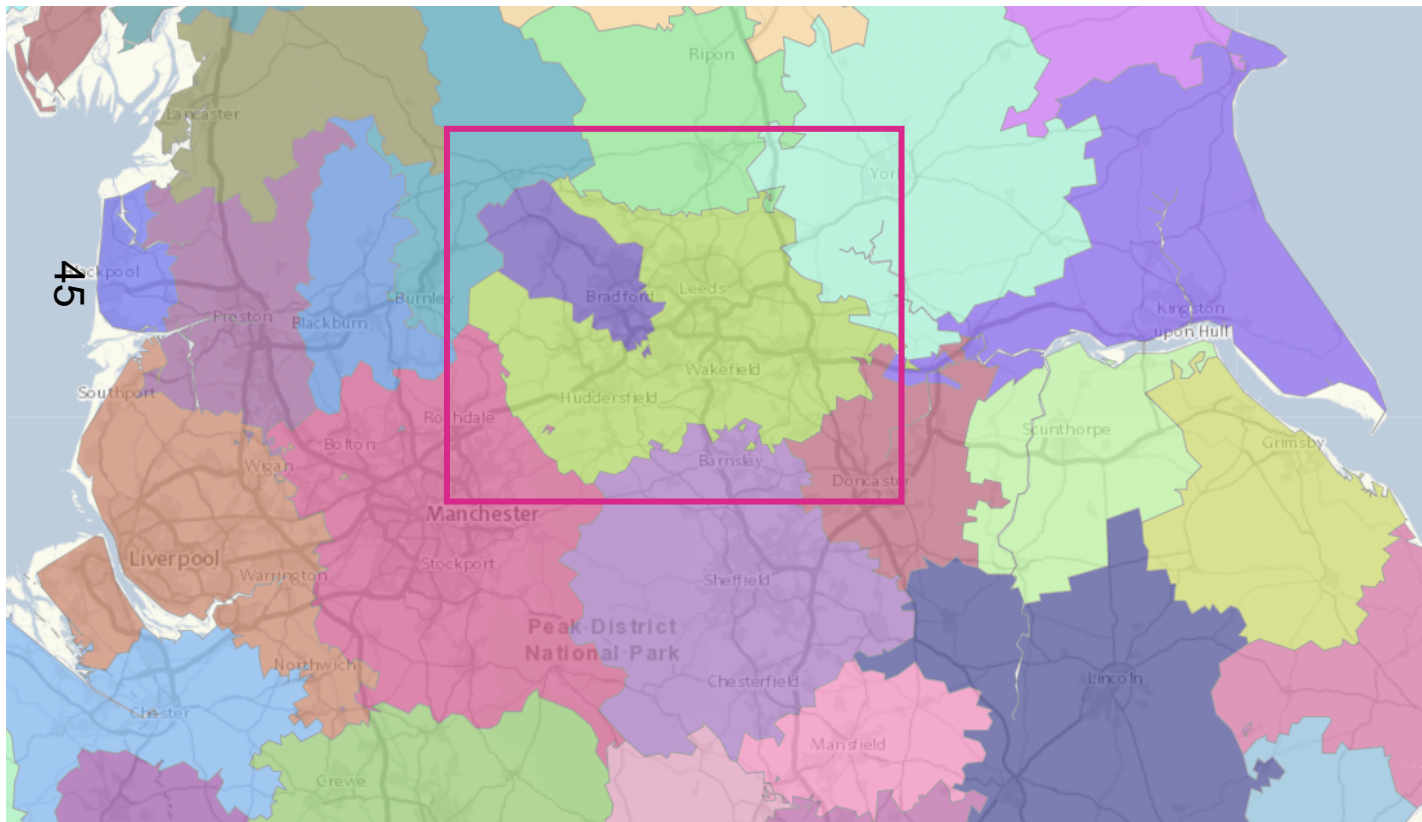


Source: Census 2021.

- Self-employment is particularly high for ethnic minorities, especially among men. Self-employed without employees is the most common form of self-employment.
- Providing business support to these groups is fundamental to generate inclusive growth.
- The most deprived areas face more unemployment but not higher self-employment than the remaining areas.

# Interventions should contribute to the integration of the combined authority as a labour market

Figure: Alternative Travel to Work Areas, Full time employed (2011)



- Despite the census showing that there are plenty of flows between local authorities. Travel to Work Areas (2011) full time workers suggest that Bradford is not entirely integrated as a labour market.
- This is likely to be driven by a combination of factors like connectivity (road congestion and rail capacity) but also the level of skills of the workforce to benefit from longer commutes.
- The remaining combined authorities do not necessarily match their TTWA (GM and Wigan, or Doncaster and Sheffield) but this seems to be significant.

# Conclusions

- West Yorkshire is in low skill equilibrium – requiring co-ordinated action on both skills demand and skills supply to raise productivity levels.
- West Yorkshire under-performs on higher skilled employment compared with national average but has seen growth in this area in recent years.
- West Yorkshire also under-performs on skills supply with public and private investment also lower compared with previous years.
- <sup>46</sup> West Yorkshire faces challenges around economic inclusion reflected in employment rates.
- Skills mismatches present a challenge to business performance and productivity growth.
- The indicators provide a mixed picture of performance on employment and skills across the local authorities, with important implications for the economic strategy.



# West Yorkshire Economic Strategy:

**Summary Pack for Employment and  
Skills Committee**

West Yorkshire Economic Strategy: draft policy in development



# A New Economic Strategy to deliver the West Yorkshire Plan

Devolution provides a historic opportunity for West Yorkshire. Now is the time for a new Economic Strategy to deliver the vision and the missions of the West Yorkshire Plan.

Working collaboratively, the Economic Strategy will take a whole systems approach to tackle long-term, systemic and complex issues facing our region.

**Our Partnership:** this is a regional strategy and is being developed in partnership with the five West Yorkshire local authorities. It provides a regional framework that aligns to district plans and strategies as well as northern, national, and international opportunities.

### The West Yorkshire 2040 Vision and missions

**Our vision:**  
A brighter West Yorkshire – a place that works for all.  
An engine room of ideas and creativity, where anyone can make a home.

Our vision and missions put equity, diversity, and inclusion at the heart of everything we do. We will lead the way to embed these values across all our work.

**The West Yorkshire Plan includes:**

- The West Yorkshire story – our region’s unique identity
- The future of West Yorkshire – our vision and missions for 2040
- Working together – our partnerships for change

- Mission 1:**  
A prosperous West Yorkshire – an inclusive economy with well paid jobs
- Mission 2:**  
A happy West Yorkshire – great places and healthy communities
- Mission 3:**  
A well-connected West Yorkshire – a strong transport system
- Mission 4:**  
A sustainable West Yorkshire – making lives greener
- Mission 5:**  
A safe West Yorkshire – a region where everyone can flourish

# The Challenge

**Entrenched, generational and a significant constraint to inclusion and prosperity.**

West Yorkshire's productivity growth has not kept pace with the rest of the UK. This is impacting on living standards across the region.

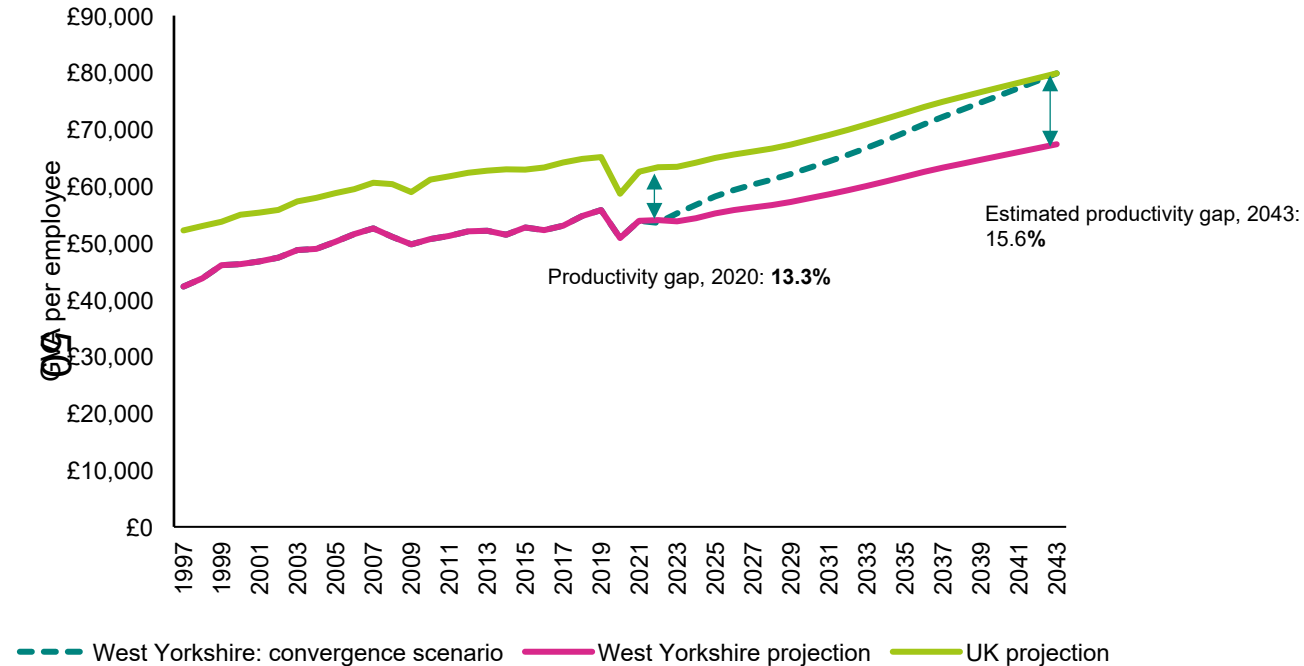
Longstanding deprivation, economic inactivity and health inequality is holding back economic growth.

Too many people in the West Yorkshire workforce do not have the qualifications and skills they need to reach their full potential.

# Productivity growth is underperforming.

Figure: GVA performance and projections, UK and West Yorkshire (1997-2043)

## Productivity scenarios

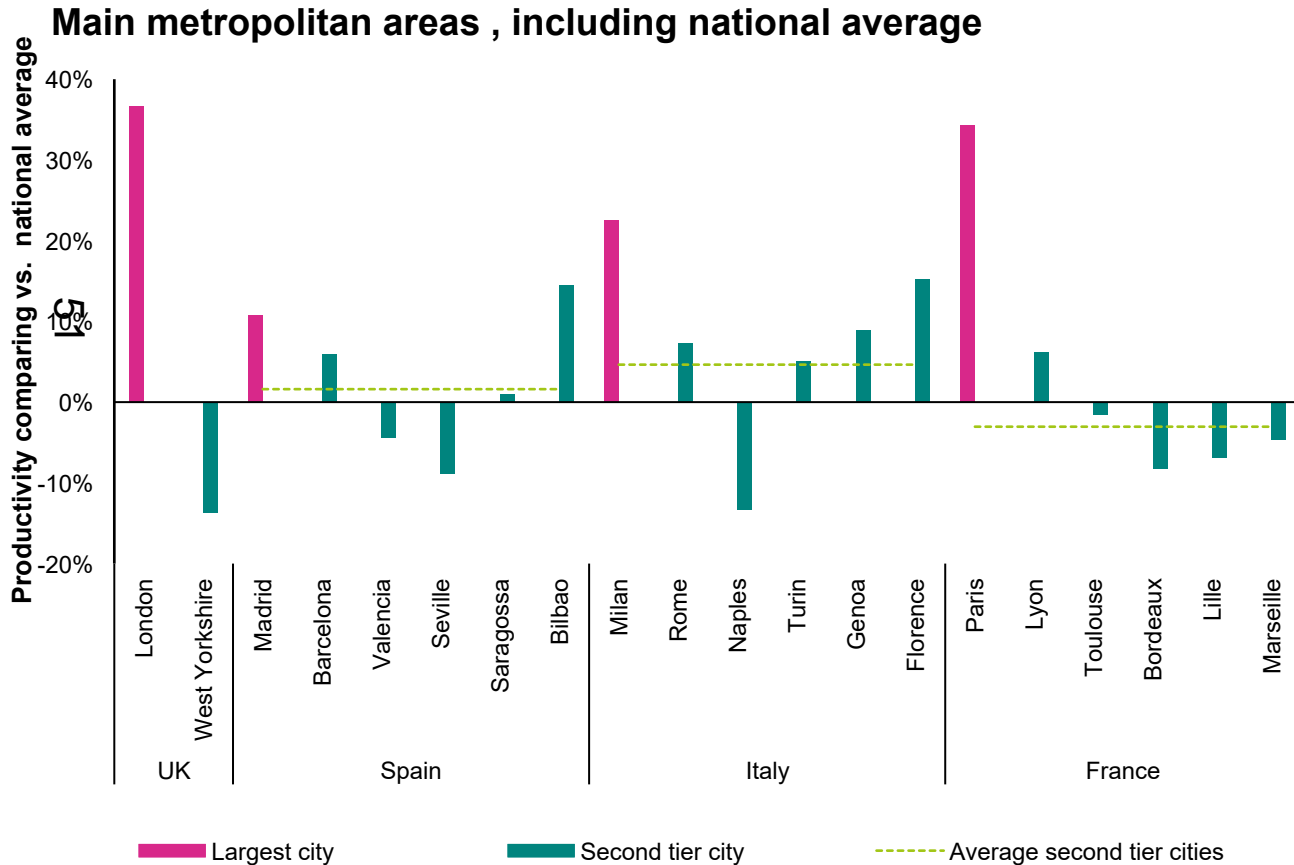


- West Yorkshire is underperforming the (already low) national average.
- Projections suggest the productivity gap will widen in the next two decades.
- Closing the productivity gap by 2043, would mean GVA growing at 2.3 per cent a year **leading to an economy £15bn larger than projected and £38bn larger than today.**
- Closing the productivity gap with the UK average would align West Yorkshire with second-tier cities in international comparators.

Source: Experian, West Yorkshire Combined Authority REM.

# Comparisons with peer countries suggest that West Yorkshire should aim to reach UK's average productivity

**Figure:** Labour productivity, 2019 (GDP per worker in USD, constant prices, constant PPP, base year 2015)



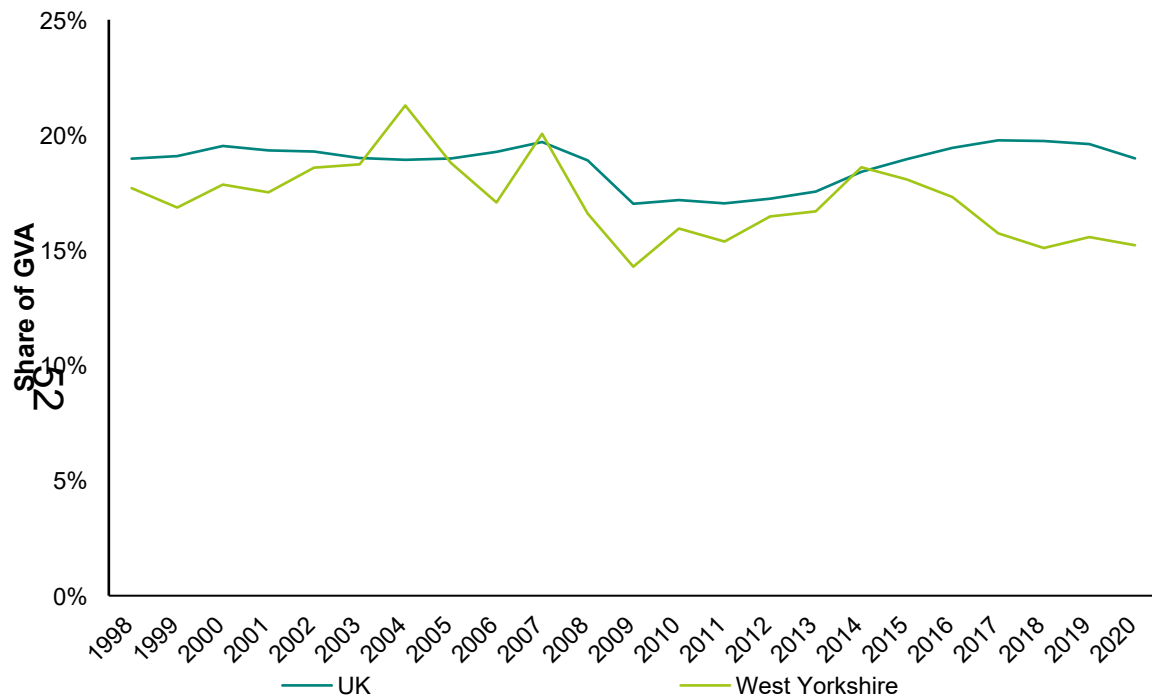
- West Yorkshire underperforms the national average, while second tier cities in other large countries tend to perform in line with the average.
- Not all metro areas overperform the national average, but only Naples underperforms (against the national average) as much as West Yorkshire.
- In absolute terms, West Yorkshire is the third least productive area analysed. Only ahead of Naples and Seville by 1.4% and 0.7%, respectively.
- This [feature](#) is common across the UK's largest cities outside London like Manchester, Glasgow and Birmingham.
- London's productivity relative to the national average is broadly in line with other countries.

Source: OECD, Metropolitan areas, GDP per worker. Leeds OECD's definition of metropolitan area being used for West Yorkshire. The second cities considered are the following. **Spain:** Barcelona, Valencia, Seville, Bilbao and Saragossa. **Italy:** Rome, Milan, Naples, Turin, Palermo, Genoa and Florence. **France:** Lyon, Toulouse, Strasbourg, Bordeaux, Nantes and Lille.

# West Yorkshire's investment and skills pipeline is diverging from UK average

**Figure:** Investment at the subnational by ITL2 (1998-2020)

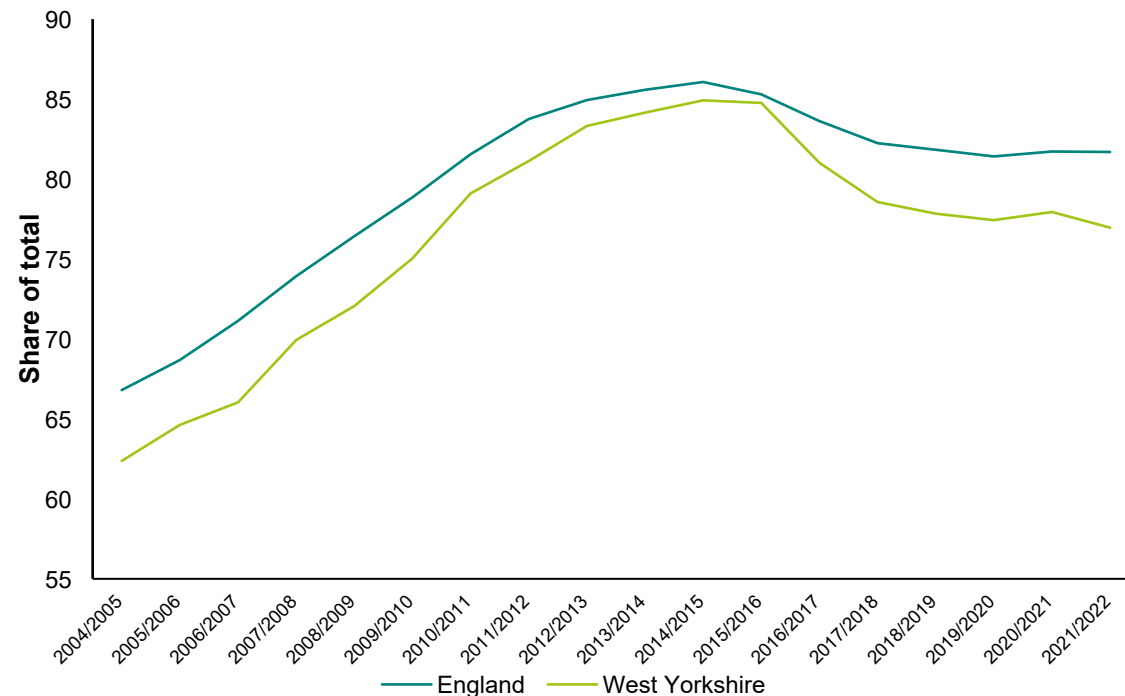
## Gross Fixed Capital Formation share of GVA



Source: ONS, Experimental regional gross fixed capital formation (GFCF) estimates by asset type: 1997 to 2020. ONS, GVA at ITL2, current price estimates: 1998 to 2020.

**Figure:** Share of who achieve level 2 and level 3 by the age of 19 (2004/05 and 2021/22)

## Who achieve level 2 by age of 19



Source: DfE, Level 2 attainment age 16 to 25, Academic year 2021/22.

# Economic Enablers Holding back Productivity

---

**Connectivity is constraining West Yorkshire's economic activity** and investment in transport infrastructure has not kept pace with need:

- Average commuting times have been increasing overtime. Congestion in Leeds is much higher than international peers in more productive second-tier cities.
- Sectors that are expected to play an important role in closing the productivity gap, like advanced manufacturing or professional services, report higher dissatisfaction with connectivity than average.

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There are pockets of **Digital Connectivity underperformance**, particularly in rural areas of Calderdale.

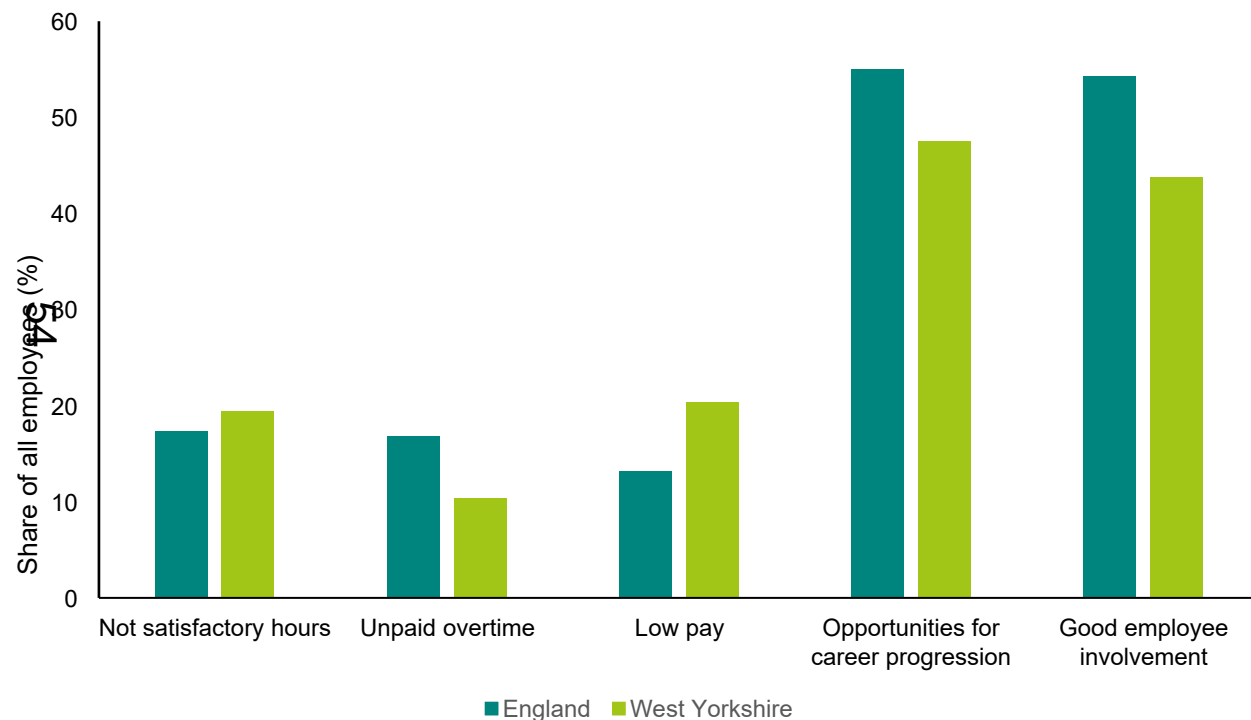
Despite levels being lower than the national average, **house prices and rents have been rising faster than the national average.**

The Economic Strategy aligns to key strategic enablers demonstrated in ongoing policy work to develop:

- A Local Transport Plan
- Housing Strategy
- Digital Blueprint.

# Lack of desired hours and progression opportunities are higher in West Yorkshire than in England

Figure: Job quality indicators, January to December 2021



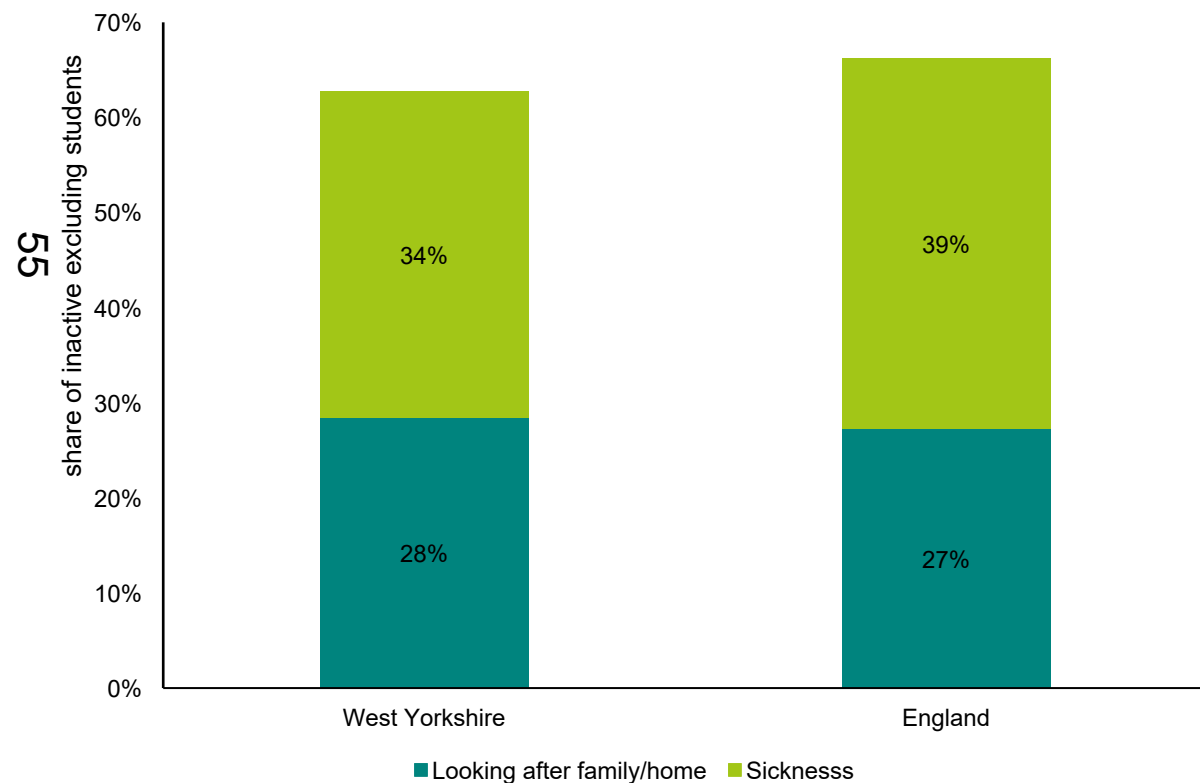
- Part time work is more prevalent for workers with lower qualifications, which limits income earned by workers.
- This may be a choice, but research suggests the the gap between male and female part-time rates is driven by caring responsibilities.
- The UK has one of the highest childcare costs in the [OECD](#).
- Working towards improving childcare is likely to promote income gains at the bottom of the income distribution and allow West Yorkshire to make the most out of its talent.

Source: Jobs quality indicators in the UK - hours, pay, contracts, opportunities, and involvement: 2021, Office for National Statistics. West Yorkshire figures estimated using local authority statistics and weighted them using the number of employees provided by Business Register and Employment Survey (BRES).



# A large share of inactivity due to sickness and caring responsibilities

**Figure:** Share of economic inactive (excluding students) by reason of inactivity, Oct 2022-Sep 2023



- There are around 250,000 people classified as inactive in West Yorkshire (excluding students).
- From those, almost two thirds are inactive due to sickness or looking after family/home.

# The Opportunity

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West Yorkshire's diverse economy has pockets of specialisation spread across the region. There are positive examples of manufacturing specialisms with above average productivity, alongside knowledge-based specialisms where productivity improvements are needed.

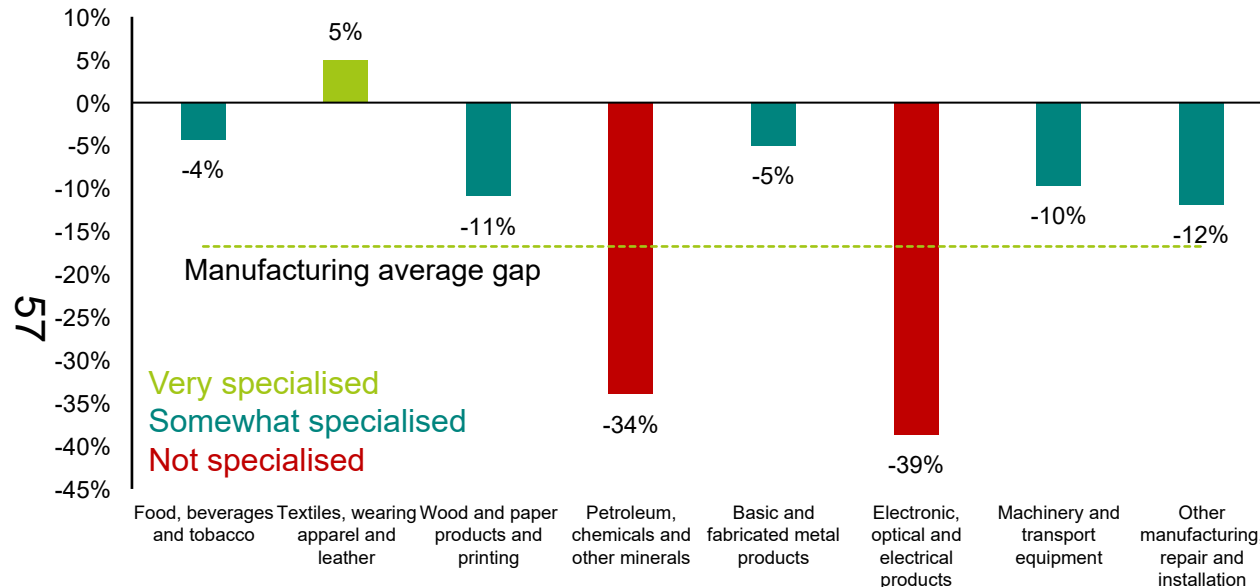
These specialised clusters and emerging sectors demonstrate the potential for productivity growth. West Yorkshire is a self-contained labour market, so these specialisms provide opportunity for people across the region.

# Closing the productivity gap will require new manufacturing specialisms in West Yorkshire and a deepening of existing specialisms in Leeds

Figure: Manufacturing productivity by ITL3 and industry, West Yorkshire 2019

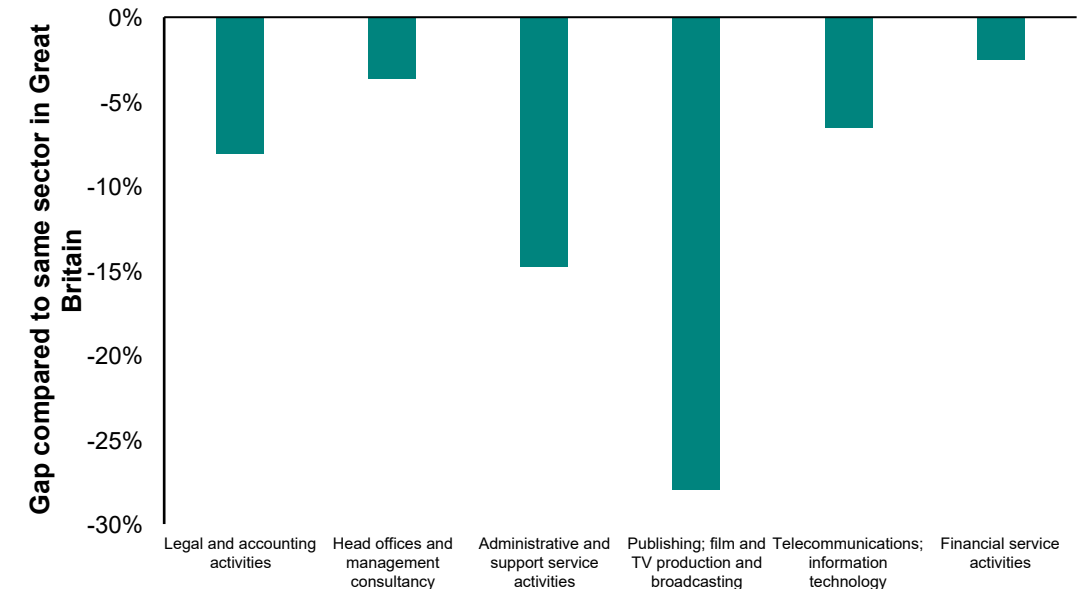
Figure: Services productivity in Leeds by its specialisms, 2019

## Productivity gap



Source: ONS, Regional gross value added (balanced) by industry: all ITL regions. ONS, Business Register and Employment Survey.

## Productivity gap

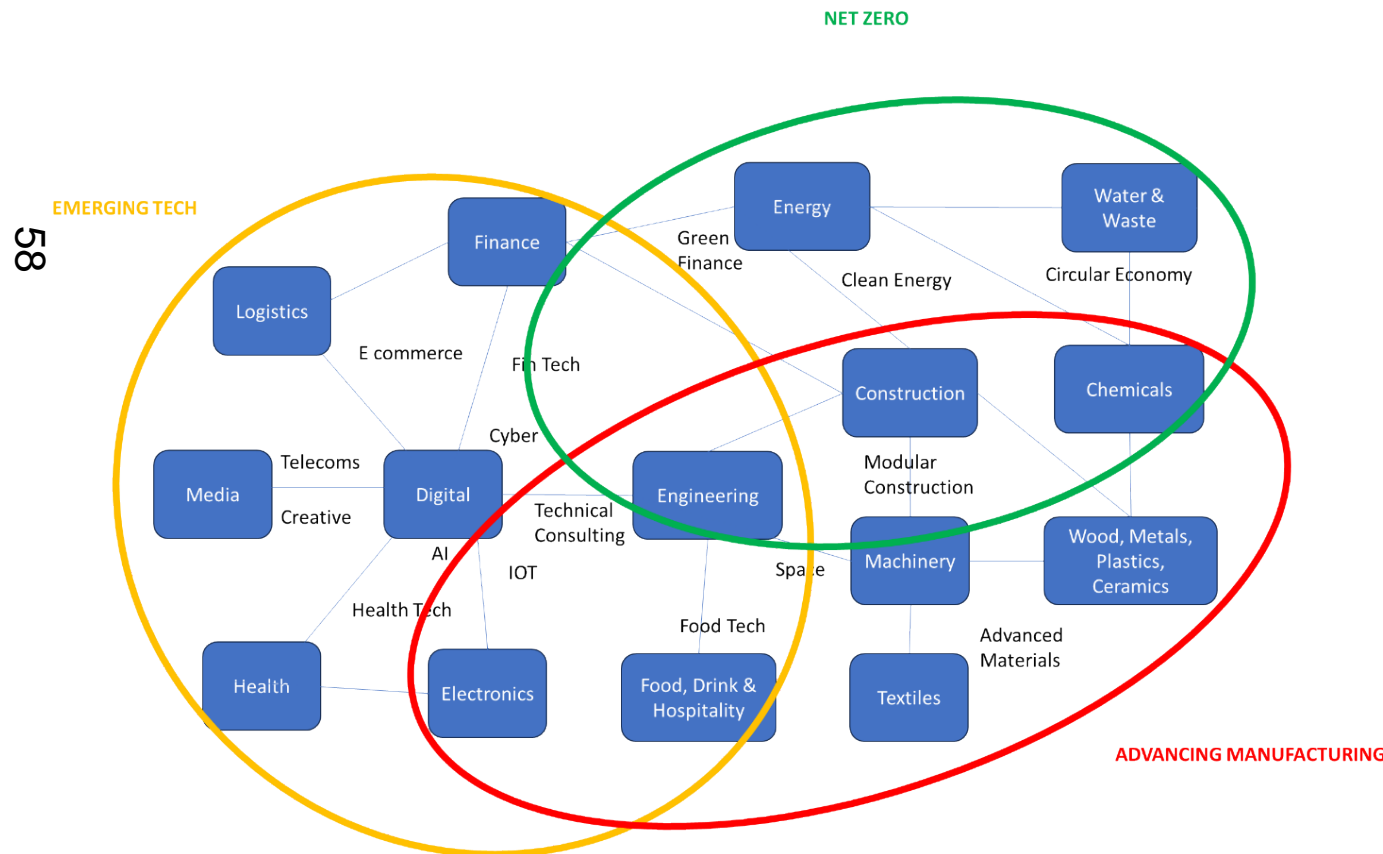


- Leeds underperforms in the services that it has a specialism. Closing the productivity gap requires making those sectors more productive. By attracting new businesses in these sectors and enabling the benefits of agglomeration.

- The main productivity differences are in sectors in which West Yorkshire is not specialised. The productivity gap is small in areas that West Yorkshire is specialised. The gap is driven by the absence of specialisms in highly productive industries like electronics (electric lighting equipment vs. electronic components) and chemicals (agrochemicals vs. pharma and petroleum).
- Closing the productivity gap will require new manufacturing-related specialisms. Closing (or widening) the gap in existing specialisms may not be enough.

# Sector Strengths – cluster analysis

Cambridge Econometrics is leading on a cluster analysis study to understand the sectors where West Yorkshire has comparative advantage and the implications for inclusive growth.

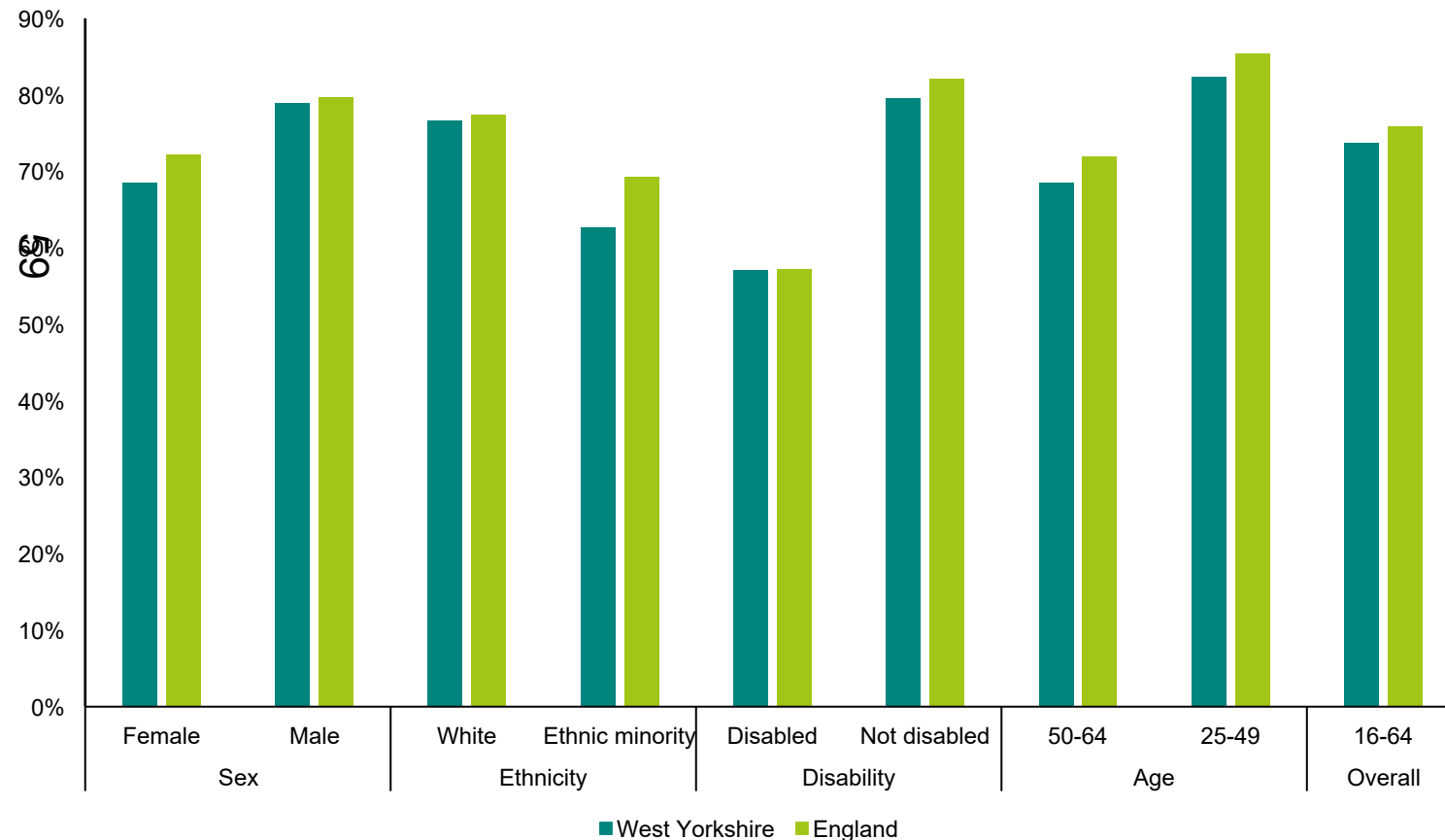


The study is exploring the overlaps between traditional sectors and emerging clusters with 15 traditional sectors linked together with 16 emerging tech clusters (pictured).

The sector/cluster map can be divided into three main (overlapping) groups, each of which represents an opportunity for the region.

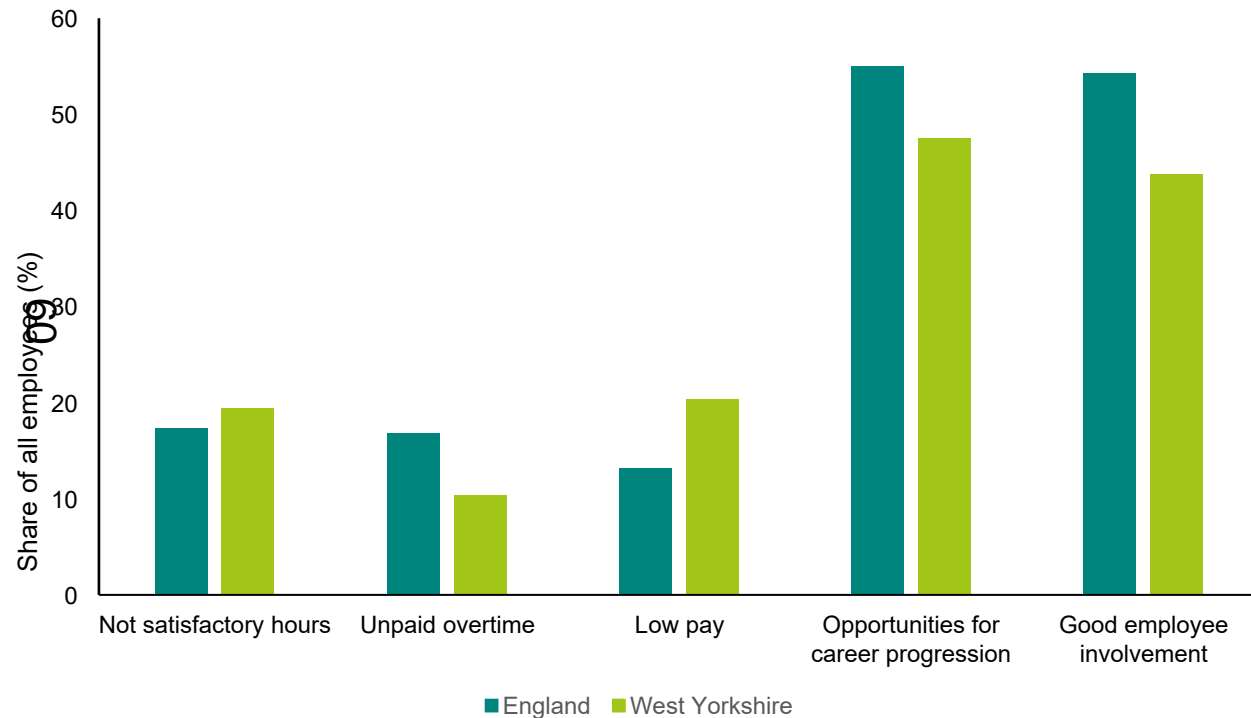
# Closing the productivity gap should bring more direct and indirect jobs, those could help closing the employment gap between population groups

**Figure:** Employment rates by selected population groups  
(Oct 2022-Sep 2023)



- Employment rates in West Yorkshire are lower than the national average, especially for ethnic minorities and women.

# Boosting good work across all sectors of the economy



Source: Jobs quality indicators in the UK - hours, pay, contracts, opportunities, and involvement: 2021, Office for National Statistics. West Yorkshire figures estimated using local authority statistics and weighted them using the number of employees provided by Business Register and Employment Survey (BRES).

- West Yorkshire underperforms in job quality indicators like good employee involvement and opportunities for career progression.
- Addressing these issues through Fair Work Charter will ensure that indirect jobs from a productivity boost contribute to inclusive growth and reduce poverty.
- The West Yorkshire Scientific Advisory Group is examining the impact of flexible work on an inclusive economy.

# Building a framework

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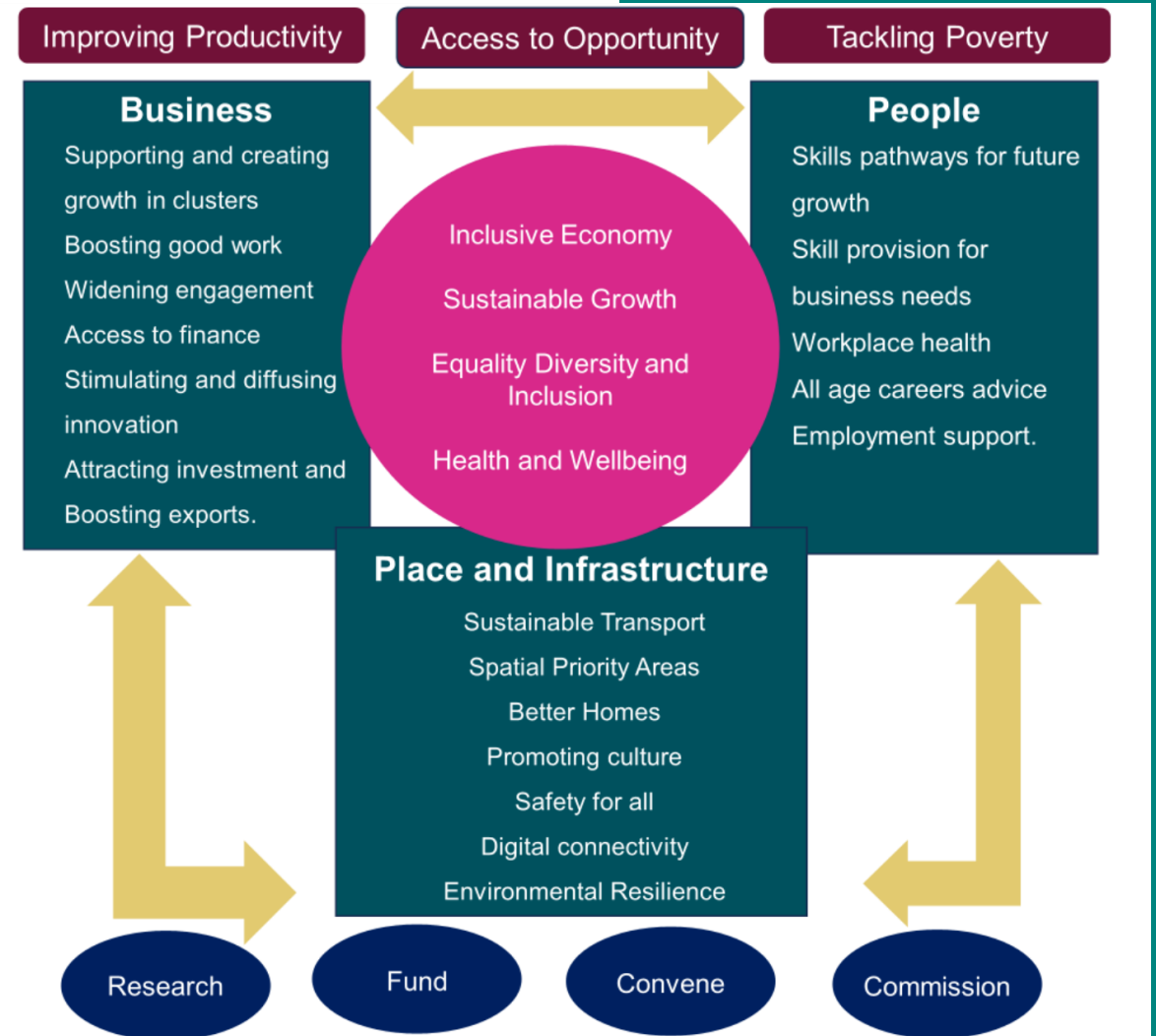
# A Framework for Action

The framework aligns with the vision and missions of the West Yorkshire Plan against the pillars of productivity where we need to act. This puts a sustainable inclusive economy at its heart with health as a key driver of activity.

Prioritisation must unpick the relationship between prosperity and inclusivity ensuring that all areas can benefit from the region's strengths.



Our approach must take a whole systems view of economic development recognising the complex inter-related challenges we face and identifying the right solution at the right spatial level.





# Core Principles

**Inclusive Economy:** this means connecting all parts of our region to opportunity and understanding the wider drivers of productivity including issues such as childcare where we can look at sector needs to offer choice for families and support to children from disadvantaged backgrounds.

**Sustainable Growth:** this means stimulating investment opportunities for net-zero, boosting green skills, and attracting green jobs to the region, while supporting decarbonisation of transport, homes, and industry to meet our net-zero target.

**Equality Diversity and Inclusion:** ensuring we champion the diversity of West Yorkshire and utilise networks within communities to reach all parts the region where support is needed.

**Health and wellbeing:** recognising the role of health and wellbeing in our region's prosperity and promoting good health in employment, transport, and infrastructure development.

# Draft Priorities

## Business

### Building on strengths where West Yorkshire has a comparative advantage in established and emerging clusters:

- Build on and work with business leaders to overcome barriers and unlock investment
- Working with cluster leadership bodies nationally and make links regionally including with universities
- Support opportunities to drive export growth
- 64 • Delivering skills pathways aligned to cluster opportunities
- Working with local authorities to ensure the quality and availability of business premises
- Build on the Investment Zones model to wider sectors / clusters of excellence across West Yorkshire linking to university expertise, national and regional bodies.
- Sector targeting for productivity growth must reflect our ambitions for an inclusive economy and consider synergies between sectors. We need to widen our understanding of productivity drivers to consider the impacts of issues such as childcare.

# Draft Priorities

**We want to ensure that the areas of West Yorkshire's economy can promote good work but particularly in those sectors where there are high numbers of employment such as retail and hospitality:**

- Capturing learning from the first year of delivery of the Fair Work Charter and building on the successes
- Working with sectors to support uptake and embed good practice bringing together communities of good practice
- <sup>65</sup> Building on best practice of what works in boosting low productivity, especially in sectors of the West Yorkshire economy currently characterised by large scale, low pay employment.
- Supporting businesses to implement sustainability changes.

**We need to deepen our understanding of the finance landscape to include a focus on place-based impact investing and investment opportunities for under-represented groups.**

- Provision of grants will not be sufficient to address the investment gap in West Yorkshire. Our role to foster the right conditions for investment and leverage funding should be strengthened. Investment Zones provide a strategic opportunity to do this.

# Draft Areas for Action

**We must simplify the business ecosystem recognising the role of the Combined Authority as a convenor of support and raising awareness of all types of provision:**

- A clear, easy to access portal of information for businesses and professional services.
- We must consider informal networks and key individuals within these networks to broaden our reach and sign-posting activity.
- We must do more to celebrate and elevate the diversity of businesses in our region including in sectors not directly supported by Combined Authority programmes.
- Alternative business models should also be considered alongside an articulation of the role of the Combined Authority.
- The COVID-19 Pandemic has impacted upon the future of work, we must reflect these opportunities in our offer of business support reflecting the needs of different types of businesses and understanding more on the potential of the informal economy and informal support networks that exist.

# Draft Areas for Action

- Skills are a big driver of inequality between places and have central role to play in an inclusive economy. There is a need to move beyond just upskilling and understand where it might be more appropriate to focus support on lower-level skills with the opportunity to open-up in work support.
- Our review of the skills system and further devolution will support our ambition to fully integrate business and skills working with local employers to understand their current and future skills needs and make sure our schools, colleges, universities and training providers deliver the right courses to meet these.

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<b>Report to:</b>	Employment and Skills Committee
<b>Date:</b>	14 March 2024
<b>Subject:</b>	<b>Skills System Review</b>
<b>Director:</b>	Felix Kumi-Ampofo, Director of Inclusive Economy Skills and Culture
<b>Author:</b>	Michelle Burton, Head of Employment and Skills

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this Report

- 1.1 To seek the Committee's views to inform and steer a review of the Employment and Skills system in West Yorkshire.

## 2. Information

- 2.1 As reported at the February 2024 meeting, there is a need to review regional governance regarding the employment and skills agenda to maximize the opportunities presented by devolution (current and future) for the benefit of the people, employers and communities of West Yorkshire.
- 2.2 To carry out this review, the six Authorities (the Mayoral Combined Authority and five local authorities) is commissioning external capacity and expertise. Underpinning this work will be the development of governance and an operating model for employment and skills that optimises alignment between regional and local levels and enables agreement on what subsidiarity means on this agenda.
- 2.3 The specification is included as a confidential appendix.

## 3. Tackling the Climate Emergency Implications

3.1 While there are no climate emergency implications directly arising from this report, it is essential that the approach taken to devolved employment and skills prioritises the skills needed in order to achieve the region's climate aspirations.

#### **4. Inclusive Growth Implications**

4.1 A key consideration of the Employment and Skills System Review is to ensure that the most disadvantaged individuals and communities can maximise their benefit from current and future support.

#### **5. Equality and Diversity Implications**

5.1 A key consideration of the Review is to ensure that people from all backgrounds can benefit from employment and skills support, and that we particularly target those that are disadvantaged in the labour market due to protected characteristics.

#### **6. Financial Implications**

6.1 Value for money will be a key consideration in appointing a consultant to carry out this work.

#### **7. Legal Implications**

7.1 There are no legal implications directly arising from this report.

#### **8. Staffing Implications**

8.1 There are no staffing implications directly arising from this report.

#### **9. External Consultees**

9.1 No external consultations have been undertaken.

#### **10. Recommendations**

10.1 That the Committee endorses the proposed review specification.

#### **11. Background Documents**

There are no background documents referenced in this report.

#### **12. Appendices**

CONFIDENTIAL Appendix 1 - specification.



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<b>Report to:</b>	Employment and Skills Committee
<b>Date:</b>	14 March 2024
<b>Subject:</b>	<b>Decisions – WorkWell</b>
<b>Director:</b>	Felix Kumi-Ampofo, Director of Inclusive Economy, Skills and Culture
<b>Author:</b>	Michelle Burton, Head of Employment and Skills

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this Report

- 1.1 The Committee is asked to consider and retrospectively acknowledge the West Yorkshire application for the “Work Well” programme, and to endorse the acceptance of funding should the application be successful, to enable timely mobilisation and delivery.

## 2. Information

### West Yorkshire partnership arrangements

- 2.1 A West Yorkshire Work and Health Partnership has been established since September 2023, bringing together partners from Local Authorities (Public Health and Employment and Skills), West Yorkshire Combined Authority, West Yorkshire ICB, DWP and more. This Partnership will be vital in developing Work and Health programmes.

### WorkWell

- 2.2 WorkWell was announced in the Spring 2023 Budget to address the increasing number of people out of work. Funded by the Department for Work and Pensions and the Department of Health and Social Care, the service aims to support around 60,000 long-

term sick or disabled people to start, stay, and succeed in work through integrated work and health support.

- 2.3 A prospectus and grant application guidance published on 30 November invited applications from [Integrated Care Systems](#) in England to design and deliver WorkWell, as one of approximately 15 “Vanguards” running a pilot service. Successful applicants will be identified no later than April 2024 and delivery is expected to run from October 2024 to March 2026.
- 2.4 The deadline for WorkWell EOI applications closed on 22<sup>nd</sup> January 2024 and the WY ICB submitted an application covering the entire West Yorkshire footprint, supported by WYCA and all five Local Authorities. The Chair of the Employment and Skills Committee, approved the application prior to submission.
- 2.5 The Work Well Grant application is available in confidential appendix 1.

#### Universal Support

- 2.6 Universal support was also announced as part of a package at the Spring Budget, to help the disabled, people with health conditions and those with additional barriers to employment, into sustained work. Grant funding will be allocated to MCAs in devolved areas. There is good potential for alignment between WorkWell and Universal Support. The Committee will receive more information as it comes available.

### **3. Tackling the Climate Emergency Implications**

- 3.1 There are no climate emergency implications directly arising from this report.

### **4. Inclusive Growth Implications**

- 4.1 The Work Well programme will support inclusive growth by preventing individuals falling out of work due to ill health, or return quickly to work through management of their health. The programme will contribute to tackling health inequalities and improving life expectancy/health outcomes for the most disadvantaged including individuals who live in the most deprived WY neighbourhoods.

### **5. Equality and Diversity Implications**

- 5.1 Levels of health inequality in Yorkshire are amongst the UK’s highest and healthy life expectancy in WY is significantly below the national average. Greater access to work and health-related provision (through WorkWell services/gateway) is key to helping communities tackle deprivation and poor health. EDI indicators will be set and monitored throughout Work Well delivery.

### **6. Financial Implications**

6.1 The proposed delivery model would involve grant-funding via the ICB to West Yorkshire Combined Authority, and further to Local Authorities, to deliver the programme.

## **7. Legal Implications**

7.1 The appropriate legal agreements will be put in place between the ICB and WYCA, and WYCA and Local Authorities.

## **8. Staffing Implications**

8.1 There would be a requirement for the Combined Authority to deploy staff to develop and manage the Work Well programme, this would be covered through management costs.

## **9. External Consultees**

9.1 No external consultations have been undertaken.

## **10. Recommendations**

10.1 That the Committee endorses the application from West Yorkshire for the “WorkWell” programme, and supports the acceptance of funding, should the application be successful.

## **11. Background Documents**

There are no background documents referenced in this report.

## **12. Appendices**

Appendix 1 – Confidential Work Well summary and Grant Application.

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<b>toReport to:</b>	Employment and Skills Committee
<b>Date:</b>	14 March 2024
<b>Subject:</b>	<b>Devolution Level 4</b>
<b>Director:</b>	Felix Kumi-Ampofo - Inclusive Economy, Skills & Culture
<b>Author:</b>	Josh Rickayzen – Policy Officer & Sonya Midgley – Head of Employment & Skills Policy

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this Report

- 1.1 To provide information relating to the business of this Committee on the recent application submitted by West Yorkshire for Level 4 Devolution Framework offered by central government.

## 2. Information

### Background

- 2.1.1 On 22 November 2023, the Department for Levelling Up, Housing and Communities (DLUHC) released a technical paper outlining the new [Level 4 Devolution Framework](#).
- 2.1.2 The Framework marks a move towards greater devolved funding and powers to eligible institutions who choose to participate and provides a stepping stone towards a single settlement through the offer of consolidated funding at the next multi-year Spending Review. The Framework aims to standardise English devolution, moving away from the previous approach of agreeing bespoke region-specific deals. Whilst this approach does

not meet the partnership's full aspirations for devolution in West Yorkshire, the opportunity to pursue deeper devolution is welcomed.

2.1.3 Mayor Tracy Brabin and all West Yorkshire Local Authority Leaders submitted an application for Level 4 Devolution to DLUHC on 30<sup>th</sup> January 2024 (Appendix 1).

### **Level 4 Devolution**

#### Proposed Level 4 Devolution - employment and skills'

2.2.1 Below are highlights of some specific aspects of Level 4 Devolution guidance which are relevant to the remit of this Committee. *(A comprehensive summary related to Employment & Skills offers outlined in the Level 4 Devolution framework is available in Appendix 2):*

Governance: Convening a Regional Labour Market Partnership Board - to include relevant senior officers, including DWP.

Adult Skills: Devolution of non-apprenticeship adult skills function:

- Devolve and remove ringfence for Free Courses for Jobs (FCFJ), first level 3 qualification for adults aged 19+, the unemployed and low earners<sup>1</sup>
- Sector flexibility for 100% allocation of skills bootcamps from 25/26<sup>2</sup>

Careers: Central convening role for MCAs, with a greater role in shaping future national specifications and policy development.

Employment Support: DWP will consider the appropriate role for MCAs in the design and delivery of programmes.

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**<sup>1</sup> To access this part of the framework, the following condition must be satisfied:**

The eligible institution demonstrates spending 80% of its available funding for the FCFJs offer on delivering high value Level 3 qualifications across an academic year, and has a track record of delivering the current 'core offer' criteria or using the agreed 50% flexibility to address needs in the local labour market to eligible learners, addressing any barriers to Level 3 learning where necessary.

**<sup>2</sup> An eligible institution must satisfy the following conditions to access this part of the framework:**

- The eligible institutions must retain the core purpose, policy intent and branding of Skills Bootcamps, consistent with the national model and maintaining this model integrity including while using sector flex.
- The eligible institutions must meet performance thresholds and achieve 80% starts and 60% outcomes, to be agreed in a side agreement with local areas.
- The eligible institutions must have delivered Skills Bootcamps for at least a full year, and the DfE will need to have confidence in their assurance process. The eligible institutions must maintain regular engagement with DfE and fellow eligible institutions.

Data Sharing: DWP and eligible institutions will work together to explore feasibility and potential for proportionate data sharing arrangements with MCAs for programmes and services operating in the region, dependent on the work in Trailblazer areas.

Local Skills Improvement Plans (LSIPs): Review to align boundaries of LSIP with MCA boundaries, and consideration of a future role in LSIPs and Local Skills Investment Fund (LSIF).

### Trailblazers and Next Steps

- 2.3.1 'Trailblazer' Devolution deals were established in Greater Manchester and West Midlands in 2023, granting further powers and funding settlements to MCAs in these areas.
- 2.3.2 The recent Level 4 Framework specifies that certain aspects of future/deeper Devolution in West Yorkshire will be contingent on the success of Trailblazer Deals in Greater Manchester/West Midlands – particularly those related to data sharing agreements. There are currently no specifics offered around these dependencies, or what may be considered 'success' in a Trailblazer area (in order to affect change in West Yorkshire).
- 2.3.3 West Yorkshire has previously met rigorous readiness conditions in becoming an MCA (e.g. to receive devolved Adult Education Budget).
- 2.3.4 Appendix 1 shows the Letter of Submission tendered by Mayor Tracy Brabin and Local Authority leaders to DLUHC for Level 4 Devolution. **The Secretary of State for DHLUC announced at the Convention of the North on 1<sup>st</sup> March that the West Yorkshire Level 4 submission had been accepted.** Detailed discussions will now begin with individual government departments to develop detailed proposals for each policy area. This will include discussions on whether consultation or statutory changes are required to implement the individual components of the framework

## **3. Tackling the Climate Emergency Implications**

- 3.1 There are no climate emergency implications directly arising from this report.

## **4. Inclusive Growth Implications**

- 4.1 The Level 4 of the devolution framework could support the Combined Authority aspiration to achieve its priorities around inclusive growth by enabling greater freedom on decision making that could deliver better outcomes for local people, businesses and communities across all areas of the region.

## **5. Equality and Diversity Implications**

- 5.1 Accessing the opportunities afforded through the Level 4 of the devolution framework will enable the Combined Authority to deliver on equality and diversity priorities.

## **6. Financial Implications**

- 6.1 There are no financial implications directly arising from this report. If the decision is taken to proceed with Level 4 Devolution, this will result in financial implications for the Combined Authority, including the move towards a DLUHC single settlement and devolved adult skills budgets.

## **7. Legal Implications**

- 7.1 Although there are no direct legal implications at this stage, statutory processes will need to be followed as appropriate to progressing different elements of the framework. This will become clearer upon advice from government as the process progresses.

## **8. Staffing Implications**

- 8.1 There are no staffing implications directly arising from this report.

## **9. External Consultees**

- 9.1 No external consultations have been undertaken.

## **10. Recommendations**

- 10.1 That Committee members note the propositions related to Employment & Skills outlined in the Level 4 Devolution framework
- 10.2 That Committee members provide views on how the CA and partners can maximise the opportunities offered by Level 4 Devolution, specifically as pertains to:
- Careers
  - Employment Support
  - Adult Skills

## **11. Background Documents**

[Technical Paper on Level 4 Devolution \(.gov\)](#)

[Finance, Resources and Corporate Committee Paper on Level 4 Devolution Framework – 18](#)

## **12. Appendices**

Appendix 1 – [Devolution Level 4 – West Yorkshire Letter to DLUHC](#) (published with Combined Authority Committee papers for 2<sup>nd</sup> Feb 2023 Meeting)

Appendix 2 – Devolution Level 4 Framework – Employment & Skills

## Appendix 3 – Devolution Level 4 – Known Next Steps

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**Mayor Tracy Brabin**

West Yorkshire Combined Authority  
40-50 Wellington Street  
Leeds  
LS1 2DE

Rt Hon Michael Gove MP  
Secretary of State for Levelling Up,  
Housing and Communities  
By Email

30 January 2024

Dear Secretary of State,

We are writing to present West Yorkshire Combined Authority's application for Level 4 Devolution. Although this does not meet the full ambition that we have for deeper devolution in West Yorkshire, we are pleased to take this step towards full trailblazer devolution with Government.

This latest step is vital in ensuring that future devolution for West Yorkshire meets our ambitions for inclusive growth, reflecting the size and diversity of authorities within the region, and the need to balance our uniqueness of place with our single functional economic area.

We are perfectly positioned to be the key driver of economic growth for the North of England and beyond and as one of the largest Mayoral Combined Authorities in the country, also responsible for the functions of the Police and Crime Commissioner, we have a strong track record of partnership working to deliver our ambitions and shared programme of objectives.

Over the last eight years, we have evolved – moving from a Combined Authority working with the Local Enterprise Partnership (LEP), delivering the largest Growth Deal in the country, totalling in excess of half a billion pounds - to agreeing a historic Devolution Deal and being led by our directly elected mayor. Our success can be seen in the wide range of transport, economic development, housing and net zero programmes and schemes benefiting local people, businesses and places across West Yorkshire that have been delivered during this time.

Our success to date, coupled with our ambitious plans for the future in respect of mass transit, bus reform, skills and employment, demonstrates our ambition, long-term commitment and appetite for delivery whilst also creating the certainty and confidence that we will continue to develop and deliver pipelines of transformational, locally determined schemes for West Yorkshire well into the future.

This success is underpinned by robust governance, based around the principles of accountability and transparency. Our governance was reviewed and further strengthened in 2021 following our initial devolution deal, to ensure a robust committee structure and scrutiny approach was in place covering the breadth of the Combined Authority's work.

Our ambition, knowledge and collective expertise, together with our recognised track record is why West Yorkshire is a trusted national partner and as such we can confirm that we meet the eligibility criteria for Level 4 Devolution. We are also therefore pleased to confirm that:

- The elements of the Level 4 Framework, for which we are applying, are included at Appendix 1 to this letter.
- Where that element of the Framework requires new powers and functions, we will follow the procedures as set out in legislation for conferring these to a Combined Authority. We understand that this includes the requirement for public consultation.
- We would like to understand the Government's position on the inclusion of strategic planning powers and the strategic infrastructure tariff, two elements of our 2020 Deal which were not included in the Order laid before Parliament. We understood at the time that these powers would be conferred as soon as planning reforms were completed but as yet, these have not been forthcoming.
- We have identified an initial set of Technical Adjustments to Historic Statutes and Guidance, included at Appendix 2 to this letter, which we would like to explore further with Government and take forward as part of our Level 4 Devolution Deal.
- We understand that the speed at which commitments are implemented will depend on our ability to demonstrate we have met the readiness conditions Government has specified for each policy.
- We are committed to implementing the requirements of the Scrutiny Protocol by the end of June 2024 and reporting on progress within 12 months of the Levelling Up Secretary confirming Government's agreement to proceed.

Our application is subject to ratification of the deal by all partners and the statutory requirements referred to within this document, including the consent of all councils affected and parliamentary approval of the secondary legislation implementing the provisions of the Deal.



In progressing with a Level 4 Deal for West Yorkshire, we would also like to have further conversations with Government about the timescales outlined in the Level 4 Technical Guidance, particularly with respect to those policy areas which are linked to work currently underway on Trailblazer Deals in Greater Manchester and the West Midlands. We believe these timescales should be brought forward and confirmed at the earliest opportunity, not least because we are already progressing a number of these locally and will be to add value to discussions and work currently underway.

In addition, we would like to see the final year of the Brownfield Housing Fund programme devolved to the Combined Authority. This would allow us to respond to more opportunities to bring forward housing by removing the national constraints on scope and time.

As you are aware in May 2023, we signed off our bold [West Yorkshire Plan](#), which sets out our vision to be a place that works for all, an engine room of ideas where anyone can make a home. Our plan is underpinned by five ambitious missions, which will drive our work to 2040.

We recognise the value of working together and the benefits this brings. We know that we cannot realise our vision and missions in isolation and will continue to work in partnership with local partners and Government to deliver.

As a Mayoral Combined Authority, we are ideally placed to address the challenges our communities face and are committed to working in partnership with wider stakeholders across the region. For example, our strong working relationship with our Integrated Care Board partners to address wider system challenges specifically in respect to health put us in a strong position to lead the design and delivery of initiatives such as the WorkWell programme which closely aligns with our ambitions for Level 4 Devolution.

However, to enable West Yorkshire to realise its full potential and to enable our missions to be achieved, we will require more than is currently on the table. We will therefore be seeking to discuss the further powers, funding, freedoms and flexibilities for West Yorkshire we would want to see in place as soon as possible beyond this current offer.

Our wider propositions, include:

- Certainty, stability and **fairness in Local Government Funding**
- Further **devolution** of funding and powers, to include:
  - A **single settlement**
  - Support to continue delivery of the **integrated transport system** West Yorkshire needs including:
    - Revenue funding for buses

- Assurance of the Government's continued commitment to Mass Transit in West Yorkshire.
- Delivering strategic rail infrastructure to connect West Yorkshire.
- **Full devolution of all adult employment, skills and careers funding**
- Long-term flexible **devolved funding and powers for net zero**
- Long-term sustainable funding to ensure continued **support to businesses.**

We have detailed plans which sit behind our application and proposition and are happy to host you again in West Yorkshire to highlight our priorities for the region and discuss how we can work together for a better future.

We look forward to hearing back from you regarding this application and working with you to create a West Yorkshire that works for all.

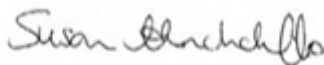
Kind regards,



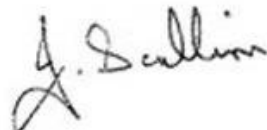
**Mayor Tracy Brabin**  
West Yorkshire Combined Authority



**Cllr James Lewis**  
Leader, Leeds City Council



**Cllr Susan Hinchcliffe**  
Leader, City of Bradford  
Metropolitan District Council



**Cllr Jane Scullion**  
Leader, Calderdale Council



**Cllr Cathy Scott**  
Leader, Kirklees Council



**Cllr Denise Jeffery**  
Leader, Wakefield Council

## **Appendices**

Appendix 1 – Elements of the Framework Applied For by West Yorkshire  
Appendix 2 – Suggested Technical Adjustments to Historic Statutes or  
Guidance – January 2024

## Appendix 1 – Elements of the Level 4 Devolution Framework Applied for by West Yorkshire

<b>Funding Simplification</b>
Funding simplification
Removal of Gainshare Gateway Reviews
General Power of Competence
<b>Skills &amp; Employment</b>
<i>Skills and Employment package – application for all elements.</i>
<b>Housing &amp; Land</b>
Affordable Homes Programme
Housing quality
Mayoral development orders
Compulsory purchase powers
Public sector land
Resilience and contingency planning
<b>Transport</b>
<i>Transport package, with a focus on single settlement.</i>
<b>Net zero, climate change and natural capital</b>
Devolution of net zero funding pilot including buildings retrofit
Clean heat
Strategic energy system planning
Networks
Climate change and natural capital
<b>Innovation, trade and investment</b>
Trade and investment
Business support
Export
Partnership working
Innovation
Culture
<b>Public Health</b>
Health services
<b>Technical adjustments to historic statutes or guidance</b>
<b>Access to powers previously devolved elsewhere</b>

## Appendix 2 - Suggested Technical Adjustments to Historic Statutes or Guidance January 2024

### Technical Adjustments and Level 3 Standardisation

The following are an initial outline of suggested Technical Adjustments to Historic Statutes or Guidance that we would wish to explore with Government as part of our Level 4 Devolution Deal application.

This list is not exhaustive and as we progress through negotiations we would welcome the opportunity to identify additional adjustments.

1. Use of the Mayoral precept to support and pay for functions aligned to the wider general power of competence, for example bus franchising.
2. Change in responsibility for approval of roundabouts: This request would pass the powers of approval for roundabouts from the Secretary of State to West Yorkshire Combined Authority/Local Authorities.
3. The Office of Mayor and Local Authority Leaders (and potentially wider Local Authority Members) to attract a pension: Currently, the Mayor and Local Authority Leaders cannot access a pension. This is in contrast to other similar high-office political roles such as Police and Crime Commissioners.

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## Appendix 1 – Devolution Level 4 Framework – Employment & Skills Offers

As outlined in the [Level 4 Technical Paper](#).

### **Adult education**

The government will devolve non-apprenticeship adult skills functions and grant funding to eligible institutions. This is subject to the implementation of the trailblazer deals in GMCA and WMCA and the institution satisfying readiness criteria.

There may be specific instances when the government needs to direct the design of adult skills provision or allocation of adult skills funding. However, this will be the exception rather than the rule, in circumstances where the scale or urgency are such that a national response is judged to be required to deliver the required outcomes or where there are national skills priorities that the government believes are not being met sufficiently by the skills system.

### **Free courses for jobs**

The government will fully devolve and remove all ringfences for Free Courses for Jobs (FCFJ) funding. To access this part of the framework, the following condition must be satisfied:

The eligible institution demonstrates spending 80% of its available funding for the FCFJs offer on delivering high value Level 3 qualifications across an academic year and has a track record of delivering the current ‘core offer’ criteria or using the agreed 50% flexibility to address needs in the local labour market to eligible learners, addressing any barriers to Level 3 learning where necessary.

### **Skills Bootcamps**

The Department for Education (DfE) will provide eligible institutions with sector flexibility over 100% of its allocation of Skills Bootcamps funding from financial year 2025/26, subject to eligible institutions satisfying agreed performance indicators. The DfE will share with the institution relevant commissioning activity, performance information and other data on Skills Bootcamps provision that will, or is likely to, include delivery to local residents or employers. In turn, the institution commits to share relevant commissioning activity, performance information and data about local delivery.

An eligible institution must satisfy the following conditions to access this part of the framework:

- The eligible institutions must retain the core purpose, policy intent and branding of Skills Bootcamps, consistent with the national model and maintaining this model integrity including while using sector flex.
- The eligible institutions must meet performance thresholds and achieve 80% starts and 60% outcomes, to be agreed in a side agreement with local areas.
- The eligible institutions must have delivered Skills Bootcamps for at least a full year, and the DfE will need to have confidence in their assurance process.
- The eligible institutions must maintain regular engagement with DfE and fellow eligible institutions.

## **Careers**

With a mandate from the Secretary of State for Education, the DfE will work with eligible institutions to take forward the recommendations of the Holman review of careers education by offering a more place-based approach to careers education. This will enable the institution to act as the central convenor of careers provision in the region, creating strategic partnerships with local stakeholders to ensure that services for adults and young people align and respond to the skills needs of the local economy and with local skills planning. For adults this will include shaping and agreeing local KPIs with prime contractors of the National Careers Service and for young people this will include building on the current role of Careers Hubs and the support they provide for schools and colleges. The convening role will need to continue to align with, and respond to, the national funding and delivery of careers services.

Eligible institutions will strengthen delivery of the National Careers Service by reviewing and, where necessary, strengthening, collaborative activities and agreement of local KPIs, using existing national contractual mechanisms.

Eligible institutions will play a greater role in shaping the future national specification of an all-age careers system with the opportunity to feed into policy development for how the nationally funded careers offer evolves in the future, alongside continued engagement with the National Careers Service through locally agreed key performance indicators with regional prime contractors. This collaborative approach, including dialogue with DfE officials, will help to shape future service provision and contract specifications.

This is contingent on eligible institutions continuing to work with Careers Hubs and engaging with them at the local level.

## **Local skills improvement plans (LSIPs)**

The DfE will consider the future role of eligible institutions in the delivery of LSIPs and the Local Skills Improvement Fund, drawing on the lessons learned from the trailblazer deals. In particular, the government will consider aligning the boundaries for LSIPs with those of eligible authorities where they exist.



**Labour market governance**

The Department for Work and Pensions (DWP) Secretary of State will ask eligible institutions to convene a new Regional Labour Market Partnership Board, which builds on the current collaborative structure that is already in place. The new board will be made up of senior officers from the eligible institution and from DWP (such as the area's Strategic Partnership Manager, Service Leader, or other appropriate HMG officials) with the authority to consider evidence, make advisory recommendations and engage in discussions proactively, to ensure that DWP, Jobcentre Plus (JCP) activity and eligible institution activity works together to improve client outcomes.

Outside this Board, discussions between the eligible institutions and JCP will take place between a single point of contact either through the area's Strategic Partnership Manager or Service Leader. Through these discussions, the new Regional Labour Market Partnership Board, and continued engagement with regional Jobcentre Plus teams, the DWP and the eligible institution will work closely to generate and/or identify, and test where feasible, approaches and initiatives that promote, and address priority needs in the area.

By taking this approach, the eligible institutions and DWP will work together to ensure value for money, better use of public funding and to achieve the best possible outcomes for clients locally and nationally.

**Employment programmes**

DWP will consider development of new contracted employment programmes, when necessary, in response to labour market conditions. Local stakeholders have a role to play to maximise outcomes in each area. As and when the specifics of any new contracted employment programme are determined, DWP will consider the appropriate role that eligible institutions would have in the design and delivery of the programme.

**Data sharing**

Alongside these new levers, which will ensure a stronger link between skills and jobs in the local labour market, the government and eligible institutions will work together to develop an appropriate data sharing framework that promotes information and lawful data sharing between national government and eligible institutions to aid the effectiveness of skills planning and delivery.

DWP and eligible institutions will work together to explore feasibility and potential for proportionate data sharing arrangements for programmes and services operating in the region to reduce duplication and facilitate better targeting and efficiency of an integrated employment and skills offer. This will be dependent on the work set out in the trailblazer devolution deals with the Greater Manchester Combined Authority and the West Midlands Combined Authority to establish principles for the legal, safe and secure sharing of data between the government and combined authorities.

## Appendix 4 – Devolution Level 4 – Known Next Steps

[Taken from Item 7 – Deeper Devolution, from Combined Authority Committee Meeting 2<sup>nd</sup> Feb](#)

The known next steps are now as follows:

- The West Yorkshire application letter will shortly be submitted to Government, and we will await a response from the Secretary of State as to whether the decision has been taken to progress the application for access to the Level 4 Devolution Framework.
- Consideration and ratification of the initial application will be carried out by each Constituent Council.
- If the application is accepted, further discussions will commence with Department of Levelling Up Housing and Communities and individual government departments to develop detailed proposals for each policy area. In particular, this will include consideration of whether consultation or statutory changes are required to implement individual elements of the Framework.
- Further detailed work on the Scrutiny Protocol and its application to West Yorkshire, following consideration of an initial paper on Level 4 Devolution by the Corporate Scrutiny Committee on 19 January 2024. As set out above, a Working Group has been convened to review the Scrutiny Protocol and its application, and recommendations will be submitted to the 14 March Combined Authority meeting for approval.
- If authorised by the Combined Authority, the Deputy Director for Governance, Legal and Compliance will convene an Independent Remuneration Panel to make any recommendations to the Combined Authority arising from the conclusions of the Scrutiny Protocol review.

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