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Report to: LEP Board

Date: 17 July 2017

Subject: Employment and Skills Panel update

1 Purpose

- 1.1 To provide the LEP Board with an update on the work of the Employment and Skills Panel (ESP);
- 1.2 To seek the LEP's endorsement for delivery agreements with FE colleges in West Yorkshire, which will influence the alignment of activity – including that funded through the Adult Education Budget – with the ambitions set out in the Leeds City Region Employment and Skills Plan.

2 Influencing the Skills System

- 2.1 Since the last meeting, Delivery Agreements have been developed for each of the seven Further Education Colleges in West Yorkshire, setting out individualised and measurable expectations of how Colleges have agreed to work toward LEP and CA priorities for the LCR. Delivery Agreements will influence the full range of college provision and are an important next step in strengthening broader relationships with providers.
- 2.2 Each College has also developed a commentary to be published alongside the Delivery Agreements, setting out the context for the baseline figures and the actions they will put in place to align with LEP and WYCA priorities. At its meeting on 28 June, the Panel endorsed the draft Delivery Agreements.
- 2.3 The draft Delivery Agreements and commentaries are attached to these papers for the LEP Board's comment and endorsement.

3 More and Better Apprenticeships

- 3.1 The Apprenticeship Grant for Employers (AGE) is in its final phase, offering grants for companies who meet the eligibility criteria with a new apprentice starting their learning before 31 July 2017. Registrations for phase 4 opened on 1 January. To mid-April, 700 registrations have been received for Phase 4 and are currently undergoing initial eligibility checks.
- 3.2 The new funding regime as a result of the Apprenticeship reforms and levy is now live. Informal feedback still reflects some confusion in the business world around the

new funding model. The Combined Authority/LEP had planned an extended apprenticeship marketing and promotion campaign to coincide with start of the new of the changes on 1 May. This was, however, temporarily postponed due to the politically restricted period ahead of the General Election. The campaign, #Letstalkrealtraining, has now been launched and builds upon the concepts of the LEP's general business engagement campaign.

4 High Level Technical Education

- 4.1 The LEP/WYCA have carried out research to analyse the pipeline of higher and degree apprenticeship provision against demand. Key messages from the research include that there is a robust Higher and Degree Apprenticeship offer in Management and Leadership but Colleges and Universities are expecting to offer far fewer places on STEM courses. There is a particular risk of under-supply in Manufacturing and Engineering, and Digital skills. The Panel endorsed a recommendation to develop an action plan to set out next steps for developing a robust offer for higher level technical education.
- 4.2 At the Panel's meeting in March 2017, it was noted that a call for bids to develop Institutes of Technology was anticipated. The Panel recommended that one single LCR bid should be put forward with clear strategic fit with LEP priorities.

5 Great Education Connected to Businesses

- 5.1 The Enterprise Adviser Network (EAN) is now working with 134 secondary schools, and over 100 business volunteers have applied to act as Enterprise Advisers. A senior leadership delegation from the Careers and Enterprise Company spent the day in Leeds City Region on Wednesday 7 June meeting with school representatives, employers and partners. They were impressed with the quality of the Network in Leeds City Region, the spirit of partnership working, the passion and commitment of employer volunteers and the professionalism and energy of the Enterprise Coordinators. Officers of the West Yorkshire Combined Authority sought assurances that the Careers and Enterprise Company continued to value the partnership with the LEP and/WYCA and remained committed to a localised approach.
- 5.2 A second grant offer letter has been received offering 100% funding for two additional Enterprise Coordinators to support work in the Opportunity Area of Bradford. The role of the Enterprise Coordinators in Bradford will be to support and challenge all secondary schools to create capacity and develop a progressive entitlement for all learners to have 4 or more employer encounters in their school career. It is anticipated that recruitment of the new posts will commence over the next few months, subject to acceptance of the grant offer letter by the West Yorkshire Combined Authority.
- 5.3 Young people, teachers, employers, parents and partner organisations are being consulted prior to the development of a 12 month careers campaign. The campaign will be launched in the autumn term and will include several phases including a focus

on skills shortage and growth sectors, building upon the current #techgoals campaign and activity. #techgoals is a unique programme intended to enhance the teaching and learning of digital skills in the classroom to ensure our next generation of tech leaders are inspired and informed about the skills they need for future careers opportunities in the City Region.

6 Building Workforce Skills and Attracting Talent

6.1 The Skills Service closed for new grant applications on 31 March 2017. All training must be completed by 30 June 2017 and final payments to businesses will be processed by 29 September 2017. An evaluation is underway, focusing on the impact of the Skills Service on businesses' behaviour, productivity and growth.

6.2 As of 30 April 2017:

- 3742 enquiries received
- 2096 skills assessments have been completed
- 1663 approved applications
- 9072 people have been upskilled
- £3.93m value of grants approved

6.3 The West Yorkshire Consortium of Colleges has submitted a Full Application to deliver a Skills Service funded through the European Social Fund to 2020. News on the outcome of the application is awaited. In the interim, a contract variation has been agreed with Calderdale College to enable experienced staff to be retained and to focus on:

- keeping the skills service 'brand' warm by continuing to provide skills support to employers;
- providing a comprehensive training needs and skills planning service that helps businesses to identify skills gaps and skills development needs linked to their business growth plans/objectives;
- identifying and referring business to appropriate support and funding sources, such as the LEP growth service;
- providing advisory support to Apprenticeship Levy paying companies to:
 - Provide information on the apprenticeship levy.
 - Work with businesses to develop a 'high level' skills plan which will enable them to look at where apprenticeships may be an option to address skills needs in order to maximise use of their levy pot.

7 Inclusive Growth

7.1 As outlined in agenda item 13, the purpose of this work is to ensure that all communities, including the most disadvantaged cohorts, are able to benefit from economic growth. Specific actions for the employment and skills agenda being explored by the Employment and Skills Panel include:

- Ensuring that outcomes for the most disadvantaged groups are tracked and prioritised for improvement in Delivery Agreements, soon to be published with WY Colleges;
- Providing enhanced activity for 6,000 of our most disadvantaged young people through the LEP's Enterprise in Education activity;
- Piloting approaches to in-work progression, supporting people in low paid work and in receipt of means tested benefits to upskill and progress in work;
- Developing a menu of employer "asks" as a condition of grants, for example paying the living wage, engagement with schools, recruitment of apprentices and training lower paid staff;
- Developing an employment model linked to major capital and infrastructure schemes in order to maximise local employment benefits;
- Engaging with businesses to support them to recruit and retain employees with health issues, particularly mental health problems.