

Report to: Employment and Skills Panel

Date: 11 September 2018

Subject: **Topic insight – Skills obsolescence**

Director: Sue Cooke, Executive Head of Economic Services

Author(s): Peter Glover

1 Purpose of this report

- 1.1 To provide an overview of the key issues surrounding skills obsolescence in Leeds City Region. This will give a basis for discussion by the Employment and Skills Panel, with a view to identifying potential practical responses to this challenge.

2 Information

- 2.1 It has been agreed with the Chair of ESP that topic insight sessions should become a core element of future ESP meetings. These sessions will explore key issues facing the Leeds City Region, supported by structured inputs from officers. The aim is to identify practical responses that meet local needs, whether that be in the form of policies or solutions / services. Actions will be taken forward by time-bound task-and-finish groups comprised of nominated members of ESP supported by officers.
- 2.2 The issue of skills obsolescence has been identified as the subject of the first topic insight session. Skills obsolescence comes about when workers' skills are rendered partly or wholly obsolete by technological change and other factors, negatively impacting on their employability. There is evidence to suggest that this issue could in future have a markedly disruptive impact on employment in the City Region as a result of developments in artificial intelligence and automation, with serious implications for inclusive growth. This implies a need for a major investment in individuals' skills to increase their career adaptability.
- 2.3 To provide the basis for discussion a short (c.15 minute) presentation will be given, setting out the key evidence. The presentation will cover the following areas, as set out in the slides provided at appendix 1:

- The background to the skills obsolescence challenge –developments in respect of automation and associated drivers of change at a national / international level
- The scale and nature of the skills challenge facing the City Region.
- The skills and jobs that face the greatest risk of obsolescence and the groups that will suffer the greatest adverse impact as a result
- The jobs and skills that are relatively resistant to obsolescence and are likely to offer continuing opportunities into the future
- The types of action that can be taken locally to address skills obsolescence and the potential levers that could support action
- Questions to inform discussion by the Panel.

3 Financial Implications

3.1 None at this stage.

4 Legal Implications

4.1 None.

5 Staffing Implications

5.1 Staff resource in the form of officers' time may need to be allocated to support a task-and-finish group.

6 External Consultees

6.1 No external consultations have been undertaken.

7 Recommendations

7.1 It is recommended that members of the Panel consider the following questions when discussing the issue of skills obsolescence:

- How does this evidence chime with the experiences / views of panel members on this issue?
- What actions need to be taken locally, rather than nationally, in addressing this issue? Do we need to influence national policymakers on any aspect e.g. the need to raise the level of resources currently dedicated to this problem? How can we best leverage national policy and resources to address this issue at the local level e.g. how will we ensure that we take on board and apply the lessons of the career learning pilot?
- What should be the role of our wider economic strategy in addressing this issue e.g. how can we grow the right kinds of jobs in the City Region that are resistant to obsolescence?

- How can we support the development of a lifelong learning culture that will provide the basis for investment in career learning? How can employers contribute to this? How do we ensure that our approach is inclusive?

8 Background Documents

None.

9 Appendices

Appendix 1 – Presentation – Skills obsolescence: overview of key issues.