

BUSINESS, ECONOMY AND INNOVATION COMMITTEE

**MEETING TO BE HELD AT 2.00 PM ON THURSDAY, 9 NOVEMBER
2023
IN COMMITTEE ROOM 1, WELLINGTON HOUSE, 40-50 WELLINGTON
STREET, LEEDS, LS1 2DE**

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**
- 4. MINUTES OF THE MEETING HELD ON 26 JULY 2023**
(Pages 1 - 10)
- 5. CHAIR'S UPDATE**
- 6. ECONOMIC UPDATE**
Lead Director: Sarah Eaton, Lead Author: Patrick Bowes

(Pages 11 - 26)
- 7. ECONOMIC STRATEGY UPDATE**
Lead Director: Felix Kumi-Ampofo, Lead Author: Jo Barham
(Pages 27 - 30)

8. DIGITAL BLUEPRINT UPDATE

Lead Director: Felix Kumi-Ampofo, Lead Author: Sobaan Ali

(Pages 31 - 38)

9. EMPLOYMENT & SKILLS UPDATE

Lead Director: Felix Kumi-Ampofo, Lead Authors: Joshua Rickayzen, Anika Gilbert

(Pages 39 - 54)

10. INNOVATION

Lead Director: Felix Kumi-Ampofo, Lead Author: Sarah Bowes

(Pages 55 - 58)

11. UKSPF PILLAR 2 UPDATE

Lead Director: Felix Kumi-Ampofo, Lead Author: Louise Allen
(Pages 59 - 70)

12. DEVELOPMENT AND DELIVERY

Lead Director: Felix Kumi-Ampofo, Lead Author: Louise Allen
(Pages 71 - 98)

For Information

13. DATE OF THE NEXT MEETING

The date of the next meeting will be Wednesday 31 January 2023.

Signed:



**Chief Executive
West Yorkshire Combined Authority**



**MINUTES OF THE MEETING OF THE
BUSINESS, ECONOMY AND INNOVATION COMMITTEE
HELD ON WEDNESDAY, 26 JULY 2023 AT COMMITTEE ROOM 1,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS, LS1 2DE**

Present:

Councillor Shabir Pandor (Chair)	Kirklees Council
Councillor Alex Ross-Shaw	Bradford Council
Councillor Lisa Martin	Leeds City Council
Fara Butt	Private Sector (Representative)
Simon Langdale	Private Sector (Representative)
Mandy Ridyard	Private Sector (Representative)
Alan Williams	Private Sector (Representative)
Sue Cooke	Advisory Representative (Huddersfield University)

In attendance:

Felix Kumi-Ampofo (Director)	West Yorkshire Combined Authority
Caroline Allen (Deputy Director)	West Yorkshire Combined Authority
Louise Allen (Officer)	West Yorkshire Combined Authority
Jo Barham (Officer)	West Yorkshire Combined Authority
Sarah Bowes (Officer)	West Yorkshire Combined Authority
James Flanagan (Officer)	West Yorkshire Combined Authority
Lorna Holroyd (Officer)	West Yorkshire Combined Authority
Myles Larrington (Officer)	West Yorkshire Combined Authority
Mitchell McCombe (Officer)	West Yorkshire Combined Authority
Thomas Purvis (Officer)	West Yorkshire Combined Authority
Joshua Rickayzen (Officer)	West Yorkshire Combined Authority
Philip Witcherley (Officer)	West Yorkshire Combined Authority

1. Apologies for Absence

Apologies for absence were received from Councillor Sarah Courtney, Councillor Eric Firth, Councillor Deb Nicholls, Councillor Peter Kilbane, Private Sector Representatives, Deb Hetherington, Asma Iqbal, Karl Oxford, Richard Paxman, Paul Price, Bobby Thandi, Advisory Representatives, Dr Peter O'Brien, Palvinder Singh, Dr Martin Stow, Lee Viney, Neville Young and Chief Executive Lead, Jacqui Gedman.

2. Declarations of Disclosable Pecuniary Interests

Advisory Representative, Sue Cooke declared an interest in Item 9 as Huddersfield University remained part of the Investment Zone partnership.

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

There were no agenda items that required the exclusion of the public and press.

4. Minutes of the Meeting held on 29 March 2023

Resolved: That the Minutes of the meeting of Business, Economy and Innovation Committee held on 29 March 2023 were approved.

As the Chair had not been present at the previous meeting, the Minutes had been signed by a member (Councillor Lisa Martin, Leeds City Council) who had been present at that meeting.

5. Chair's Update

The Chair provided an update on the recent changes to the Local Enterprise Partnership (The LEP). He noted that Mark Roberts, the Interim Chair of the LEP had stood down and that the Combined Authority was still in the process recruiting a new Chair who would also act as the Mayor's business advisor.

The Chair explained that there were also plans for the Mayor's Business Council which would bring a range of business leaders together. He and the leaders of the other district council were supportive of the efforts to bring businesses together from across West Yorkshire.

The Chair noted that there had been some changes to director posts since the last meeting of the Committee. He then proceeded to introduce Felix Kumi-Ampofo, the new Director of Inclusive Economy, Skills & Culture who had succeeded former Interim Director, Phil Witcherley in the role. The Chair then invited the Director to say a few words.

The Director thanked the Chair for the introduction. The Director noted that it was only his third day in his new role and, that while many aspects of the position were new to him, he continued to be supported by a strong team. The Director therefore had high expectations of what could be achieved by the Combined Authority. He noted that the items that were due for discussion by members were part of a comprehensive agenda and that the expectation was that significant improvements for the region could be achieved through the work of the Committee.

The Chair thanked the Director for his words. He then noted that it was the last meeting that would be attended by the former Interim Director, Phil Witcherley. He thanked Mr Witcherley for all his hard work and indicated that he had enjoyed working with him over the last year. The Chair then wished Mr Witcherley well in his future endeavours and invited him to say a few words.

Mr Witcherley indicated that it had been a pleasure to serve as the Interim Director for the Committee, especially as this had been the Committee with the most involvement with Private Sector representatives. Mr Witcherley noted that, during the last two years, the Committee had many substantial achievements including beginning the development of the economic strategy, developing several business programmes, consideration of innovative schemes such as Northern Gritstone and establishing the Manufacturing Taskforce. Mr Witcherley also indicated that the new Director already had a great track record of achievements and that the work of the Committee would therefore continue to accelerate.

The Chair then invited Mandy Ridyard, a Private Sector Representative who had worked closely with the former Interim Director, to say a few words.

Ms Ridyard proceeded to thank Mr Witcherley for the work he had undertaken on behalf of the Committee to ensure that the voice of business had been heard, especially in relation to the efforts that had been undertaken with the Manufacturing Taskforce and the individual programmes Mr Witcherley had brought before the members. Ms Ridyard had also welcomed the new Director to his position and indicated that all the Private Sector representatives were looking forward to working with him.

6. Governance Arrangements

The Committee considered a report of the Deputy Director for Legal, Governance & Compliance which advised members on the governance arrangements that had been approved by the Combined Authority at the Annual Meeting on 22 June 2023 in respect of the committee.

Officers then presented the report and explained that:

- The terms of reference for the Business, Economy and Innovation Committee had been agreed.
- The quorum of the Committee had been agreed as 3 voting members to include 2 Combined Authority members or Local authority co-optees.
- The Combined Authority had appointed Councillor Shabir Pandor as Chair of the Committee.
- The Deputy Chair position that would be ordinarily held by a LEP Board member remained vacant, subject to a recruitment exercise that had been underway.
- The membership of the Committee had been confirmed by the Combined Authority.
- The Combined Authority had agreed the meeting dates for the Committee as follows:
 - 26 July 2023
 - 1 November 2023
 - 31 January 2024
 - 12 March 2024

Resolved:

- i. That the Committee noted the report.
- ii. That the Committee noted the governance arrangements approved by the Combined Authority at the Annual Meeting held on 22 June 2023.

7. Economic Update

The Committee considered a report of the Chief Operating Officer which provided members with an update on the latest economic information.

Officers presented the report which outlined the following:

- The Monetary Policy Committee had increased interest rates from 4.5% to 5% in June.
- The energy price cap (£2,074) had fallen below the Energy Price Guarantee (£2,500) after the EPG had been extended by three months during the March Budget.
- Inflation had remained at 8.7% in the 12 months to May 2023, but core inflation had increased from 6.8% to 7.1%.

Officers also referred to some regional data as well:

- Employee numbers across West Yorkshire had increased between April and May 2023 to 1,019,369 (+649).
- Since January there had been a 3,572 increase in employees.
- The out-of-work claimant count as a percentage of working-age residents had hit 4.8% in West Yorkshire for May 2023, compared with 3.8% across England.

Members made the following observations:

- Members asked about the stark divergences between productivity levels in different constitution parts of West Yorkshire in terms of the baseline and why Leeds had an 8% productivity gap with other districts. Officers responded that this had been due to the fact that Leeds was already significantly ahead of other areas, so the figures reflected the fact that growth within other districts was gradually improving (referred to during the meeting as a 'catch up' effect). Officers stressed that there were likely to be other factors at play too and that more information was needed to fully explain the data.
- Members highlighted the importance of the Productivity Improvement Programme which was in delivery and which manufacturing businesses could access. Members asked for more to be done to help promote the scheme across West Yorkshire.
- In order to more accurately assess productivity performance across West Yorkshire, members observed that it was important to examine the makeup of the business base. Officers indicated that this had been looked at, along with skills levels while noting that the concerns around productivity were a UK-wide problem, not just a West Yorkshire issue.

Resolved:

- i. That the Committee noted the report.
- ii. That the Committee noted the latest economic intelligence to help inform policy making and discussions.

8. Economic Strategy and EDI Plan

The Committee considered a report of the Interim Director for Inclusive Economy, Skills & Culture which provided an update to members on progress towards developing an Economic Strategy for West Yorkshire which fully reflected the Combined Authority's ambitions for Equality, Diversity and Inclusion.

Officers presented the report, which included the following:

- The Economic Strategy had a focus on the delivery of Mission One of the West Yorkshire Plan “to deliver a prosperous West Yorkshire alongside an inclusive economy with well paid jobs”.
- The Economic Strategy had been intended to align existing policies and strategies that included the Employment and Skills Plan, Business Productivity and Resilience Plan, Innovation Framework, Digital Blueprint and the Culture Framework.
- A new inward investment strategy had been commissioned to align with the overarching ambitions of the Economic Strategy, to update the approach to inward investment post-Brexit, and to sit alongside the West Yorkshire International Trade Strategy that had been approved last year.
- Current activity had been focused on updating the evidence base including the West Yorkshire Economic Assessment (2019), procurement of a new Regional Economic Model for updated forecasts and scenario planning alongside a call for evidence from the West Yorkshire Universities and the Y-PERN Network of academics.
- A broad stakeholder consultation was underway.
- The proposed Equality, Diversity & Inclusion (EDI) strategy will now be fully incorporated into the Economic Strategy to ensure full alignment.
- It was also noted that members of the Committee had been invited to a workshop scheduled for 5th September to discuss the Digital Blueprint and the wider issues around the proposed Economic Strategy.

Members made the following observations:

- Members observed that access to finance should be part of the wider Economic Strategy as this is one of the biggest barriers to achieving greater diversity in the workforce, especially as there continues to be significant expertise in finance available within the region. It was

noted that SHY had secured funding to look at green finance and that the Economic Strategy should explore opportunities to progress this type of opportunity.

- Members noted that internal discussions had taking place between officers and representatives of Huddersfield University to progress work on health, housing, future mobility and sustainable transport. It was noted that the Director for Policing, Environment and Place had been leading these discussions.
- Members had enquired about the potential impact that artificial intelligence might have on productivity and jobs in West Yorkshire. Officers responded that this was an area of ongoing research.
- Members observed that innovation is key to driving action against inequality and to improve productivity and requested that officers look further at this. Officers indicated they would examine this theme further.
- Members observed that measures to embrace diversity should include recognition of cognitive diversity and other neurodivergent conditions in relation to how disabled business owners could be better supported.
- Members highlighted the importance of the Made Smarter Programme which assists with digital transformation but expects a certain level of digital readiness which remained challenging for some businesses and that further support should be considered. Officers had indicated they would look into this area further.

Resolved:

- i. That the Committee noted the report.
- ii. That members of the Committee provided comments on the proposed approach and noted the progress that had been made.
- iii. That members of the Committee noted the intention to incorporate the EDI Strategy into the Economic Strategy, and to ensure EDI had been prioritised as a key aspect of the intention to deliver Mission One of the West Yorkshire Plan.

9. Investment Zones

The Committee considered a report of the Director of Policing, Environment & Place which provided members with an update on proposals relating to Investment Zones. The report sought feedback on the proposed interventions.

Officers presented the report which included the following:

- In the Spring Budget, the Chancellor of the Exchequer, The Rt Hon Jeremy Hunt MP announced the Government would introduce Investment Zones.

- West Yorkshire was subsequently selected as one of the Mayoral Combined Authorities to progress proposals for hosting an Investment Zone.
- The Investment Zone Policy Prospectus identified five sectors which selected areas must align their proposals to. These included health and life sciences, digital and tech, advanced manufacturing, creative industries, and green industries.
- Policy programmes were announced to include new tax-zones, relief from business rates and opportunities to introduce new revenue or capital programmes.
- Members had been updated on the progress to date.

Members made the following observations:

- Members observed that there were many accelerator programmes around which were not always able to find cohorts to go on them. Members therefore requested that any new accelerator programmes should be designed in a way that complemented existing programmes and clearly set out how to reach intended beneficiaries. Officers agreed that such programmes required clear outcomes and objectives and that they would take these points into consideration.
- Members noted that Huddersfield University was part of the Investment Zone partnership and they were continuing to work with the architects responsible for designing the floor plan for the proposed Health Innovation Centre in Huddersfield which will bring significant improvements to West Yorkshire and be a world class asset.
- Members noted that, one of the areas that had been identified by The Manufacturing Taskforce, was a shortage of manufacturing space. Members therefore asked if there were plans for any sites to be developed for this purpose. Officers responded that were future opportunities that could be used to develop such sites.

Resolved:

- i. That the Committee noted the contents of the report.
- ii. That members of the Committee provided feedback on the programme proposals.

10. Fair Work Charter

The Committee considered a report of the Interim Director of Inclusive Economy, Skills & Culture which provided committee members with an update on the development of the Mayor's proposed Fair Work Charter.

Officers presented the report and outlined the following:

- This priority had been based around the Mayor's electoral pledge to develop a Fair Work Charter that enabled collaboration with – and

celebration of – the region’s employers to ensure West Yorkshire’s workers enjoyed the best working conditions.

- Officers set out the phased timeline of developments on how the Fair Work Charter would be implemented. The timeline aimed for a proposed launch time of Autumn 2023.

Members made the following observations:

- Members asked what SMEs were required to do to sign up to the Fair Work Charter. Officers responded that an online form was available, on a self-assessment basis, and once completed, officers would then contact the relevant business.
- Members asked about what similar measures had been taken in other parts of the country and what success they had seen. Officers responded that similar charters had been introduced in Greater Manchester and London, however both areas had struggled to sign up SMEs. London, in particular, had sought to retrofit a new charter. The Combined Authority had used these examples as a learning opportunity to ensure that the proposed charter was SME centric and designed specifically to encourage participation from smaller firms.
- Members specifically asked that the wording in the charter relating to ‘staff’ should be changed to ‘employees’ as the term staff sounded too hierarchical.

Resolved:

- i. That members noted the contents of the report.
- ii. Members welcomed the progress which had been made in establishing the Mayor’s Fair Work Charter and the proposed next steps.

11. Development and Delivery

The Committee considered a report of the Interim Director of Inclusive Economy, Skills and Culture which sought to highlight the many significant successes and achievements across a range of policy interventions to support businesses, grow the economy and deliver on Mission 1 of the West Yorkshire Plan.

Officers presented the report and outlined the following:

- The evolved Growth Service was in delivery, with 15 Growth Managers across West Yorkshire supporting SMEs to access the support they required.
- The £6m Enterprise West Yorkshire programme had been in delivery since late 2021 and provided a package of enterprise support consisting of three workstreams.
- Work has been ongoing to develop thinking around new Access to Finance models.

- Investment in digital tech for non-digital businesses was a key driver of improved productivity.
- Skills issues were frequently reported as the biggest challenge for businesses and business growth in West Yorkshire.
- The Business Productivity Programme had been in delivery since May 2022. It provided advice and capital grants to businesses to increase and improve their productivity.
- The report had also highlighted how innovation is a key driver of productivity.

Members made the following observations:

- Members noted that, in relation to access to finance, the report had outlined that Northern Gritstone had been all about spinouts from Universities in Leeds, Manchester and Sheffield. While this had been true in the original context, it was important to emphasise the contribution that other universities could also make to this project through additional spinouts.
- In relation to the Creative Industries Programme, members highlighted some work that the University of Huddersfield had been undertaking with Kirklees Council on piloting maker space within the university's Barbara Hepworth building to encourage fashion design and textile students who require facilities they do not have around their kitchen table. Members observed that the pilot phase had been successful and requested that future creative industries packages should include maker spaces as these can help early-stage entrepreneurs.
- Members referred to the success of the West Yorkshire Innovation Network, chaired by Mandy Ridyard, a Private Sector member of the Committee, which had been helping all the actors of innovation in the region to promote greater innovation and increase diversity across the region. Members noted that innovation is essential to economic growth and diversity is essential to innovation. Accordingly, officers had been working on putting together a dashboard to measure rates of innovation within the region.

Resolved:

- i. That the committee noted the contents of the report.
- ii. That members of the committee noted the progress of services in delivery and development.

12. Date of the Next Meeting

It was noted that the next meeting of the Business, Economy and Innovation Committee was scheduled to be held on 1 November 2023.

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Report to:	Business, Economy and Innovation Committee
Date:	9 November 2023
Subject:	Economic Update
Director:	Sarah Eaton, Director Strategy, Communications and Intelligence
Author:	Patrick Bowes, Head of Research and Intelligence

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this Report

- 1.1. To provide members of the BEIC with the most up-to-date and relevant economic information.

2. Information

Macro-economic context

2.1 Inflation

- The Consumer Price Index rose by 6.7% in the month to August compared to a 6.8 % increase in the 12 months to July – with the headline rate little changed in the month. The recent publication of September's inflation figures revealed that headline CPI inflation rose by 6.7% in the preceding 12 months, the headline rate remains unchanged from August.
- This trend is echoed in the wider CPIH measure which includes housing costs which fell 6.3% in 12 months to August – down just 0.1pp in the month.
- Within the headline numbers there is good news that food inflation continues to ease – down from a rate of increase of 12.2% in the year to September from 13.6% in 12 months to August. Whilst the rate of food inflation is easing it should be noted

that it is still significantly elevated – the BoE in its last inflation report expects food inflation to remain above 10% into 2024. August's inflation numbers support this view as seasonal factors may well keep imported food costs higher as we move into Q4 2023.

- The gains made on food inflation rising less quickly were offset by increased costs for owner occupiers, rising fuel prices – which contributed significantly to the upward pressure on CPI and an uptick in clothing costs.
- Core CPI inflation (this excludes energy, food, tobacco and alcohol which are typically more volatile costs) – a measure tracked very closely by the Bank – rose by 6.1% in the 12 months to September – a rate of increase below its recent high of 7.1% seen in May this year. Whilst this is good news, the concern within this is that goods inflation is still increasing whilst services inflation is falling – this trend will particularly preoccupy the Monetary Policy Committee (MPC).

2.2. Interest rates

- Following its meeting of the 20/09/23 the MPC voted 5 to 4 to keep current rates on hold at 5.25% – although it should be noted that this was a close decision – 4 members of the MPC were in favour of increasing rates to 5.5% – certainly based on the latest inflation data there is enough data to support this view.
- The Bank is focused on a number of key metrics – growth in earnings, the labour market and the pattern of core inflation. Core inflation is still preoccupying policymakers, wage growth continues to trend above the BoE's projections and there are clear signs that the labour market is weakening. Taken together these explain why rates were held and were almost raised again – the deciding factor could have been the Bank's concern over the labour market – although of course we will not know this until the detailed minutes are published as well.

2.3. Economic Growth

- The UK economy grew by 0.2% in Q2 2023 – April to June – this follows growth of 0.1% in the previous quarter. The 2nd estimate of GDP in the 2nd quarter was unrevised but did indicate that the national economy grew more strongly in Q1 2023 than previously assumed – growth of 0.3% compared to previous estimate of – 0.1%. The level of quarterly GDP in Quarter 2 2023 is now 0.2% below its pre-coronavirus (COVID-19) level in Quarter 4 (Oct to Dec) 2019. Compared with the same quarter a year ago, GDP is estimated to have increased by 0.4%.
- In output terms, the services sector grew by 0.1% on the quarter, driven by increases in information and communication sectors, accommodation and food service activities, human health, and social work activities.
- The production sector posted the strongest growth in Q2 growing by 0.7%, the core of this growth was a very welcome 1.6% growth in the manufacturing sector. Growth in the production sector has been fairly broad based since the start of 2023 with most

manufacturing sectors posting quite strong growth – most of this growth has been driven by falling input prices for manufacturers.

- Construction output rose by 0.3% in Quarter 2 2023, following growth of 0.4% in Quarter 1 (Jan to Mar) 2023. The growth in Quarter 2 2023 was driven by repair and maintenance which grew by 0.9%. This growth was partially offset by a fall of 0.1% in new build construction and infrastructure work.
- The more timely but less accurate monthly estimates of GDP show that GDP is estimated to have grown by 0.5% in June 2023, following a fall of 0.1% in May 2023 and growth of 0.2% in April 2023 – it should be noted though that the coronation of King Charles III in May will have contributed to the contraction in output due the additional bank holiday and it is more likely that GDP grew at a similar rate to that in April – ONS will not be adjusting for this in the GDP data.
- In terms of the expenditure components of GDP - there was strong growth in household consumption and government consumption, which was partially offset by a fall in international trade flows in the second quarter.

Methodological changes to UK GDP calculation.

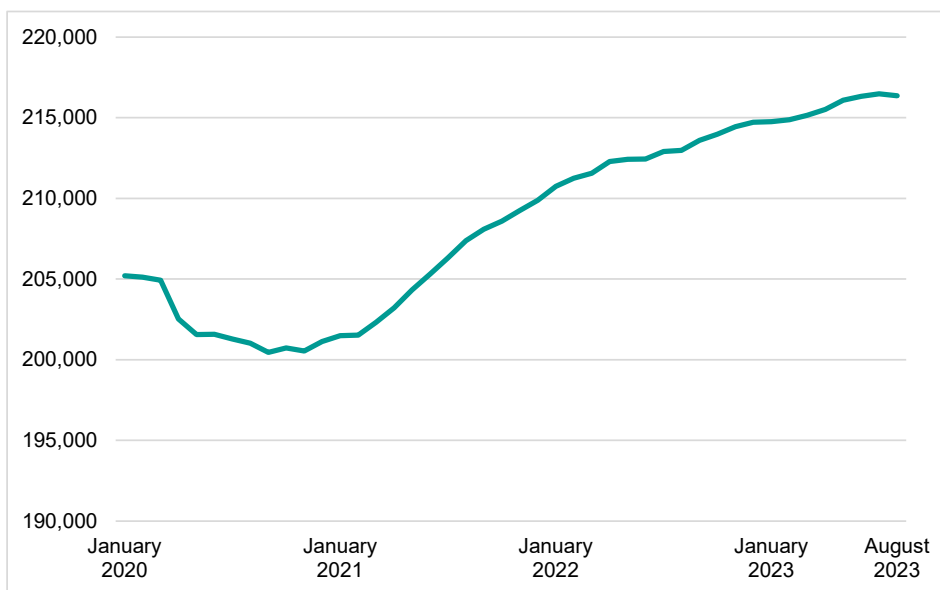
- 2.4 The UK is changing the way it calculates GDP to implement a new international accounting approach – other countries have adopted this revised approach – the US and France have already published updating GDP numbers using this new approach. It is important to note that the data presented above does not yet incorporate these changes in ONS quarterly GDP estimates – these changes will be implemented next year.
- 2.5 In broad terms the main economic headline from the application of this new approach is that UK growth in 2020 and 2021 was considerably stronger than previously assumed using the current Blue Book methodology – the upshot of which is that it is now believed that UK GDP recovered its pre-health crisis level of output in Q3 2021 rather than the current assumption using the existing methodology that UK was still below its 2019 peak.

Regional data

- 2.6 There have been 10,620 business start-ups in West Yorkshire in the year to August 2023 inclusive, a 12% increase on the corresponding period of 2022. The biggest increase at local authority level was for Bradford with growth of 19% compared with the previous year. Leeds and Wakefield grew at a similar rate to the West Yorkshire average, whereas the figures for Calderdale and Kirklees were 6% and 7% respectively.
- 2.7 Labour market conditions in West Yorkshire are showing signs of softening, reflecting the national position and the impact of interest rate rises and slow growth in the economy. Employment growth has levelled-off in recent months, whilst average pay is starting to decline. The claimant count has been growing since late 2022, albeit at a modest rate.

2.8 Real-time information on the count of payrolled employees in West Yorkshire shows that the level of employment in the region has remained largely unchanged between April and August 2023, following a period of sustained growth from early 2021 onwards.

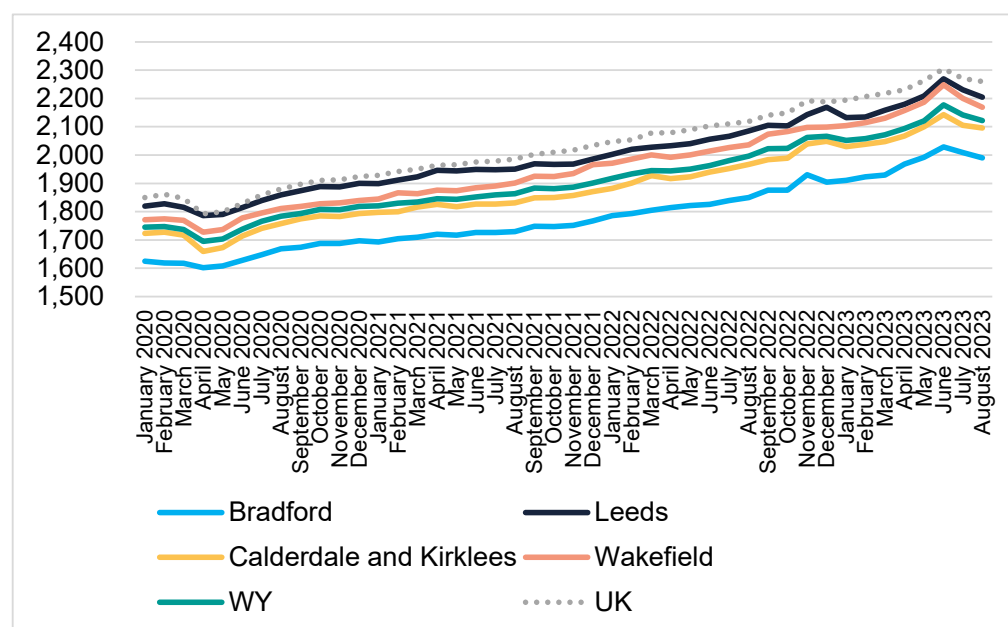
Figure: Count of payroll employees from PAYE Real-time information (seasonally adjusted)



Source: HMRC

2.9 As of August 2023, median monthly pay for employees in West Yorkshire was £2,122, 94% of the UK average of £2,260 based on HMRC real-time data. The equivalent figure for Bradford is only 88%, whereas it rises to 98% in Leeds and 96% in Wakefield. Until recently, pay (unadjusted for inflation) has been growing strongly in West Yorkshire and was 15% higher in August 2023 than in May 2021, the point in time at which the economy re-opened. However, median pay has fallen across the board between June and August of this year – by 3% in West Yorkshire and 2% nationally.

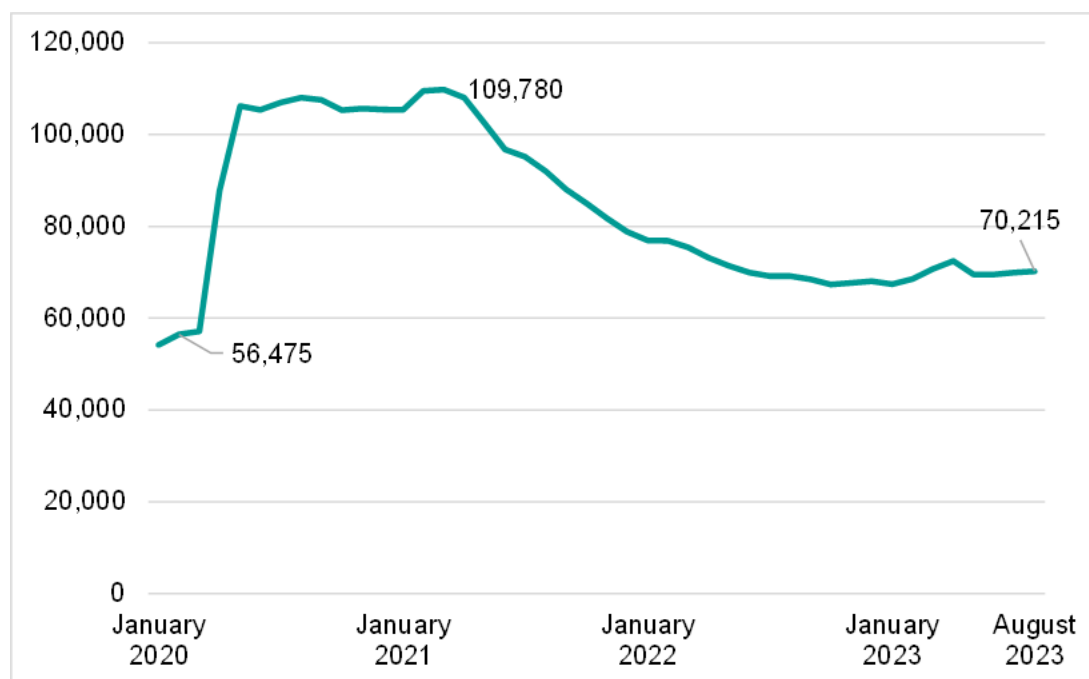
Figure: Trend in median monthly pay for employee jobs (£)



Source: HMRC

2.10 The claimant count – the official count of people who are claiming benefits primarily because they are unemployed - has been on an upward trend in West Yorkshire and nationally since October 2022. This growth has been modest: West Yorkshire's count has grown by 4% or around 2,900 during the period from October 2022 to August 2023. This follows a long period of steady decline starting in early 2021 coinciding with the lifting of lockdown restrictions. The level of claimant unemployment in West Yorkshire is now (as of August 2023) 70,215, 24% higher than pre-pandemic level (February 2020). The claimant rate (claimant count as a percentage of the working age population) is higher in West Yorkshire than nationally, at 4.7% versus 3.8%. At local authority level the rate ranges from 3.5% in Wakefield to 6.5% in Bradford.

Figure: Claimant unemployment trend, West Yorkshire



Source: NOMIS

West Yorkshire Business Survey

2.11 Results have recently become available from the West Yorkshire Business Survey (the survey was formally known as the LCR Business Survey) 2023 and a selection of headline results is presented below. The survey is commissioned annually by the Combined Authority and is a B2B leading indicator survey which covers all sectors – the survey is designed to provide:

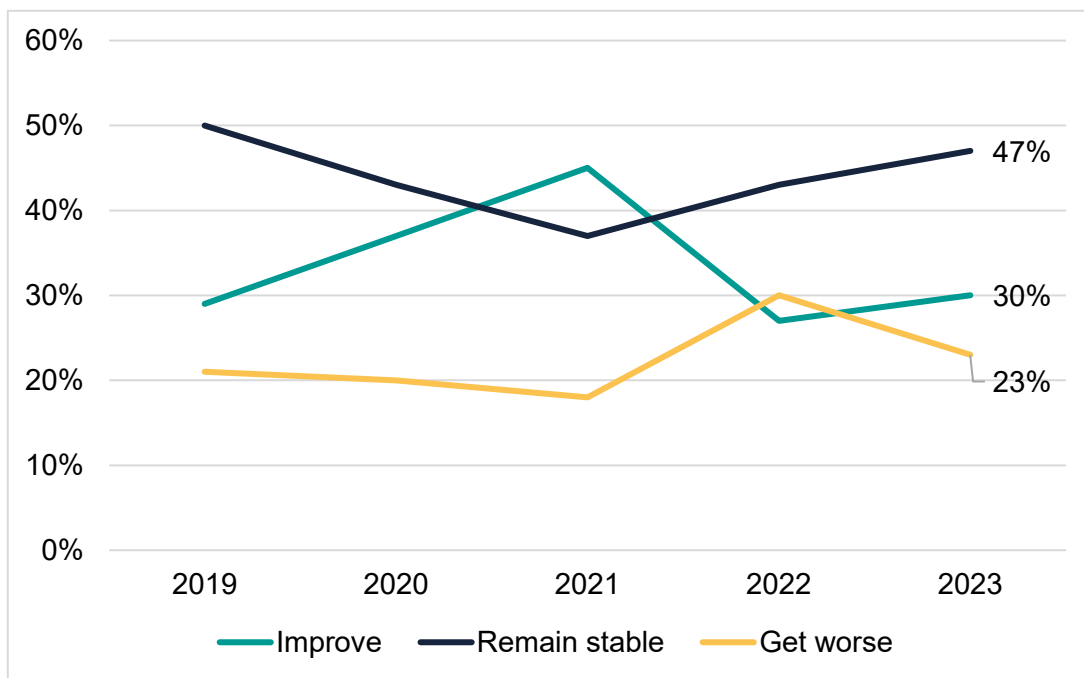
- A snapshot view of business confidence, investment experiences and intentions
- A detailed understanding of the issues currently facing business.
- A picture of progress against key monitoring indicators.

2.12 Just over 1,000 interviews were conducted, primarily by telephone, among organisations with at least one employee, across the private, public and voluntary/community sectors. Interviews were conducted during summer 2023.

2.13 The survey results point to greater stability in the outlook for the local economy, although the changes are modest. An increased proportion of respondents to the Business Survey said they expect to see an improvement in the climate in which they operate over the next 12 months, compared with 2022 (increase from 27% to 30%). The proportion

expecting a stable environment also increased (43% to 47%) whilst there was a fall in the share who expect worsening conditions (30% to 23%).

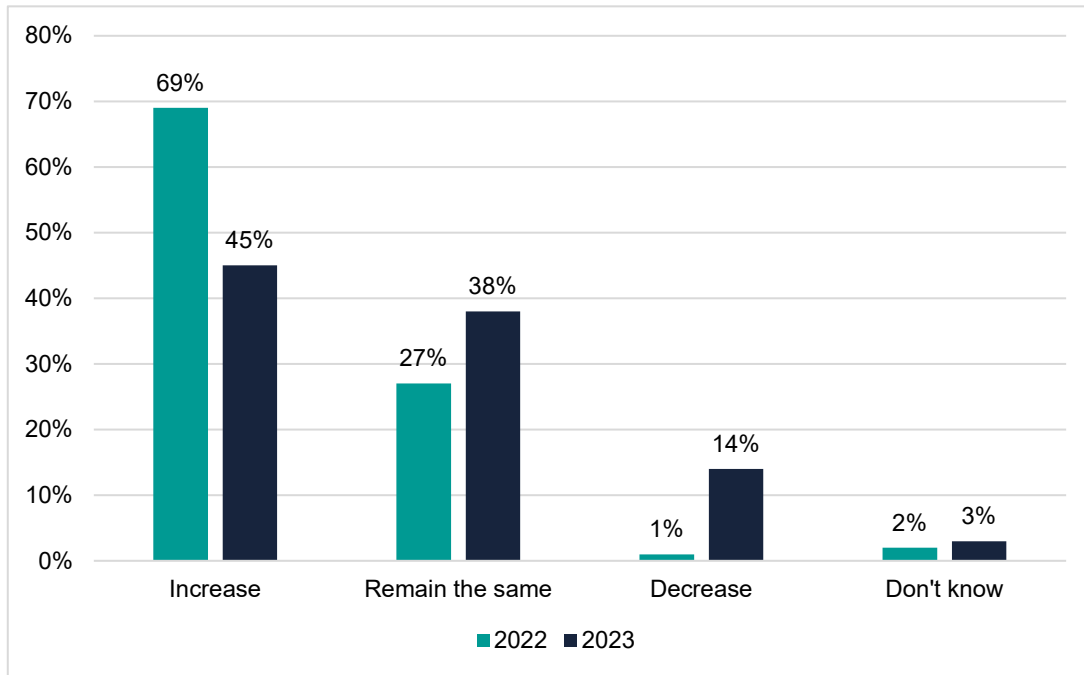
Figure: Over the next 12 months do you expect the climate in which your business/organisation operates to generally improve, remain stable, or get worse?



Source: West Yorkshire Business Survey

2.14 Despite falls in recent months, inflation remains at elevated levels, as noted in the macro-economic section. Data from the business survey points to an improving outlook in terms of prices. The proportion of businesses who expect to increase their prices to customers in the coming 12 months has fallen by 24 percentage points since last year, although nearly half still expect to increase them and only 14% believe their prices will fall. Nonetheless, this provides a positive signal around prospects for inflation.

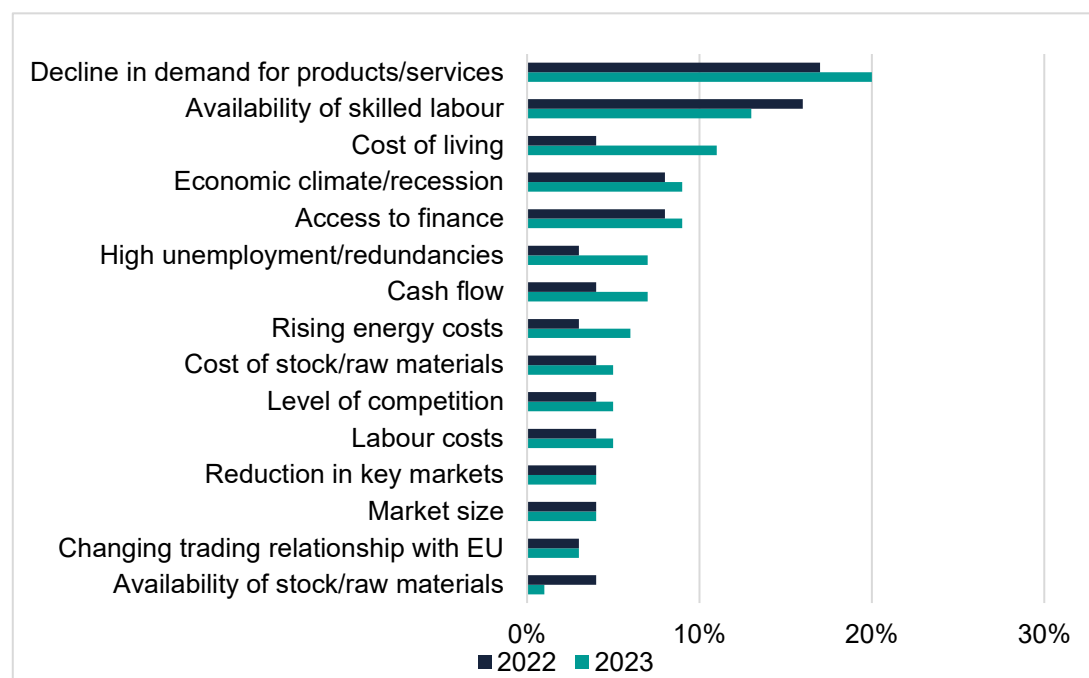
Figure: Over the next 12 months do you expect the price(s) you charge to your customers to increase, decrease or remain the same?



Source: West Yorkshire Business Survey

2.15 The business survey provides an insight into the barriers to growth faced by local organisations. Since last year there has been an increase in the salience of a range of issues including cost of living, energy costs, unemployment and cash flow. The prospect of decline in demand for products and services is also identified by a greater proportion of respondents than in 2022. Availability of skilled labour is the second most widespread barrier, but its prevalence has fallen slightly since 2022, as has the issue of access to stock and raw materials.

Figure: What do you consider to be the main barriers to the growth of your business/organisation in the next three years?



Source: West Yorkshire Business Survey

2.16 It is important to note that there is a great deal of sectoral variation in business views on the key barriers to growth at the moment – a theme echoed across a range of local and national leading indicator surveys at present (such as the BCC Quarterly Economic Survey). Whilst comparison across surveys is not always possible because of way these surveys are designed there are some consistent themes across these different surveys worth highlighting:

- Manufacturing firms are typically more concerned about rising raw material and energy prices – with larger companies more concerned specifically about energy costs.
- Firms in the hotels, catering and hospitality sector consistently flag rising energy costs as a top 3 barrier to their growth.
- Other cost pressures – especially cost of living and cost of acquiring stock – are frequently cited as cost barrier across a wider range of sectors – with small firms more likely to see these cost pressures as a barrier. In broad terms there are still a number of overlapping cost challenges for businesses which are leading to elevated concerns about the impact this will have on wider demand in the economy as well.

A detailed analysis of the full range of indicators contained in the Business Survey will be published in the coming weeks with results available for the thematic areas for which the Committee is responsible, including trade and innovation.

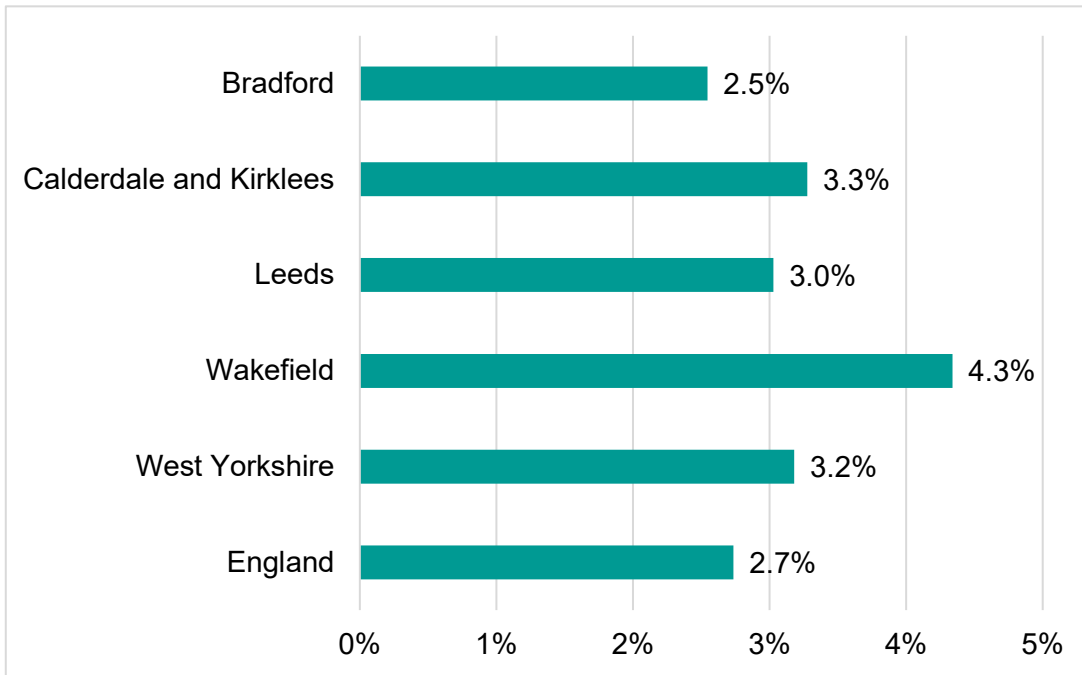
State of the Region indicators

- 2.17 State of the Region is an annual stock-take of West Yorkshire's progress against key economic, social, transport and environmental indicators produced by the Combined Authority. The indicators reflect the outcomes and impact we want to achieve to improve the lives of people in West Yorkshire. State of the Region will be published later in 2023.
- 2.18 In 2023, the State of the Region indicators have been structured around the content of the five Missions set out in the West Yorkshire Plan. State of the Region will provide the mechanism by which progress against the West Yorkshire Plan Missions will be reviewed. Additional indicators put forward in the West Yorkshire Plan have been incorporated into State of the Region 2023. Performance against indicators that are of specific relevance to the Committee is briefly examined below, where availability of data permits. As fresh data becomes available in future this analysis will be updated to include additional indicators.

Overview of key State of the Region indicators within the Committee's policy remit

- 2.19 Gross value added (GVA) is the most commonly used measure of economic output at the local level. GVA is a measure of the increase in value of the economy through the production of goods and services in a given area and time. West Yorkshire's economic output (gross value-added) grew faster than the national average in the five-year period between 2016 and 2021 in current price terms. This partly due to a stronger recovery from the pandemic than was seen nationally. Three out of four West Yorkshire ITL3 regions also outperformed the England average during this period.

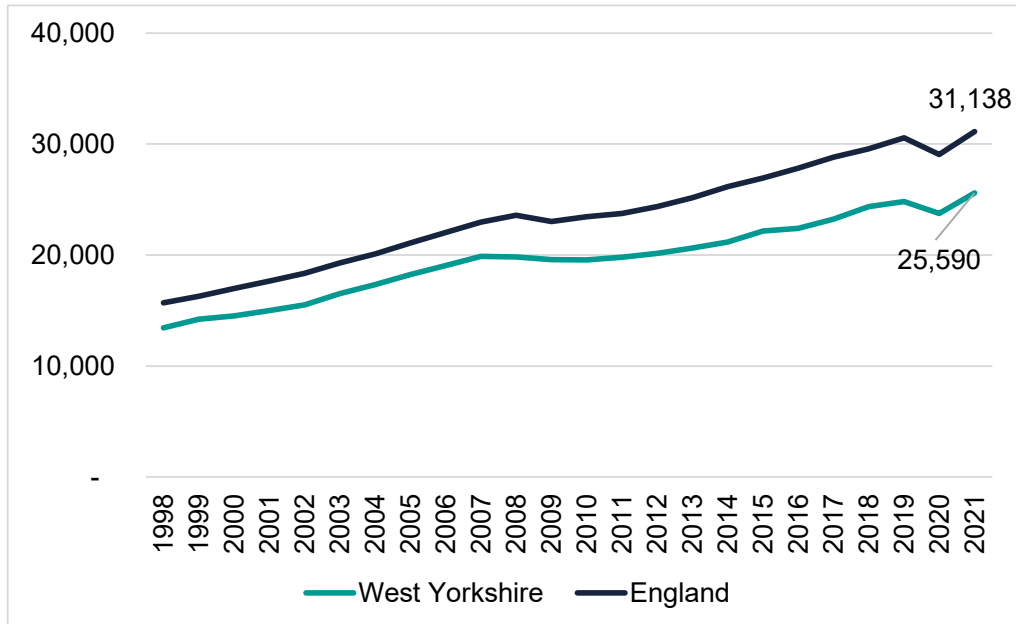
Figure: Gross value added (balanced) at current basic prices – average annual growth rate (%), 2016-21



Source: ONS, Sub-regional GVA data

2.20 **Output (GVA) per head** is a key measure of local prosperity. Output per head fell in West Yorkshire in 2020, reflecting the pandemic-related lockdown in the economy. However, it recovered between 2020 and 2021, as the West Yorkshire economy rebounded stronger than the England average. Nonetheless, West Yorkshire still faces a significant deficit against the national average in terms of its level of output per head.

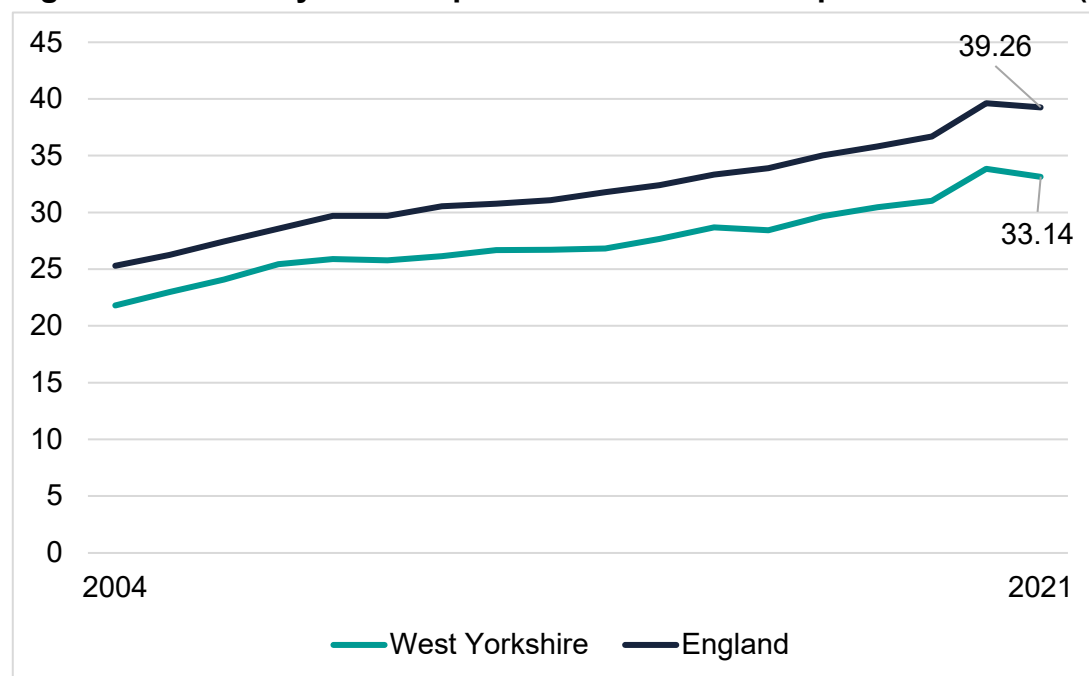
Figure: Gross value added per head (balanced) at current basic prices (£)



Source: ONS, Sub-regional GVA data

2.21 Increased **productivity** is the main engine of local economic growth and improved living standards. During 2020 productivity increased both for West Yorkshire and at national level due to temporary compositional factors as lower productivity sectors were worse affected by the pandemic than high productivity sectors but this effect was reversed as restrictions were lifted in 2021. Nonetheless, the key message is that underlying structural factors mean that West Yorkshire's productivity deficit persists. The Combined Authority and its partners are seeking to address this issue through a range of business support measures, including the Business Productivity Service, but also thematic interventions which focus on drivers of productivity, such as the SME Investment Fund and innovation support service (see Item 12, Development and Delivery Update). Overall, the Combined Authority's target, set out in its Corporate Plan, is to support 3,000 businesses to grow and become more resilient

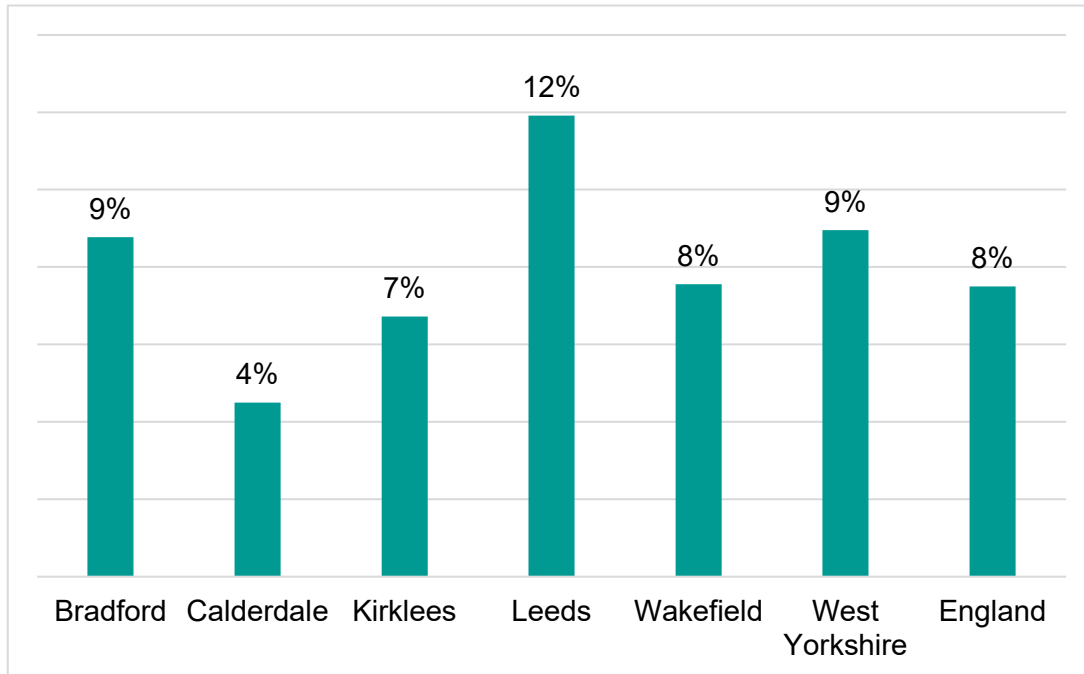
Figure: Productivity: current price unsmoothed GVA per hour worked (£)



Source: ONS, Sub-regional productivity data

2.22 West Yorkshire has a relatively low business density relative to its population but its **number of private sector businesses** is growing faster than the national average rate. Over the last 5 years Leeds has seen the biggest net growth in business stock among the West Yorkshire local authorities. The Combined Authority and its partners are pursuing a number of interventions to promote enterprise and entrepreneurship and grow West Yorkshire’s business base, including the £6m Enterprise West Yorkshire programme. A target to support 500 start-up / early stage enterprises is set out in the Combined Authority’s Corporate Plan for 2023/24.

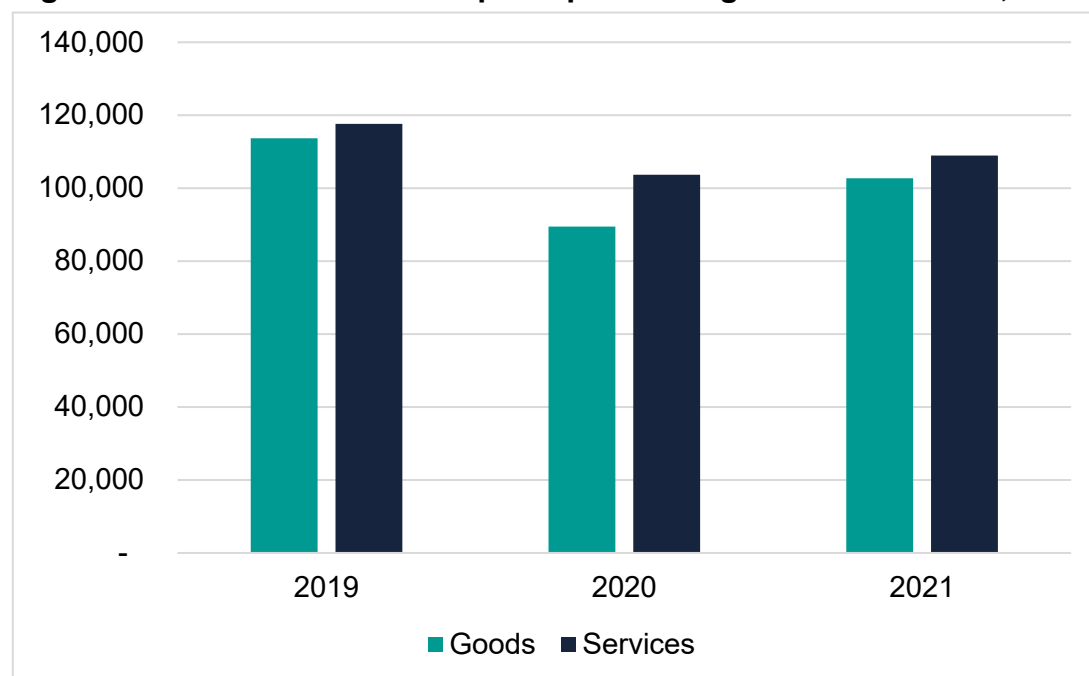
Figure: % net change in count of private sector businesses, 2016-22



Source: ONS, *Business activity, size and location, 2022*

2.23 **Exporting** is key to the local economy: internationally trading businesses often experience higher growth and are often more productive than their domestically-focused counterparts. Exports of goods and services both recovered in 2021 following declines in 2020; however, both remain below their pre-pandemic (2019) level. The value of West Yorkshire's service exports continues to exceed that of goods. However, the ratio of export values to the overall value of the economy is lower in West Yorkshire than nationally for both goods and services.

Figure: Goods and services exports per £m of gross value added, West Yorkshire



Source: ONS, *International exports of services from subnational areas of the UK*

2.24 The Combined Authority and its partners offer a range of trade and export support services to enable West Yorkshire businesses to expand into overseas markets. This support is linked into several targets contained in the Combined Authority's Corporate Plan:

- To achieve 1,000 hits per month through the International trade portal
- To assist 350 businesses with overseas trade initiatives.

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. Recent increases in claimant unemployment, although modest have been concentrated in the most acutely deprived neighbourhoods, exacerbating existing inequalities. Continued high levels of inflation have the most severe effect on the poorest households.

5. Equality and Diversity Implications

- 5.1. People from ethnic minority groups are disproportionately represented in the most deprived communities in West Yorkshire that are most adversely affected by inflation and rising unemployment.

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. No external consultations have been undertaken.

10. Recommendations

- 10.1. That the Committee notes the content of this report.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

None.

Report to:	Business, Economy and Innovation Committee
Date:	9 November 2023
Subject:	Economic Strategy Update
Director:	Felix Kumi-Ampofo, Director Inclusive Economy, Skills & Culture
Author:	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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this Report

- 1.1. This report provides an update on the development of a new Economic Strategy for West Yorkshire. Committee members are asked to feedback on the approach in advance of a more detailed set of priorities being developed.

2. Information

Activity Update

- 2.1. Proposals for a new Economic Strategy to reflect the vision and missions of the [West Yorkshire Plan](#) were discussed at the July Committee meeting. Since then, the following actions have been undertaken:
 - Published a brief for research support on emerging opportunities for West Yorkshire clusters and areas of strength with a focus on net-zero.
 - Published a consultation questionnaire on regional strengths and opportunities: <https://www.yourvoice.westyorks-ca.gov.uk/economicstrategy>
 - Published a call for evidence through the Yorkshire Policy and Engagement Network (Y-PERN) on childcare, the informal economy, and the future of work
 - Updated West Yorkshire Economic Assessment.

- 2.2. Alongside the evidence collection a programme of stakeholder engagement is being undertaken to ensure a wide range of voices contribute to the development of the Economic Strategy. Key consultation events since the last committee include:
- A session led by Asma Iqbal, BEIC member and LEP Board Diversity Champion. During an insightful and wide-ranging discussion, contributions were welcomed on ways of deepening engagement with communities across the region, reflecting and celebrating the full range of sector strengths in West Yorkshire, and maximising the use of the existing evidence base. Following-up events are being planned with BEIC members.
 - A session considering the needs and opportunities of rural communities and effective engagement channels considered the role of place in the Economic Strategy and the impact that rural communities can make.
 - Ongoing discussions with local authority colleagues to align regional and local priorities.
 - A session to explore the relationship between the Combined Authority and Business Representative bodies and good practice models.
- 2.3 Further engagement sessions are planned building on the emerging evidence and thematic discussions. This includes events with universities and voluntary and community groups.
- 2.4 The Mayor along with Professor John Wright (Bradford Institute for Health Research) recently launched the West Yorkshire Scientific Advisory Group (WYSAG). The WYSAG will support joint working between the Combined Authority and the West Yorkshire Health and Care Partnership and the Integrated Care Board (ICB) to highlight the best evidence on health inequalities and how this impacts upon the West Yorkshire Economy. Emerging lessons from this group will be used to inform the development and implementation of the Economic Strategy.

Next Steps

- 2.5 Once the evidence has been collected and initial consultation is complete a summary document of headline findings will be produced. A series of workshops will be undertaken utilising the evidence to shape priorities. This will form the basis of a draft document to be shared for further consultation. The use of external facilitators to support this approach is being explored. Input from members of the Committee would be welcome on prioritisation workshop approaches.
- 2.6 Building on previous good practice of the development of the Strategic Economic Plan (SEP) and Local Industrial Strategy (LIS), proposals for an expert panel are being considered to scrutinise evidence and peer review the application of evidence into policy priorities.

3. Tackling the Climate Emergency Implications

- 3.1. Economic opportunities for net-zero is a key driver of the Economic Strategy which will align closely with existing activity on climate and the environment.

4. Inclusive Growth Implications

- 4.1. The central focus of the Economic Strategy is for an inclusive economy with well paid jobs, this will be reflected in the prioritisation process and draft document.

5. Equality and Diversity Implications

- 5.1. Equality, Diversity and Inclusion will be a driver of the Economic Strategy and this is being reflected in the approach taken to consultation with efforts to engage with a wide range of communities and individuals.

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. Wide ranging consultation is taking place to develop this work. This includes an online questionnaire along with targeted follow-up activity and stakeholder events.

10. Recommendations

- 10.1. That members of the BEIC Committee note the updates and provide any comments / queries on the proposed approach.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

None.

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Report to:	Business, Economy and Innovation Committee
Date:	9 November 2023
Subject:	Digital Blueprint Update
Director:	Felix Kumi-Ampofo, Director Inclusive Economy, Skills & Culture
Author:	Sobaan Ali, Policy Officer

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. This report provides an update on plans for a new Digital Blueprint. Committee members' views are sought on the approach.

2. Information

Background

Digital Blueprint

- 2.1 Digital and technological capability will be a key area of the Economic Strategy, particularly Missions 1 and 2. However, given the broad nature of 'digital' and its significance to West Yorkshire, a separate 'Digital Blueprint' has been proposed.
- 2.2 The Blueprint will consider how 'digital' enables the economy to improve the lives of people in West Yorkshire. It will do so by exploring how the wider skills system, the business ecosystem, and the enveloping infrastructure can usefully convene, influence and be influenced by digital technologies.

- 2.3 The Combined Authority approved a Digital Framework in 2019, focusing on businesses, skills, the digital sector, digital infrastructure, and tech for good (the smart cities agenda). The West Yorkshire Combined Authority is proposing to refresh the Digital Framework into a new Digital Blueprint to take us to 2030.
- 2.4 Officers have worked closely with a wide range of stakeholders including LEP Board members, private and public sector digital experts, private sector employers, academics and Local Authority members, to build our approach to the Digital Blueprint.
- 2.5 All private sector members of the Employment and Skills Committee (alongside Place Committee, Business, Innovation and Economy Committee, and LEP Board) were invited to a workshop to discuss help shape the themes of the Digital Blueprint as it is developed.

The Digital Blueprint's Approach

- 2.6 As a result of the private workshop, attendees approved the approach and proposed adjustments, which are included in the update below and in the appendix.
- 2.7 The proposed approach of the Digital Blueprint is to focus on the 'horizontal' elements of 'Place', 'People and Education' and 'Business and Organisations'.
- 'Place' refers to smart city initiatives, infrastructure development, connectivity and connected places.
 - 'People and Education' refers to digital: skills; inclusion; workforce development; educational pathways.
 - 'Business and Organisations' refers to digital: transformation; investment; entrepreneurship; innovation and research; trade and export promotion.
- 2.8 Interwoven with the horizontals, will be 7 'vertical' themes, all of which affect/are affected by the 'horizontals'. The verticals are as follows, in the order prioritised by the private sector committee member consultation:
- Ensuring that we are benefitting from **advanced technologies**, such as AI, VR, quantum.
 - **Showcasing** all the digital opportunities that West Yorkshire has to offer.
 - Ensuring that digital technologies make **day-to-day life** easier for West Yorkshire residents and businesses.
 - Tackling **digital exclusion**.
 - **Collaborative working** of digital stakeholders in West Yorkshire.
 - Understanding and using **data** to make West Yorkshire a well-connected digital destination.
 - Establishing digital as a method to help West Yorkshire work towards tackling the **climate emergency**.

2.9 A public consultation will be published in October and publicised by Combined Authority social media channels. This will gauge the public response to elements that will be included in the Blueprint, such as views on AI, the ways in which digital technologies impact their lives (positively or negatively), areas in which they'd like more skills/awareness/access to digital, online safety confidence, awareness of Smart Cities/Connected Place, and – for business owners – what digital technologies they are looking to incorporate into their business.

2.10 The first draft of the Digital Blueprint draft will be presented at a future Committee, aiming for a Summer 2024 Combined Authority approval and publication. Officers would like to thank the private sector members who engaged with the private workshop.

3. Tackling the Climate Emergency Implications

3.1 The Digital Blueprint aims to tackle the climate emergency through inclusion of elements such as evolution of digital skills supporting sectors developing and innovating their sustainability, support of 'better jobs', skills training for retrofitters of fibre and copper (internet access) and smart homes.

3.2 The Blueprint will also cover elements of adoption of digital tech by businesses and organisations which will facilitate efficiency and reduce waste, and refer to the opportunities for remote working (which has implications on reducing travel and paper). Digital and smart infrastructure will contribute to reduced energy use, such as smart street lamps, electric vehicles etc. Data capture from smart infrastructure – and local area energy plans and grids - will help with efficient and sustainable planning. Asset mapping allows delivery alignment and strategic sequencing to ensure we 'dig once', which saves on carbon.

4. Inclusive Growth Implications

4.1. Recommendations outlined in the Digital Blueprint will have implications for West Yorkshire businesses and organisations, aimed at catalysing inclusive growth using digital.

5. Equality and Diversity Implications

5.1 Inclusion will underpin the Digital Blueprint, and is one of the 7 'verticals', and will be interwoven throughout other 'verticals'. The Blueprint will include and make recommendations regarding demographic information about those who are digitally excluded and reasons why e.g. skills, cost, or infrastructure. Stakeholders in community organisations and central government will be consulted on and included in recommendations around support those who are digitally excluded.

5.2 The Blueprint will consider EDI element such as digital as an accessibility tool for those with disabilities, e.g. working remotely. Regarding Business and Organisations, the Blueprint will take into consideration in recommendations elements such as the lack of

diversity that is prevalent in venture capital investments. The Blueprint will map out the rural and urban 'not-spots' (areas without any internet coverage) to ensure that geography is not a barrier to participating in an increasingly digital society.

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. No external consultations have been undertaken.

10. Recommendations

10.1. That the Committee members provide feedback and endorse the direction of the Digital Blueprint, ahead of drafting.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Digital Blueprint.

WEST YORKSHIRE DIGITAL BLUEPRINT

35



Agenda Item 8

Appendix 1



Aim: A productive, thriving, sustainable digital landscape in West Yorkshire



Place



People



Business

Verticals – Change Agents, Existing and New



37
Why West Yorkshire is a great place for digital



Dynamism in Tech / Capitalising on Advanced Technologies



Inclusion



Data



Hybrid Digitisation (day to day use)

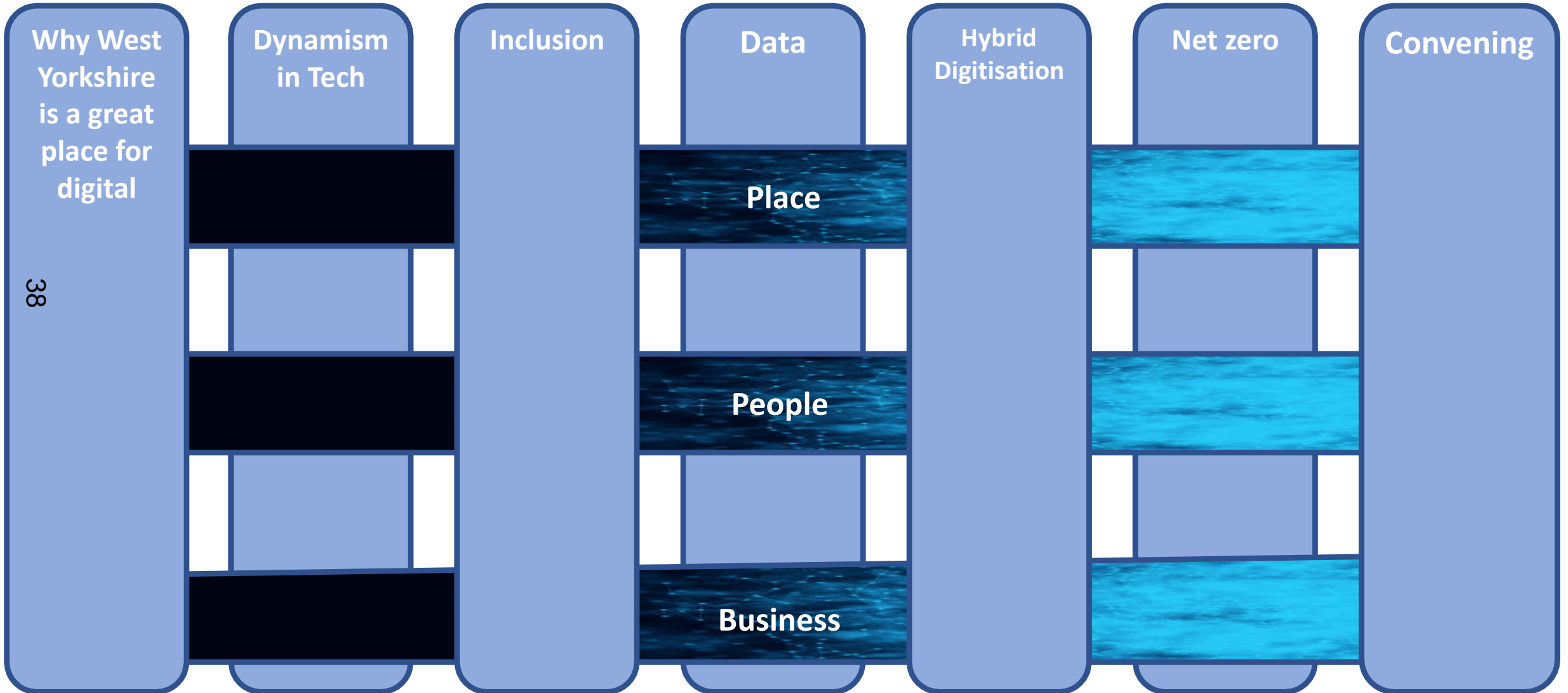


Net zero



Convening

Interweaving the Horizontal and Verticals



Report to:	Business, Economy and Innovation Committee
Date:	9 November 2023
Subject:	Employment and Skills Update
Director:	Felix Kumi-Ampofo, Director Inclusive Economy, Skills & Culture
Author:	Josh Rickayzen (Policy Officer – Employment & Skills) & Anika Gilbert (Policy Officer – Employment & 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 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this Report

- 1.1 To update the committee on the development of two pieces of policy and strategy to develop and deepen thinking to the overarching Employment and Skills Framework.
- 1.2 To agree opportunities for engagement for committee members to develop the Blueprints further.

2. Information

Evidence Base (see appendix 1 for full detail)

- 2.1 West Yorkshire faces a skills shortage in key areas, which in turn contributes to the productivity gap experienced by the region. Low attainment levels are a key contributor to skills shortages, especially amongst young people in West Yorkshire. Employers in West Yorkshire indicate that they find it difficult to fill more than a third of their total vacancies due to a shortage of people with the required skills.
- 2.2 Under-utilisation of skills is a significant challenge in West Yorkshire. Relatedly, there are marked differences between the occupational profile of people in work and the occupational backgrounds of unemployed and inactive people who would like a job, which

suggests a potential misalignment between the skills held by individuals and those needed in the current labour market.

- 2.3. The latest available data from Employer Skills Survey 2022 shows that although the value of employer investment in training is substantial, the incidence of training among West Yorkshire employers has fallen since 2019 and is below the national average. At the same time employers face an increased prevalence of skill shortage vacancies (characterised by a lack of job applicants with the required skills).
- 2.4. Labour market conditions in West Yorkshire are showing signs of softening, reflecting the national position and the impact of interest rate rises and slow growth in the economy. There are some distinct patterns in local authority areas.
- Employment growth has levelled-off in recent months, whilst the average level of pay is starting to decline.
 - The claimant count has been growing since late 2022, albeit at a modest rate, with young people worst-affected.
 - The employment rate for young people is currently falling and inactivity is rising for the group, partly due to ill-health.
 - However, recruitment demand reflected in online job postings currently remains robust.

The region also faces structural challenges arising out of high levels of economic inactivity, particularly for groups who are disadvantaged in the labour market.

- 2.5. Matching the skills required by employers with the capabilities of current and potential employees is key to the efficient and productive functioning of the labour market. Careers support can contribute to more effective matching by ensuring that individuals have access to rich, meaningful and relevant information about available career opportunities and the skills and learning pathways that provide access to them. Similarly, employment support is vital in supporting individuals to engage with the local labour market, and fill vacancies being experienced by employers.

Current Activity (see Appendix 2 for a visual overview)

- 2.6 There is a number of current activity being delivered by the CA and partners on careers support, employment support, and skills support for employers:
- 2.7 Careers Support activity includes:
- The West Yorkshire Careers Hub supports 185 schools and colleges across the region to make progress towards the Gatsby Benchmarks of good careers guidance, working closely with local employers, including through the Enterprise Advisor Network.

- The [FutureGoals](#) all-age careers platform, which has reached over 2.5m people, supporting people from all backgrounds to understand career opportunities across West Yorkshire, and how to access them.

2.8 Employment Support activity includes:

- Supporting residents through the locally delivered, regionally coordinated Employment West Yorkshire programme, which provides support, advice and guidance to move customers closer the labour market/into new employment. Employment West Yorkshire will support 7,700 people of all ages between April 2023 and March 2025.
- Co-development of a set of Youth Hub design principles with Local Authority and DWP colleagues, in order to utilise existing good practice from within the region and further afield to improve outcomes for young people with regards to the labour market.
- Convening a Work & Health partnership to maximise future opportunities for residents through national funding rounds and pilots, for activity focussed on removing health-related barriers to employment. The partnership will bring together Local Authority public health leads, Local Authority skills officers, and Combined Authority officers across employment, skills and health.

2.9 Support for employers includes:

- Supporting employers to invest in their workforce and build diverse talent pipelines, through creating relationships between employers and education partners within the region.
- Through the Apprenticeship Levy Transfer programme, supporting employers to access over £5m of unspent apprenticeship levy, signalling significant investment in current and future workforce.
- Developing a set of ambitious recommendations through the Green Jobs Taskforce, to support businesses, individuals, educators and to maximise opportunities and minimise identified challenges of our future green economy.
- With partners, co-developing and co-designing a series of Skills Support for Business interventions, to be delivered between September 2023 and March 2026. This programme enhances core activity where funding was due to come to an end and allows the Combined Authority to commence delivery of new outcomes and pilot new approaches in line with its strategic priorities. Activity will include an advisory service, employer skills co-investment (to be developed with key partners) and a Mayoral graduate pilot.

Blueprints

- 2.10 Driven by the shared ambitions of the Combined Authority's (CA) Employment and Skills Framework, the Combined Authority is co-developing two blueprints; an All-Age Career and an Employment Support Blueprint. The policies seek to address some of our key

labour market challenges, and improve outcomes for our residents, around: Access to quality career provision, employment readiness, employment support and pathways to further skills, training and good employment.

- 2.11 The blueprints discussed in this paper both primarily support Mission 1 of the West Yorkshire Plan – **A prosperous West Yorkshire, enabled by an inclusive economy with well-paid jobs**. An effective employment support system ensures that individuals are supported to find, retain and progress within employment, whilst also supporting employers to create and fill vacancies that present clear progression routes. Similarly, high-quality careers provision allows employers to develop future talent in line with future skills needs, and provides the opportunity for individuals to find meaningful employment.
- 2.12 There is recognition that both blueprints must align to the emerging Economic Strategy, as this will be influential in providing a framework for future investment decisions.
- 2.13 The Blueprints will also ready West Yorkshire for further devolution of skills powers and funding, based on the precedents set by the Greater Manchester and West Midlands Trailblazer Deals.
- 2.14 Members of the Committee will be invited to indicate their preference for a date to join a private workshop to support the design and development of the Blueprints.

West Yorkshire Employment Support Blueprint

- 2.15 To support the policy development and position for employment support in West Yorkshire, early work has begun on an Employment Support Blueprint for the region, which will:
- Set out the current context and challenges related to Employment Support in West Yorkshire (as a devolved region).
 - Develop critical thinking about possible system improvements to Employment Support.
 - Determine clear roles and responsibilities for improvement and change, as part of any future devolution in this area, in order to be appropriately placed to meet future requests and opportunities through central government.
- 2.16 The Blueprint will support the CA and partners to establish key policy positions with regards to its role in the regional employment & skills landscape, as well as identify opportunities for partnership working with commissioning bodies through central government.

West Yorkshire All-Age Careers Blueprint

- 2.17 With West Yorkshire's Local Authority partners, the Combined Authority is currently in the process of co-producing an All-Age Careers Blueprint with partners and key stakeholders, building on and complementing the principles of the Work Local model developed by the Local Government Association [Work Local | Local Government Association](#).

- 2.18 The careers offer is envisaged to take a whole life approach, with a focus on transition points, such as leaving education/training or a need or wish to upskill or change careers, and residents that face disadvantage.
- 2.19 The Institute for Employment Studies (IES), working collaboratively with the International Centre for Guidance Studies (iCeGS), have been commissioned to lead the development of the West Yorkshire All Age Careers Blueprint.
- 2.20 IES and iCeGS have synthesised the available evidence on best practice, academic literature and the current policy landscape, and including analysis of regional labour market data. The Combined Authority and LA partners undertook a light-touch mapping exercise to get a better understanding of the current, regional career provider landscape. The first phase also included a Theory of Change workshop with lead skills officers from Local Authorities, business, education and career providers to develop an initial overview of the existing career landscape, articulate ambitions for future ambitions and think about possible mechanisms for change.
- 2.21 An interim report has been presented to the [Employment & Skills Committee](#) on 19 October and feedback is being considered for the second phase of the project. Wider consultation with key stakeholders, including businesses is expected to take place over autumn.

3. Tackling the Climate Emergency Implications

- 3.1 Future interventions address the climate emergency, inspiring individuals to consider green careers and supporting educators to deliver informed advice and guidance with the knowledge and confidence required to meet our net zero ambitions. Employers will also support both educators and individuals, providing steer on skills required to meet their current and future demand.
- 3.2 Similarly, an effective employment support system can effectively support individuals to develop skills and find employment in the net-zero economy.

4. Inclusive Growth Implications

- 4.1 Career inspiration, starting at primary school age, has been shown to impact social mobility and counteract the early formation of stereotypes about occupations. Children and young people from disadvantaged backgrounds benefit the most from support. [Starting Early]
- 4.2 Similarly, The West Yorkshire Employment Support Blueprint will also support inclusive economic growth by placing a particular focus on those groups that face disadvantage, and exploring how barriers to employment for these groups can be removed.

5. Equality and Diversity Implications

- 5.1 A priority for the West Yorkshire All Age Career Blueprint is to create a system that works for all ages, from primary school to retirement age, with a focus on transition points. The blueprint will also consider how CEIAG can help address longstanding skills and

employment gaps based on gender, ethnicity and ability as well as how to reach groups that face disadvantaged.

- 5.2 Similarly, The West Yorkshire Employment Support Blueprint will also support inclusive economic growth by placing a particular focus on those groups that face disadvantage, and exploring how barriers to employment for these groups can be removed.

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 Comprehensive and robust consultation with stakeholders is planned to support the development of the West Yorkshire all Age Careers and Employment Support Blueprints, including: Local and Combined Authority colleagues, education and training providers, careers and employment support providers, employers and members of the public.

10. Recommendations

- 10.1 That members note the development of the All-Age Careers Blueprint & Employment Support Blueprint, as two pieces of strategy work intended to support the wider strategic aims of the region and the in-development Economic Strategy.
- 10.2 To agree opportunities for engagement for committee members to develop the Blueprints further.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 - [Evidence Deep Dive for WY All Age Careers & Employment Support Blueprints](#)

Appendix 2 – [Employment & Skills Overview June 2023](#)

Item 9 – Evidence Deep Dive for West Yorkshire All Age Careers & Employment Support Blueprints

Report to:	Business, Economy and Innovation Committee
Date:	01.11.2023
Subject:	Employment Support & All Age Careers Blueprints
Director:	Felix Kumi-Ampofo, Director Inclusive Economy, Skills & Culture
Author:	Josh Rickayzen (Policy Officer – Employment & Skills) & Anika Gilbert (Policy Officer – Employment & Skills)

ALL AGE CAREERS EVIDENCE DEEP DIVE

The following section examines the role of careers support in relation to key labour market issues, viewed in the specific context of West Yorkshire and summarises the nature and scale of these issues in order to demonstrate the rationale for an All-Age Careers Blueprint.

Effective careers education, information, advice and guidance [CEIAG] promotes engagement with learning and improves the functioning of the education and training system. It can contribute to increasing students’ engagement and success by clarifying the relevance of subjects to future opportunities. There are a range of issues in West Yorkshire which could be addressed through a high-quality careers support offer as part of a wider strategy to confront socio-economic issues.

- **Relatively low qualification attainment among young people in West Yorkshire at various stages of development.** For example, only 77% of young people in West Yorkshire achieve a qualification at Level 2 equivalent by age 19 compared with a national average of 82%. The proportion falls to 72% for Bradford. The proportion achieving a qualification at Level 3 by age 19 is 55%, 6 points lower than the national average of 61%.
- **Significant prevalence of young people who are not in education, employment or training (NEET).** Around 3,500 young people aged 16 and 17 in West Yorkshire were classed as NEET in 2022/23. This is 6.2% of the overall cohort, a higher prevalence than nationally (5.2%) and an increase on 2021/22 (5.5%).
- **Relatively low progression into higher education within some local authority areas in West Yorkshire.** For example, the proportion of pupils entering higher education by age 19 is 44% in Leeds and 40% in Wakefield, compared with a national average of 47%.

Research evidence suggests that when students have been exposed to substantial careers education from a young age, they are more likely to express broader career expectations and aspirations and are less likely to be constrained by societal and/or familial pressures. This is relevant to the following labour market issues:

- **Gender stereotyping and distinct patterns of occupational segregation by gender.**
 - For example, whereas females account for 52% of all apprenticeship starts in West Yorkshire and 83% of starts in the subject area of Health, public services and care, they make up only 7% of apprenticeship starts in Construction.
 - Similarly, only 2% of people working in Construction trades in West Yorkshire are female, whereas 92% of people working in Secretarial occupations are female.
- **Under-representation of some ethnic groups with regard to some learning pathways and in some occupational segments.**
 - For example, only 20% of apprenticeship starts among young people aged 16-24 relate to people from ethnic minorities (including white minorities) even though 36% of West Yorkshire's population aged 16-24 are from a minority group.
 - People from the Pakistani ethnic group account for 8% of residents in employment in West Yorkshire but only 2% of people working in Culture, media and sports occupations. Conversely, they contribute 22% of people employed in Transport and mobile machine driver roles.

A key purpose of the labour market is to match the skills required by employers with the capabilities of current and potential employees. Careers support can contribute to more effective matching by ensuring that individuals have access to rich, meaningful and relevant information about available career opportunities and the skills and learning pathways that provide access to them. In this way, careers support can help to minimise skills mismatches that impact on business performance and the ability of individuals to fulfil their potential. There are a number of dimensions to these mismatches.

- Employers in West Yorkshire indicate that they find it difficult to fill more than a third of their total vacancies due to a shortage of people with the required skills. These skill shortage vacancies are most acute for occupations that demand substantial technical skills combined with workplace experience, ranging from professional roles in health, engineering and digital to a variety of skills trades such as electricians.
- Under-utilisation of skills is a significant challenge in West Yorkshire and is typified by people with higher level qualifications working in administrative, caring, retail and elementary roles despite being (notionally) over-qualified for roles at this level. Close to a third (30%) of employers in West Yorkshire say that they

have workers whose skills / qualifications are in advance of those needed for the job. Labour Force Survey data for West Yorkshire indicate that 128,000 people working in non-graduate roles (as their main job) hold qualifications at Level 4 and above. This is equivalent to 22% of all people working in non-graduate roles.

- There are marked differences between the occupational profile of people in work and the occupational backgrounds of unemployed and inactive people who would like a job, which suggests a potential misalignment between the skills held by individuals and those needed in the current labour market. The occupational background of both the unemployed and inactive is weighted towards lower-skilled occupations, principally the lowest skilled elementary roles.

Careers support facilitates social inclusion and social mobility; for example, by helping young people to develop the career management skills, social capital and networks for career success, by assisting unemployed people and labour market returners to re-engage with the world of work and by facilitating investment in skills and career development by people with low level qualifications or who are in low-paid work.

- Young people facing disadvantage are much less likely to engage with a range of education and training opportunities. Pupils who were eligible for free school meals are less likely to go on to achieve a qualification at Level 2 or Level 3 by the age of 19; they are less likely to take up an apprenticeship; and they are less likely to progress into higher education.
- People who are qualified to a lower level are less likely to participate in job-related training. Only 14% of people qualified at Level 3 and below participate in job-related training in West Yorkshire, around half the prevalence of training among those who are qualified at Level 4 and above¹.

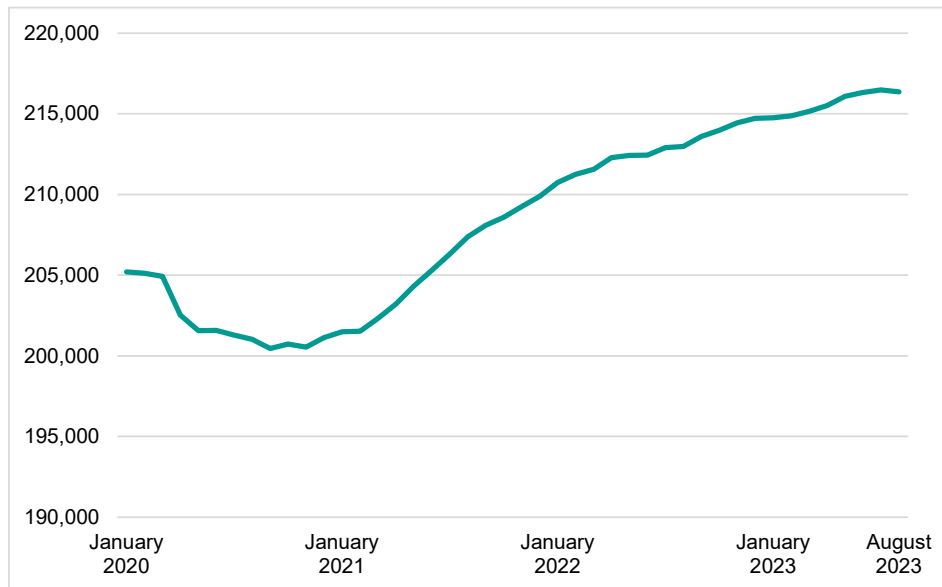
EMPLOYMENT SUPPORT EVIDENCE DEEP DIVE

Labour market conditions in West Yorkshire are showing signs of softening, reflecting the national position and the impact of interest rate rises and slow growth in the economy. Employment growth has levelled-off in recent months, whilst the average level of pay is starting to decline. The claimant count has been growing since late 2022, albeit at a modest rate. The region also faces structural challenges arising out of high levels of economic inactivity, particularly for groups who are disadvantaged in the labour market. These issues were examined in the employment support [paper](#) prepared for the July meeting of the Committee

Real-time information on the count of payrolled employees in West Yorkshire shows that the level of employment in the region has remained largely unchanged between April and August 2023, following a period of sustained growth from early 2021 onwards.

¹ Source: Annual Population Survey, January to December 2022. Indicator relates to participation in job-related training over a 13-week period.

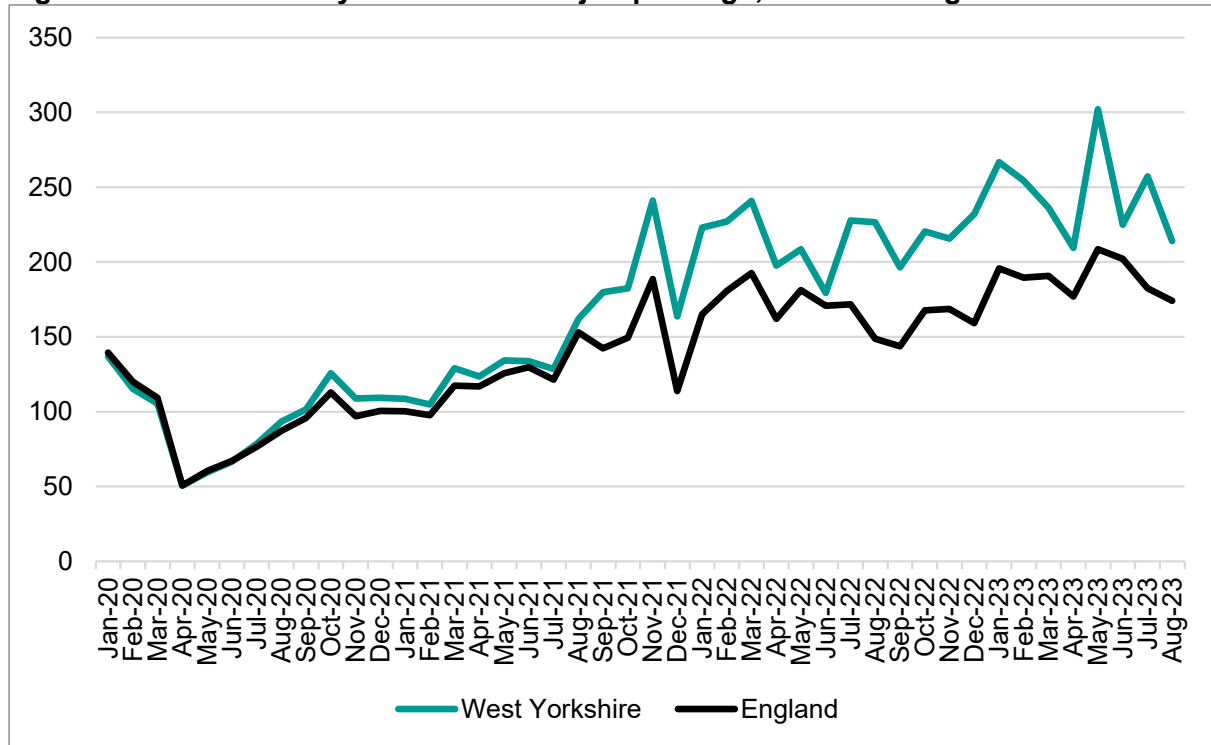
Figure: Count of payroll employees from PAYE Real-time information (seasonally adjusted)



Source: HMRC

Recruitment demand in West Yorkshire has been stronger than nationally since the pandemic. The monthly volume of online job postings in West Yorkshire in August 2023 was 114% higher than the average for 2019, whereas the equivalent national growth figure was only 74%. The monthly count of postings, although volatile, has remained at elevated levels throughout 2023. There is no clear evidence of decline at this stage – the average monthly count of postings in the 3 months to August 2023 was 10% higher than the same period in 2022.

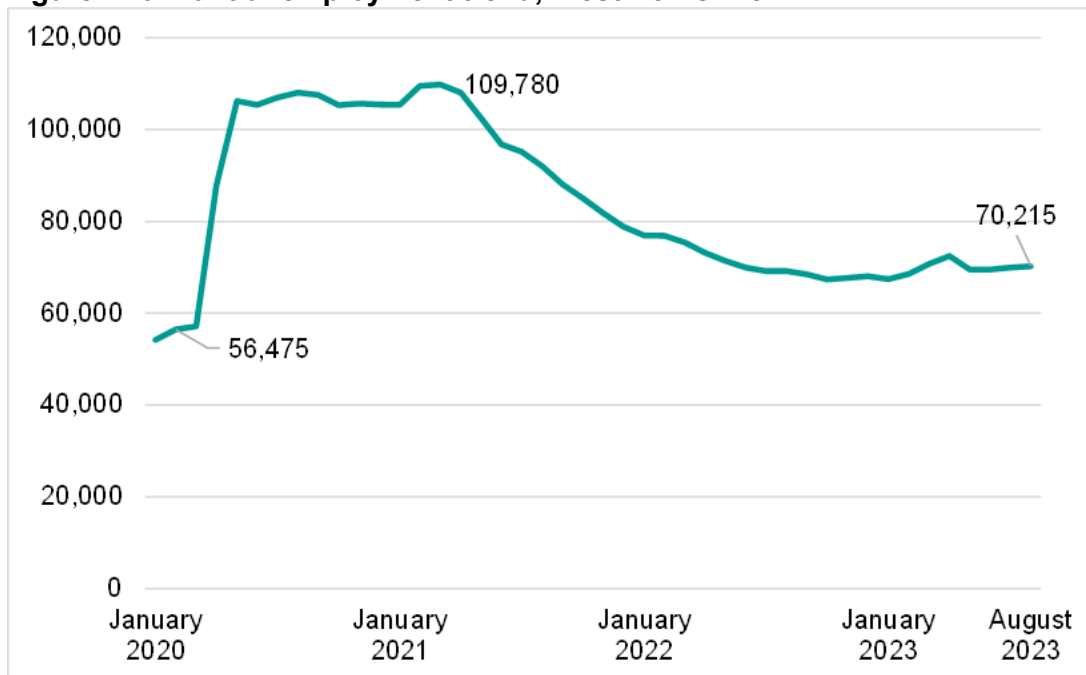
Figure: Trend in monthly count of online job postings; Index: average of 2019=100



Source: Lightcast

The claimant count – the official count of people who are claiming benefits primarily because they are unemployed - has been on an upward trend in West Yorkshire and nationally since October 2022. This growth has been modest: West Yorkshire’s count has grown by 4% or around 2,900 during the period from October 2022 to August 2023. This follows a long period of steady decline starting in early 2021 coinciding with the lifting of lockdown restrictions. The level of claimant unemployment in West Yorkshire is now (as of August 2023) 70,215, 24% higher than pre-pandemic level (February 2020). The claimant rate (claimant count as a percentage of the working age population) is higher in West Yorkshire than nationally, at 4.7% versus 3.8%. At local authority level the rate ranges from 3.5% in Wakefield to 6.5% in Bradford.

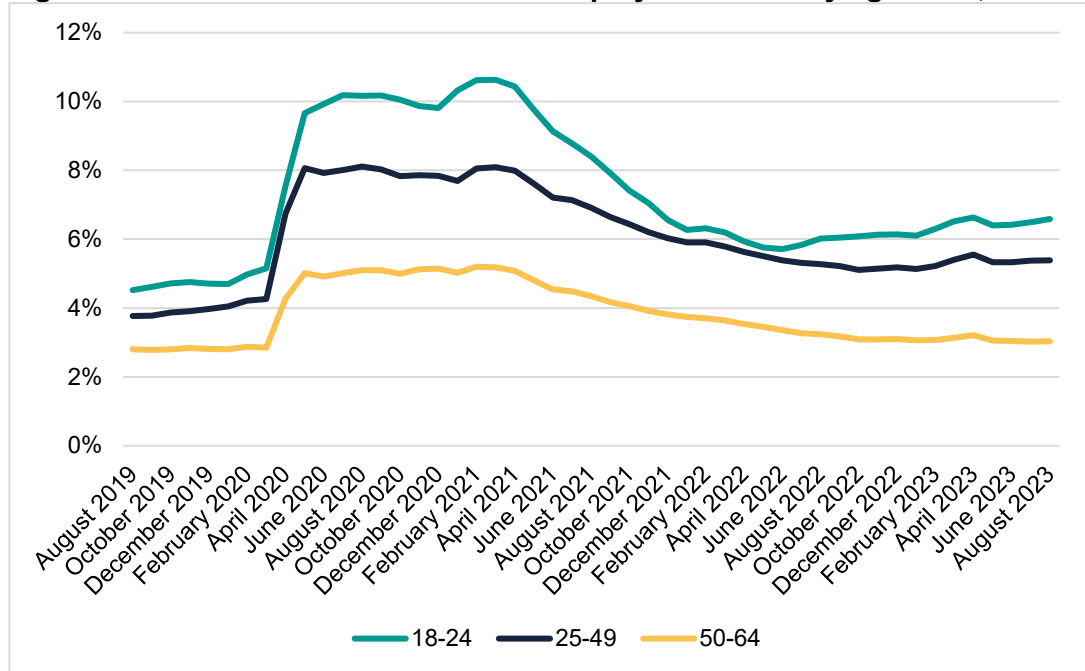
Figure: Claimant unemployment trend, West Yorkshire



Source: NOMIS

According to the latest figures for West Yorkshire, young people aged 16-24 account for 14,300 claimants, around 20% of the total, with 60% being people aged 25-49 and 19% people aged 50-64. Official claimant rates by age are not published but the following chart shows claimants expressed as a proportion of the population in each age band. It indicates that the claimant rate for young people aged 18-24 (16-17 year olds are excluded from the rate calculations because they are typically not eligible for the relevant benefits) started to grow in the summer of 2022, in advance of the 25-49 age group. The estimated rate for 18-24 year olds is the highest of the broad age groups at 6.6%, compared with an overall rate for people aged 16+ of 3.8%.

Figure: Trend in estimated claimant unemployment rates by age band, West Yorkshire



Source: NOMIS

Recent labour market statistics indicate that employment rates amongst young people continue to fall. Economic activity also continues to rise amongst younger age groups. This may, in part, be attributable to instances of ill-health, with long-term sickness rising across all age groups.

[Analysis](#) by the Resolution Foundation finds that economic inactivity due to ill health among 18-24 year-olds has nearly doubled nationally over the past decade, and is heavily concentrated among those with low levels of skills, with four-in-five young people who are too ill to work having only qualifications at GCSE-level or below. Young people in areas dominated by small towns and villages are more likely to be workless due to ill health than those living in large cities. Around 2.5% of young people in West Yorkshire are not working due to ill health, slightly below the national average of 2.9%.

Specific groups of young people face significant levels of disadvantage when attempting to access the labour market. 41% of care leavers nationally aged between 19-21 are not in education, employment or training, and are likely to experience barriers related to supported accommodation costs that may disincentivise regular work. 31.2% of Youth Offenders reoffended within one year of caution, conviction or release. The national employment rate gap for disabled people aged 18-24 sits at almost 20%. Sustained and well-paid employment plays a key role in encouraging social mobility, but barriers to accessing the labour market are significant and often leave individuals requiring additional support in conjunction with employment-related provision.

Almost all Jobcentre Plus districts across West Yorkshire have experienced an increase in Intensive Work Search (IWS) caseloads amongst the 18-24 age bracket, contributing to an overall rise in claimant count. Those designated as being within the IWS are expected to find and move into work as soon as possible.

Figures show that there are around 3,500 young people in West Yorkshire that are not in education, employment or training (NEET), or whose labour market status would be considered 'unknown'. There is a higher prevalence of NEETs in West Yorkshire (6.2% of total 16-17 year old cohort) than nationally (5.2%). 2022/23 saw an increase (for the second successive year) in the number and proportion of young NEETs/not-knowns in West Yorkshire, with an increase of 14%.

Targeted and bespoke provision is required to meet the needs of groups that face disadvantage within the labour market. An enhanced employment support system can provide tailored solutions that take a place-based approach to removing barriers that individuals may face to accessing and retaining employment. The West Yorkshire Employment Support Blueprint will outline how further devolved powers and funding can allow for an employment support ecosystem that best supports our residents and businesses.

Employment and Skills

Employers

Support with apprenticeships, addressing skills shortages and creating a talent pipeline

Close to **£5million** Apprenticeship levy transfer pledged



Supporting employers to invest in their workforce

Engaged with over **1,000**

businesses in 2 years to create a pipeline of talent

All-age Careers

Supporting people from all backgrounds to understand the career opportunities in West Yorkshire and how to access them

FUTUREGOALS
2.5million reach per year all-age careers platform



Supporting **184**

schools and colleges to improve careers standards and young people's destinations



Poet laureate and eco-schools pilots in primary schools

Influencing the system

Provide leadership of the regional employment and skills landscape through devolution, and influence national approach



Collaborating with young people to bridge the gap in green and digital skills shaping the careers of the future

Green Jobs Taskforce
Local Digital Partnership
Manufacturing Taskforce

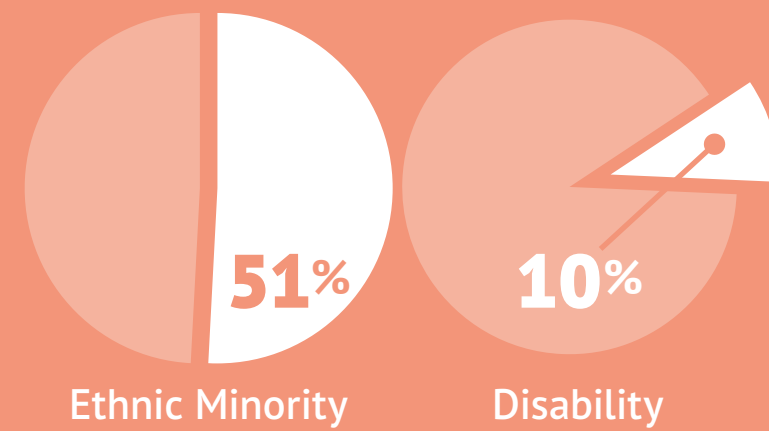
Creating strategic partnerships to lead thinking, innovate solutions and identify key opportunities and build upon our strength in emerging skills areas



Employment Support

Targeted and intensive employment support, delivered through Local Authority partners

over **12,869** people supported since January 2021 to date



1,000

people from diverse backgrounds to explore setting up a business



Targeted supported for disadvantaged and marginalised groups including prison-leavers

Adult skills

Re-training and upskilling support. Access to the basic skills and qualifications that people need for work



Innovative pilots including with TUC Y&H to encourage adults to take up skills provision

Support over **50,000** people per year

Supporting the **creative and cultural sector** with a range of **innovative** upskilling programmes including the continuation of the **Mayor's screen diversity programme** and their pilots, supporting at least 500 individuals.

£70million strategic commissioning of annual devolved adult skilled funding

Prioritising funding on the most disadvantaged residents, while also tackling key job shortages such as bus drivers and telecoms engineers

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Report to:	Business, Economy and Innovation Committee
Date:	9 November 2023
Subject:	Innovation
Director:	Felix Kumi-Ampofo, Director Inclusive Economy, Skills & Culture
Author:	Sarah Bowes, Interim Head of Business

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this Report

- 1.1. To provide the Committee with an update on activity to stimulate innovation in West Yorkshire.

2. Information

Innovation

Investment Zones

- 2.1. In the Spring Budget, West Yorkshire was selected as one of the Mayoral Combined Authorities to progress proposals for hosting an Investment Zone and is now progressing the development of a proposal in collaboration with Local Authorities, universities and the Department for Levelling Up, Housing & Communities (DLUHC).
- 2.2. Aligning to the region's strengths and opportunities, health and life sciences with digital tech (in health) were agreed as our priority cluster.
- 2.3. Over the summer the Combined Authority has agreed to not take further any tax site proposals or business rate retention sites, focusing on using the flexible spend to maximise opportunity for the healthtech cluster and wider digital sector.

- 2.4. Currently, there are three capital proposals linked to the Investment Zone programme. These are located in the centres of Bradford, Huddersfield and Leeds.
- 2.5 Simultaneously, revenue interventions are being developed and they will focus on skills, research and innovation and enterprise support. These are being prioritised against capital interventions and on their scalability, deliverability, and impact.
- 2.6 Over the Autumn, the Combined Authority will continue to work with local authorities, universities and the Department for Levelling Up, Housing and Communities to move towards final sign off.

West Yorkshire Healthtech Launchpad

- 2.7 West Yorkshire has been successful in securing c. £7.5 million in dedicated Innovate UK funding and support for businesses in our health innovation cluster, in a programme entitled the West Yorkshire Healthtech Launchpad. The launchpad is a prestigious programme for the region and one of only eight awarded across the country. It was awarded due to the breadth and depth of the region's healthtech business cluster, the wider collaborative ecosystem including academic and clinical research excellence, and the growth potential within the cluster as a whole. The bid was led by the Combined Authority with significant support from partners across industry, academia and the health and care sector.
- 2.8 As a direct result of securing the launchpad, health technology companies in West Yorkshire will be able to bid for funding of up to £1 million to help develop lifechanging medical innovations for use in the NHS and across the world. The launchpad fills a distinct gap in the funding support landscape, and aims to stimulate further investment into the sector through de-risking and advancing promising technologies, contributing to the pipeline of investable opportunities in West Yorkshire – leading to long term growth in business activities and economic impact in the cluster.
- 2.9 The first round of launchpad funding competitions are split into two strands, designed to support outstanding innovation projects led by businesses: £25 - 100k grant funding for relatively short-term projects within an individual SME, and £150k - £1million for collaborative research and development projects. The launchpad will also invest in cluster management to support the development of the ecosystem. The scope of the competitions has been developed by the CA in partnership with IUK, with innovative solutions sought in key areas including overcoming health inequalities, meeting global challenges in net zero healthcare and addressing major conditions, including through prevention of disease and early and better detection and diagnosis.
- 2.10 The first round of competition funding (round one of two) opened on the 23rd October and will close mid-December. Successful applicants will be expected to deliver from May 2024.

West Yorkshire Innovation Festival 2023

- 2.11 In its third year, the Innovation Festival takes place 13-17 November 2023. It brings together businesses, entrepreneurs, skills providers, community groups and members of the public to celebrate inclusive innovation. Events during the week showcase innovative activity across West Yorkshire, raising the profile of innovation, sharing best practice, and facilitating networking opportunities.
- 2.12 The flagship Innovate UK Local Day will take place during the festival in Calderdale on 16 November. *Innovate Local West Yorkshire: Innovate, Advance, Grow* is delivered in collaboration with the Innovate UK family, including EDGE and Knowledge Transfer Network, and is open to businesses from any sector and at any stage of their lifecycle. The event will promote inclusive innovation, and further progresses the activities set out in the Innovate UK West Yorkshire Action Plan, launched in February 2023. Workshops include meet ups for some of West Yorkshire's priority sectors (HealthTech, Digital and Manufacturing), allowing businesses to network with peers, and learn more about the support and funding opportunities available and how to access them.

2. Information

3. Tackling the Climate Emergency Implications

- 3.1. Any interventions will be designed to ensure that there is no adverse impact on the region's ambitions to secure net-zero by 2038. Part of our proposal for IZs has the opportunity to support the green-tech / green-finance sector across the region which could support the transition to a low-carbon economy across West Yorkshire.

4. Inclusive Growth Implications

- 4.1. Inclusive growth is a cross-cutting theme across the Combined Authority's portfolio of business support programmes and these principles will be applied to any interventions which make up the Investment Zone proposal.

5. Equality and Diversity Implications

- 5.1. Any interventions (in particular any revenue funding) under the Investment Zone proposal will take into consideration EDI implications. This will include the likes of programme targets to ensure geographical representation across the region and to reach and support underrepresented members of the business community of the chosen sectors.

6. Financial Implications

- 6.1. Funding will be drawn from the £80 million as part of the Investment Zone offer. There is also the opportunity to leverage additional funding through the private sector.

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 notes progress on Investment Zones and provides feedback on the programme proposals.

11. Background Documents

Investment Zones [Policy Prospectus](#)

Report to:	Business, Economy and Innovation Committee
Date:	9 November 2023
Subject:	UKSPF Pillar 2 update
Director:	Felix Kumi-Ampofo, Director Inclusive Economy, Skills and Culture
Author:	Louise Allen, Programme Development Lead (Business and Innovation)

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 report on the successful progress of the UK Shared Prosperity Fund (UKSPF) Pillar 2 “Supporting Local Business” Open Call for Projects and the selected projects, due to begin delivery in Autumn 2023.

2. Information

UKSPF Pillar 2 in West Yorkshire

- 2.1 On 7 September 2023, the Combined Authority approved eight projects to be funded through the UKSPF Pillar 2: Supporting Local Business, totalling £11,416,316.
- 2.2 The projects were chosen as a result of the Pillar 2 Open Call under three areas: 1) Exporting; 2) Alternative Business Models; 3) Innovation.

Export

- 2.3 As a region, business resilience and productivity are key objectives. International trade has a particularly important role to play in maximising value for businesses, the wider economy and ultimately the people living in this region.
- 2.4 By investing in export and internationalisation support, businesses in the region will be supported to explore international opportunities and realise business benefits through improved productivity, resilience and innovation.

Funded projects

- 2.5 One project is being funded to deliver support for SMEs new to export and those who want to expand their market reach to new geographies or sectors. A range of financial and advisory support will be available with a focus on engaging underrepresented groups in export activity.

Alternative Business Models

- 2.6 Small businesses are still facing significant short-term challenges; having emerged from the pandemic and EU-exit issues, they are now facing a potential recession, unprecedented energy costs and rising inflation, with many concerned about their survival over the next 12 months.
- 2.7 There is an opportunity to explore new solutions around social enterprise, B Corporations, community interest companies (CICs), community benefit societies (CBSs) and cooperatives, community wealth building, and how these alternative models benefit resilience and long-term sustainability in the regional economy.

Funded projects

- 2.8 A pilot project, to work across West Yorkshire to make it easier for alternative businesses to be set up, increasing skills, understanding of business structures, sustainability issues and overcoming barriers, while engaging underrepresented groups in the region, will be funded. There will be support available for both start-ups and scale ups.

Innovation for Business Resilience and Growth

- 2.9 Innovation is a critical driver of improved productivity and West Yorkshire has a clear strategic vision for supporting innovation-led business resilience and growth in the region.
- 2.10 Investment from the UKSPF will support innovation through the creation of new products, processes and services and the adoption of new digital technologies, along with increased knowledge transfer. Improving innovation rates, and the diversity of those engaged in innovation, will secure significant productivity gains and uplifts for the region.

Funded projects

- 2.11 Six projects will be funded under the third Call under various themes:
- Supporting SMEs to grow sustainably, addressing low productivity, quality of work and deficit in innovation.
 - Steering the growth of a community of installers and suppliers to meet the high demands within the green economy.
 - Support for SMEs to strengthen their position in supply chains, raising confidence to diversify and grow, and accessing high value opportunities through links with large enterprises.
 - Increasing access to Research and Development opportunities and low-risk, cost-effective methods and facilities for SMEs across West Yorkshire.
 - Health and wellbeing focused access to equipment and facilities, and support to entrepreneurs, additional events and business support initiatives.
 - A stronger relationship between Higher Education and SMEs, with a focus on engaging underrepresented groups to grow innovation activity in their business.
- 2.12 Work is ongoing to ensure Grant Funding Agreements are in place as soon as possible to ensure delivery can begin at pace.
- 2.13 All projects will become a key addition to West Yorkshire's Business Support ecosystem. Each will work closely with officers at the Combined Authority to ensure a complementary offer that meets the needs of SMEs in the region, connecting in with wider provision across West Yorkshire.
- ### **3. Tackling the Climate Emergency Implications**
- 3.1. Tackling the Climate Emergency was a cross cutting theme in the UKSPF Pillar 2 Open Call for Projects and applicants were scored according to their projects' impact.
- ### **4. Inclusive Growth Implications**
- 4.1. A strong focus was placed on Inclusive Growth when appraising the applications, ensuring delivery models demonstrated a commitment to reaching our most underrepresented communities.
- ### **5. Equality and Diversity Implications**
- 5.1. Equality and Diversity were crucial components of the Open Calls and applicants were encouraged to outline who their project would engage and how they would ensure this was successful.

6. Financial Implications

- 6.1. Grant Agreements between the Combined Authority and each successful bidder are being finalised, with delivery due to begin in Autumn 2023.

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. Various external consultations have taken place throughout the course of the Pillar 2 process.

10. Recommendations

- 10.1. That the committee notes the projects chosen (see Appendix 1), subject to contract, ready for delivery to begin at pace.

11. Background Documents

- 11.1. There are no background documents referenced in this report.

12. Appendices

- 12.1. Appendix 1 – UKSPF recommended projects.

UK Shared Prosperity Fund in West Yorkshire

63

Pillar 2 Open Call for Projects

Summary of recommended projects under “Supporting Local Business” (*subject to contract*)

To note: Some projects have been set conditions which may affect the overall final numbers to a small degree. Contracts are in the process of being signed.

27 October 2023

CALL 1 - EXPORT

Bid ID	Project Name	Short Description of Project	Applicant	Sector	UKSPF Revenue	Match	Total Cost of Project	Start Date	End Date	Key Outputs and Outcomes
9	Export for Success	<p>Export for Success (EfS) will focus on two beneficiary groups: SMEs new to export, and existing exporters looking to explore or grow markets highlighted in the WY International Trade Strategy.</p> <p><u>Objectives</u> - The EfS project has 4 key objectives aimed at encouraging and supporting existing and former exporters to return and grow their export geographies or sectors; to reach new WY SMEs enabling them to develop and progress plans for successful trade internationally; and to successfully design a programme to engage the diverse businesses and communities in WY with international trade.</p> <p><u>Delivery</u> - Activities will involve business beneficiaries working with a skilled Export Adviser who will help the business to implement their own export action plan.</p> <p>The EfS project will address inequalities in access and outcomes through engaging women, disabled and ethnic minority owned/led businesses through work with partner Leeds Beckett University, along with a range of community organisations, to ensure that the programme meets the needs of the diverse groups.</p> <p>Built into the project's design is a blended approach of strategic advice and financial support, direct contact with advisers, flexibility of approach and consideration of programme enhancement feasibility; effectively embedding lessons learnt from colleagues in Chamber International, Medilink and the Department for Business and International Trade.</p>	Exemplas Limited	Private Sector	£1,090,297	£263,800	£1,354,097	09/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> • Number of enterprises receiving grants – 120 (E28) • Number of enterprises receiving non-financial support – 240 (E23) • Number of enterprises engaged in new markets – 60 (E28) • Number of decarbonisation plans developed as a result of support – 30 (E29) <p>Outcomes:</p> <ul style="list-style-type: none"> • Jobs created as a result of support - 120 (E28) • Jobs safeguarded as a result of support - 240 (E28) • Increased amounts of investment - 240,000 (E25) • Number of enterprises increasing their export capability - 240 (E28)

CALL 2 – ALTERNATIVE BUSINESS MODELS

Bid ID	Project Name	Short Description of Project	Applicant	Sector	UKSPF Revenue	Match	Total Cost of Project	Start Date	End Date	Key Outputs and Outcomes
11	Alternative Business West Yorkshire	<p>Alternative Business West Yorkshire (ABWY), led by TSL Kirklees and delivered by a partnership of local providers, will deliver support across all alternative business model enterprises throughout West Yorkshire.</p> <p>The aim being to make it simpler and easier for alternative businesses to be set-up, with increasing resilience for new and existing businesses.</p> <p>The ABWY approach will involve awareness raising as well as coaching and ‘option’ training alongside support and scale-up pilots.</p> <p><u>Objectives</u> – ABWY will be working towards 5 key objectives aimed at providing support for new-start enterprises and existing businesses in the ABM sector to develop and grow; increasing ambition, skills, knowledge and awareness around business structures, sustainability issues and ways to overcome barriers; particularly utilising data-driven approaches to support disadvantaged and marginalised communities.</p> <p><u>Delivery</u> – ABWY will deliver a coherent and holistic business support service with interventions across West Yorkshire to include analysing business data, adopting relational marketing and data-based engagement, business development and growth through workshops and coaching.</p> <p>Attention will be given to ensuring the right start-up support is offered to help stimulate pipeline in potential new alternative businesses and deliver scale-up accelerator programmes to existing alternative businesses.</p>	TSL Kirklees	Voluntary Sector	£499,958	N/A – 100% grant funded	£499,958	09/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> • Number of potential entrepreneurs assisted to be enterprise ready - 60 (E23) • Number of enterprises receiving grants - 25 (E24) • Number of enterprises receiving non-financial support - 91 (E24) • Number of people attending training session - 45 (E26) <p>Outcomes:</p> <ul style="list-style-type: none"> • Number of enterprises adopting new to the firm technologies or processes - 5 (E23) • Number of new enterprises created as a result of support - 25 (E23) • Jobs created as a result of support - 5 (E23), 7 (E24) • Jobs safeguarded as a result of support - 14 (E24) • Number of early-stage enterprises which increase their revenue following support - 20 (E24) • Number of enterprises engaged in new markets - 15 (E23)

CALL 3 – BUSINESS RESILIENCE AND GROWTH

Bid ID	Project Name	Short Description of Project	Applicant	Sector	Capital	Revenue	Match	Total Cost of Project	Start Date	End Date	Key Outputs and Outcomes
5	Good Growth Programme	<p>Delivery, between Sept 2023 – March 2025, of the £1.7m Good Growth Programme will be focused on green and inclusive growth, supporting businesses to grow sustainability, creating good quality jobs in key growth sectors.</p> <p>Particular attention for support will be targeted on underrepresented groups such as women, BAME and disabled. Directly addressing low productivity, quality of work and longstanding deficit in innovation activity.</p> <p><u>Objectives</u> – focusing on unlocking enhanced levels of ‘good growth’ and the capability of WY SMEs to realise it over the long-term, increasing knowledge sharing and learning to enhance the depth and scope of the innovation ecosystem in WY.</p> <p><u>Delivery</u> – will be through a customer journey of engagement and assessment to identify suitability. Followed by diagnostic and growth plans, 1:1 support and peer groups, learning, review and signposting.</p>	Oxford Innovation Advice	Private Sector	£ -	£1,585,000	£158,500	£1,743,500	09/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> Number of enterprises receiving non-financial support 144 (E23), 144 (E24) <p>Outcomes:</p> <ul style="list-style-type: none"> Number of enterprises adopting new to the firm technologies or processes - 115 (E23) Jobs created as a result of support - 159 (E23), 159 (E24)
6	Growing the Green Economy in West Yorkshire	<p>In collaboration with project partner, Microgeneration Certified Scheme, the Growth Company will provide specialist support and advice to businesses through this project; establishing a robust, competitive supply chain enabling WY businesses to transition to net zero with local and trusted partners.</p> <p>Focus of delivery will be across: sector mapping, tailored support from experienced business advisers, training and insights, events and networking, and sales opportunities – all with the aim of supporting adoption of new products and services, stimulating innovation and building a community of installers and suppliers to help tackle the climate emergency.</p>	The Growth Company	Other	£ -	£508,305	£68,600	£576,905	09/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> Number of enterprises receiving non-financial support - 120 (E23); Number of businesses engaged - 200 <p>Outcomes:</p> <ul style="list-style-type: none"> Number of enterprises adopting new or improved products or services - 60 (E23) Jobs created as a result of support - 50 (E23) Jobs safeguarded as a result of support - 15 (E23) Number of enterprises engaged in new markets - 20 (E23) Number of businesses signed up to Green Intelligence – 50 Increased amount of investment (£) – 500,000

Bid ID	Project Name	Short Description of Project	Applicant	Sector	Capital	Revenue	Match	Total Cost of Project	Start Date	End Date	Key Outputs and Outcomes
7	Innovation in Supply Chain West Yorkshire	<p>The Innovation in Supply Chain Programme includes practical and commercial application of new ideas in the Health Tech, Advanced Manufacturing and Creative and Digital sectors. Reducing exposure to any one market, it provides a catalyst for SMEs to move up existing vertical markets or diversify into new areas whilst promoting confidence to grow.</p> <p>Working with Large Enterprises linking SMEs into sizeable, high value opportunities whilst mitigating the risks faced in evaluating, protecting, and commercialising new ideas, technologies, products and services.</p>	RTC North Ltd	Other	£ -	£644,494	£75,000	£719,494	08/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> • Number of enterprises receiving grants - 30 (E23) • Number of enterprises receiving non-financial support - 15 (E19); 145 (E23); 145 (E24); 8 (E26); 30 (E29). • Number of decarbonisation plans developed as a result of support - 30 (E29) <p>Outcomes:</p> <ul style="list-style-type: none"> • Number of enterprises adopting new or improved products or services - 3 (E19); 3 (E23); 3 (E24); 3 (E29) • Number of enterprises adopting new to the firm technologies or processes - 10 (E19), 3 (E23), 3 (E29) • Number of organisations engaged in knowledge transfer activity following support - 5 (E19); 10 (E24) • Jobs created as a result of support - 30 (E23); 30 (E24); 3 (E29) • Jobs safeguarded as a result of support - 20 (E23); 20 (E24); 5 (E29) • Number of enterprises engaged in new markets - 50 (E23); 3 (E26); • Increased amounts of investment (£) - 75,000 (E24)

Bid ID	Project Name	Short Description of Project	Applicant	Sector	Capital	Revenue	Match	Total Cost of Project	Start Date	End Date	Key Outputs and Outcomes
3	Scientific Instrumentation for Business Leadership in Innovation and Growth (SIBLING)	<p>Project SIBLING aims to contribute to the UKSPF objectives of improving pride in place and increasing life chances across the UK by enabling local manufacturing and medtech businesses to advance their respective markets through R&D and innovation.</p> <p>The project will see co-investment between the University of Bradford and the UKSPF in advanced scientific instrumentation that will be made accessible to SMEs in the West Yorkshire region, enabling free-of-charge research and innovation tester projects to be undertaken. Access to existing instrumentation, the University's Analytical Centre and advanced manufacturing labs will support tailored services to SMEs individual requirements.</p> <p>The SIBLING project will address the objectives of 'Pay, Productivity, Employment Growth' and 'Resilience to Crisis / Shocks' by anchoring investment in assets owned by large, resilient institutions for open access instrumentation and providing cost-effective methods to adopt innovative processes and optimise existing ones.</p> <p>This provides a low-risk environment for SMEs to access equipment, skills and knowledge to develop product/manufacturing design and testing, without the excessive outlay of equipment and material costs at the early stages.</p>	University of Bradford	University	£900,000	£240,879	£ 755,326	£1,896,205	09/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> Number of enterprises receiving non-financial support - 45 (E19) <p>Outcomes:</p> <ul style="list-style-type: none"> Number of enterprises adopting new or improved products or services - 8 (E19) Number of enterprises adopting new to the firm technologies or processes - 5 (E19) Number of organisations engaged in knowledge transfer activity following support - 25 (E19)

Bid ID	Project Name	Short Description of Project	Applicant	Sector	Capital	Revenue	Match	Total Cost of Project	Start Date	End Date	Key Outputs and Outcomes
20	National Health Innovation Campus – Health & Wellbeing Innovation Centre	<p>As part of a National Health Innovation Campus, situated on the ‘Station to Stadium’ corridor in Kirklees, the University of Huddersfield aims to establish a Health & Wellbeing Innovation Centre managed by the 3M BIC.</p> <p>Through UKSPF the Health and Wellbeing Innovation Centre will offer business support initiatives, events, mentoring, proof-of-concept grants as well as a unique Healthtech maker-space and visualisation suite offering access to bespoke equipment and facilities. It will support entrepreneurs establishing new businesses and will create a self-sustaining innovation network and ecosystem.</p> <p>The campus will be an exemplar for health and wellbeing innovation with a vibrant community and practitioner focus encompassing unique co-location of public, private and community partners.</p>	University of Huddersfield	University	£2,900,000	£901,175	£38,444,591	£42,245,765	09/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> • Number of potential entrepreneurs assisted to be enterprise ready - 40 (E19); 40 (E24) • Number of enterprises receiving grants - 26 (E19); 26 (E24) • Number of enterprises receiving non-financial support - 160 (E19); 35 (E23); 160 (E24) • Amount of rehabilitated land – 1,500 (E22) • Number of commercial buildings completed or improved - 2 (E22) • Number of decarbonisation plans developed as a result of support - 2 (E29) <p>Outcomes:</p> <ul style="list-style-type: none"> • Number of enterprises adopting new or improved products or services - 7 (E23), 32 (E24); • Number of enterprises adopting new to the firm technologies or processes - 15 (E19), 11 (E23) • Number of new enterprises created as a result of support - 8 (E19), 10 (E24) • Number of organisations engaged in knowledge transfer activity following support - 20 (E19); 20 (E24) • Jobs created as a result of support - 508 (E22) • Jobs safeguarded as a result of support - 77 (E22) • Number of early-stage enterprises which increase their revenue following support - 20 (E24)

Bid ID	Project Name	Short Description of Project	Applicant	Sector	Capital	Revenue	Match	Total Cost of Project	Start Date	End Date	Key Outputs and Outcomes
10a	Inspire 2 Innovate	<p>Inspire 2 Innovate is a unique collaboration between Exemplas and Leeds Beckett University (LBU). The offer translates the 30 years' experience of Exemplas business support delivery to SMEs and the SME research understanding of LBU into a practical support programme for SMEs and business leaders. Inspire 2 Innovate beneficiaries will embed this knowledge and the tools and frameworks to grow innovation practices in their businesses.</p> <p>Inspire 2 Innovate will address two market failures in the innovation landscape. The lack of HEI engagement with SMEs, and through a keen focus on engaging women, disabled and ethnic minority owned/led businesses, address inequalities in access, outcomes and the productivity gap arising due to the under-utilisation of the potential of these groups.</p>	Exemplas Limited	Private Sector	£ -	£2,146,205	£504,072	£2,650,277	09/23	03/25	<p>Outputs:</p> <ul style="list-style-type: none"> Number of enterprises receiving grants – 240 (E23) Number of enterprises receiving non-financial Support – 360 (E23) Number of decarbonisation plans developed as a result of support – 60 (E29) <p>Outcomes:</p> <ul style="list-style-type: none"> Number of enterprises adopting new or improved products or services – 360 (E23) Number of organisations engaged in knowledge transfer activity following support – 125 (E19) Jobs created as a result of support – 360 (E23) Jobs safeguarded as a result of support – 600 (E23) Increased amounts of investment (£) - 396,000 (E22)
Totals					£3,800,000	£7,616,316	£40,269,889	£51,686,205			
UKSPF Grant to approve					£11,416,316						

Report to:	Business, Economy and Innovation Committee
Date:	9 November 2023
Subject:	Development and Delivery
Director:	Felix Kumi-Ampofo, Director Inclusive Economy, Skills & Culture
Author:	Louise Allen, Programme Development Lead (Business and Innovation)

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 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 an update on current support delivered and commissioned by the Combined Authority that contributes to outcomes in Investment Priority 1: *Good Jobs and Resilient Businesses* of the West Yorkshire Investment Strategy, and Mission One of the West Yorkshire Plan: *A prosperous West Yorkshire - an inclusive economy with well paid jobs* and alignment with State of the Region monitoring indicators.
- 1.2 Future reporting will include a dashboard of activity setting out the contribution of these programmes to wider regional priorities.

2. Information

Growth Service: Equality, Diversity and Inclusion (EDI) pilots

- 2.1 The evolved Growth Service began delivery in April 2023 and provides a single point of contact for SMEs to access support based on their specific needs. The Services acts as a gateway to the wider business support offer across the region.
- 2.2 In May 2023 the Combined Authority received £420,000 from the Department for Business and Trade for core Growth Hub activity; £40,000 of this has been ringfenced for

cluster lead activity. This offers an opportunity to use £380,000 of the allocated Gainshare funding (that the DBT funding replaces) to develop innovative pilot projects to meet the needs of diverse business leaders and to support the Combined Authority's EDI Strategy.

- 2.3 In annual State of the Region reporting (2022), key challenges around a lack of diversity in business leadership and pay were identified in West Yorkshire. There is a distinct economic benefit to having funding for focussed activity for increased inclusivity within business support. The Time to Change Report identifies the potential contribution of ethnic minority businesses to the UK economy as £100bn GVA, compared to the current figure of £25bn.
- 2.4 Ethnic minority businesses are 6% more likely to introduce a process innovation than non-ethnic minority businesses, and 11% more likely to introduce a product innovation (source: Unlocking the Potential of Ethnic Minority Businesses report, Social Market Foundation 2021).
- 2.5 The Rose Review of Female Entrepreneurship identifies the potential added economic value of £250bn if women started and scaled new businesses at the same rate as men in the UK.
- 2.6 Unlocking this potential, through an enhanced business support offer that directly tackles the barriers faced by under-engaged groups, would have a significant economic benefit for the region.
- 2.7 It is proposed that delivery of new pilot projects will be procured to specialist organisations to develop and deliver innovative activities to support female-, ethnic minority- and disabled-led businesses, up until March 2026. This will result in maintaining the original scheme outputs and but with an additional output of eight EDI pilot programmes, to target support towards key demographics to overcome a particular barrier(s) to growing a business.
- 2.8 This committee is asked to approve the use of £380,000 Gainshare funding to focus on business support activity targeted at underrepresented groups.
- 2.9 Please see Appendix 1 – Project Change Request (Growth Service EDI pilots) which outlines the recommendations put forward.

Access to Finance

- 2.10 The State of the Region report highlights that West Yorkshire's position on productivity has not improved in recent years and that GVA per head has remained fairly consistent since 2013, at 18% lower than the national average. Business access to finance is identified as a key response to this and the Combined Authority is currently exploring the most impactful models to address this and the Combined Authority's role in this.

- 2.11 The West Yorkshire SME Investment Fund was launched in November 2022. The fund is managed by the Foresight Group on behalf of the Combined Authority.
- 2.12 The SME Investment Fund provides investments of up to £2m to SME businesses based in West Yorkshire to facilitate business scale up and growth. The fund is sector agnostic but focuses on the health science, advanced manufacturing, financial and professional services, and digital technology sectors. Foresight opened their Leeds office in September 2022 and recruited two Investment Managers to manage delivery of the fund.
- 2.13 During the first 12 months of the fund, 156 investment opportunities have been reviewed by the Foresight Investment Managers and the fund has invested approximately £4m into two businesses, based in Bradford and Calderdale. In addition, there are a further five businesses in the investment pipeline currently completing the due diligence process for investment.

Innovation

- 2.14 Innovation is key to the region's economic growth, recovery and resilience. By realising the potential of new ideas, introducing new products, processes and services, and adopting digital technologies, businesses can improve their productivity, commercial success, and in many cases have a positive societal impact. State of the Region reporting shows that businesses engaging in innovation activity fell in 2022 compared to previous years, with evidence suggesting a long-standing deficit in innovation activity amongst West Yorkshire firms.
- 2.15 The new innovation support service is funded from April 2023 to March 2026. Along with advisory support, innovation vouchers will be available to those SMEs who have not undertaken innovative activity before, with strategic grants available to SMEs to develop their innovations further.
- 2.16 Staff recruitment is ongoing, with a number of team members in place, ready for business engagement activity from the end of this year.
- 2.17 A key element of the new service is the West Yorkshire Innovation Festival. The Festival takes place from 13 to 17 November 2023. In its third year, the festival celebrates inclusive innovation across the region. The Innovate UK Local Day will take place during the festival on 16 November.
- 2.18 A Summative Assessment for the previous programme, Connecting Innovation, has been undertaken and learnings have informed development of the new Innovation Support Service.
- 2.19 The Assessment found that the Connecting Innovation programme faced challenges due to staffing resource; a slow mobilisation phase during the beginning of the pandemic; an ambitious and broad scope that did not necessarily align well with ERDF funding; and withdrawal of several successful grant applications. Despite these challenges, the

programme was able to successfully pivot its approach in response to the changing landscape and directly engaged with almost 400 businesses (against a target of 250).

Sustainability

- 2.20 Business sustainability is a key priority for West Yorkshire, with the mayor's ambition for the region to be net-zero carbon by 2038, with significant progress by 2030 underpinned by State of the Region reporting on greenhouse gas emissions and emissions intensity. The new Business Sustainability Service, funded from April 2023, was set up in response to this ambition and will deliver a Measure, Plan, Act system of support for businesses to enable them to understand their carbon footprint and identify solutions to reduce its impact.

Enterprise and Entrepreneurship

- 2.21 Exploring Enterprise and Start Up West Yorkshire (workstreams one and two of a £6m package of entrepreneurship support, known as Enterprise West Yorkshire) began delivery in September 2021. The package of support was set up in response to the Economic Recovery Plan and will support State of the Region reporting on the number of new private sector businesses. It supports individuals to consider starting a business and to help new businesses to grow. They are both currently funded to September 2024.
- 2.22 Officers at the Combined Authority have started reviewing the economic and social landscape to determine what enterprise support is needed in the region post-Enterprise West Yorkshire. Members of this committee will be invited to take part in focus groups over the next few months to input into this development work.

Productivity

- 2.23 Improving productivity is a key driver economic growth and improved living standards, with State of the Region indicators setting out the scale of the challenge.
- 2.24 The Business Productivity Service has been fully operational for just over seven months. Due to the demand for the advisory side of the service an extension to the contract is proposed contract to allow for a greater number of businesses to receive support.
- 2.25 The demand for the grant element of the programme is also very high. In order to have the biggest impact possible, the maximum grant will be reduced from £50,000 to £25,000 and focused on those businesses who have not previously received a BGP or BPP grant.

Green Jobs Taskforce

- 2.26 In August 2021, Mayor Tracy Brabin set up the UK's first Green Jobs Taskforce to support the region's ambition to be net zero by 2038, with significant progress by 2030 linked to State of the Region indicators on emissions and percentage of employees in quality work.

2.27 The final Green Jobs Taskforce report (see Appendix 2) created a set of ambitious recommendations and identifies policy interventions for action to support individuals, education and training providers and businesses to maximise opportunities and minimise identified challenges of our future green economy.

2.28 As an early result of the Taskforce's work, the Employment and Skills Committee in July announced the Digital Skills, Green Skills and Skills Support for Business Programme. This programme will support:

- Individuals - to access green careers advice and training options and job information and opportunities.
- Educators - support for the Further Education sector to build capacity and respond to the green skills demand.
- Businesses - support for businesses to decarbonise via upskilling and reskilling.

2.29 To celebrate the success of the Taskforce, the Mayor and Baroness Blake hosted a Green Skills Revolution Dinner (sponsored by SSE) at the House of Lords. Attendees included representatives from the voluntary and community sector, education, and private sector. The final report will be launched at a celebratory event alongside partners with a date to be confirmed.

2.30 Members of the Committee are asked to note the update and presentation of the final report of the Green Jobs Taskforce.

3. Tackling the Climate Emergency Implications

3.1 The Green Jobs Taskforce report outlines proposed interventions that will develop the skills and employment needs of individuals and businesses in West Yorkshire to tackle the climate emergency. Recommendations will also support the mayoral pledge to create 1,000 well paid, green jobs in West Yorkshire that will support the ambition to achieve net zero by 2030.

4. Inclusive Growth Implications

4.1 The work of the Green Jobs Taskforce and the recommendations are directly linked to inclusive growth in that they contribute to readying West Yorkshire's business base and workforce for a transition towards a net zero economy and delivering on the Mayor's pledge to create 1,000 good, green jobs. The Taskforce engaged with over 300 young people to develop the recommendations.

5. Equality and Diversity Implications

5.1 The final report by the Green Jobs Task Force has a recommendation and actions addressing specific challenges around EDI.

5.2 The proposed Growth Service EDI pilots will offer further, specialist support to businesses.

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. Small, medium and large businesses, Local Authority senior officers, independent training providers, colleges, universities, and young people were involved in the development of the Green Jobs Taskforce report.

10. Recommendations

10.1. That the committee approves the use of £380,000 of Gainshare funding - as outlined in Appendix 1 - to deliver eight pilot programmes that will support the Combined Authority's Equality, Diversity and Inclusion Strategy.

10.2. That the committee notes progress of business support services and the Green Jobs Taskforce.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Growth Service EDI pilots Project Change Request

Appendix 2 – Green Jobs Taskforce Report

Scheme summaries

<p>Business West Yorkshire West Yorkshire</p>	<p><u>Scheme description</u></p> <p>The scheme will support 9,000 Small and Medium Sized Enterprises (SMEs) across West Yorkshire over three years to improve productivity, increase resilience and achieve growth. This Change Request seeks to increase the costs and scope of the existing programme to deliver increased Equality and Diversity impacts, expanding the range of SMEs that access the Service and receive Business Support.</p> <p><u>Impact</u></p> <p>The scheme is key to ensuring that we have the critical infrastructure in place to support the 80,500 SMEs in West Yorkshire. The scheme will support SMEs to improve productivity, increase resilience and achieve growth.</p> <p><u>Decision sought</u></p> <p>Approval to the change request for the Business West Yorkshire programme to increase costs by £380,000 taking the Combined Authority contribution from £4,573,426 to £4,953,426. The total scheme cost is £5,708,683. This will enable the delivery of 8 EDI pilot programmes.</p> <p>Total value - £5,708,683</p> <p>Total value of Combined Authority funding - £4,953,426</p> <p>Funding recommendation sought - £380,000</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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Projects in Stage 3: Delivery and Evaluation

Project Title	Business West Yorkshire
Stage	3 (delivery and evaluation)
Decision Point	Change request (activity 5)

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 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

Background

- 1.1 The Business West Yorkshire Programme supports the delivery of the Strategic Economic Framework Investment Priority 1, boosting productivity by helping businesses to grow, and supporting the region's workforce, driving economic growth, increasing innovation, and helping to create new jobs.
- 1.2 The existing Programme was approved to move into delivery by the Combined Authority on 21st October 2022.
- 1.1 The scheme will support 9,000 Small and Medium Sized Enterprises (SMEs) across West Yorkshire over three years to improve productivity, increase resilience and achieve growth.
- 1.2 The proposal will fund the team of Growth Managers who are embedded within the local authorities. It will fund the Gateway team and infrastructure (telephone, email and online channels), specialist support and advice, outreach events, marketing and annual impact evaluation.
- 1.3 In recent years the Growth Service has been able to quickly respond to challenges businesses have been faced with including Brexit, floods, COVID 19, rising energy costs and the rising costs of doing business. Specialist support and advice included within the proposal will enable continued flexibility to respond to economic challenges and to enhance the general Growth Manager offer with specialist consultancy.
- 1.4 There is a focus on addressing key themes of:
 - Access: The scheme provides a single access point so SMEs can easily access the support they need. The scheme reaches a more diverse range of businesses and communities across West Yorkshire.

- Reach and inclusion: The scheme expands the reach of the service to a wider and more diverse SME audience, with no sector restrictions (as has been the case with some EU funding), and across all communities in West Yorkshire.
 - Effective targeting: using data and innovative technology for communications and engagement.
 - Private sector engagement: a refreshed approach to engagement with the professional services sector expanding the reach of the service and partnership approach to filling gaps in service provision.
 - Flexibility and continuous improvement: there is a flexible delivery model enabling the service to respond effectively to new economic challenges and to potentially expand provision according to future demand and to address emerging priorities (e.g. alternative business ownership models and equality, diversity and inclusion initiatives based on data on the reach and take-up of services).
- 1.5 The service will act as the key infrastructure for Business Support programmes to be accessed by SMEs. Since this scheme was approved by the West Yorkshire Combined Authority for delivery it has, (up until the end of June 2023), engaged with 234 businesses; supported the creation of 14 new jobs; helped businesses access grants to the value of £117,000; supported the upskilling of 41 members of staff and supported businesses to make capital investments totalling £85,000.
- 1.6 Funding of £420,000 has since been received from the Department for Business and Trade (DBT) with £40,000 of this ringfenced for programme coordination. This was taken to the Combined Authority's Internal Leadership Board May 2023 for approval. The DBT funding was accepted with a request that a further report be delivered to detail how the equivalent Single Investment Fund (SIF) money that this would replace could be spent, and outline recommendations for this.
- 1.7 This Change Request seeks approval for how the £380,000 of SIF that is being released from the existing funding mix, enabling the Business West Yorkshire Programme, is to be spent.
- 1.8 The intention is for the £380,000 to be utilised increasing the Equality and Diversity Impacts of the programme through the delivery of 8 additional work packages within the overarching programme.
- 1.9 The additional work packages look to tackle issues surrounding equality, diversity and inclusion amongst business support across West Yorkshire. West Yorkshire is one of the most diverse regions in the country. Our diversity is a huge strength and opportunity for our region's economic growth.
- 1.10 Evidence through local, regional and national reports, shows there is a lack of engagement in mainstream business support from female, ethnic minority and disability led businesses. The additional work packages aim to bridge the gap by testing and evaluating the impact of these specific interventions, to help these businesses overcome barriers to accessing mainstream business support provision in order to build an inclusive economy that rebalances the

current underrepresentation. The tender will be a call for multiple suppliers to deliver various pilot business support packages, targeting one of the 3 demographics outlined above. Successful bidders will be required to capture key performance and EDI data and submit an evaluation report to measure the impact of the support provided on the chosen target demographic. The key objective is to obtain learnings which will inform the design of future business support provision.

- 1.11 It is suggested that there is a distinct economic benefit to having funding specifically focussed on activity for increased inclusivity within business support. For instance, the Time to Change Report, commissioned by NatWest, identifies the potential contribution of ethnic minority businesses to the UK economy as £100 billion, compared to the current figure of £25 billion.

Tackling the Climate Emergency Implications

- 1.12 The Business West Yorkshire Programme is the entry point into all business support for SMEs provided by the Combined Authority. SMEs are supported to access programmes and funding opportunities, including those that support energy efficiency.
- 1.13 The programme acts as a gateway to programmes such as the Carbon Net Zero Business Support Programme currently going through the Assurance Framework.
- 1.14 A Stage 1 Carbon Impact Assessment has been completed for the scheme and signed off for the Programme. The Assessment emphasises how environmental impact are considered as part of any grant funding applications from SMEs. The Programme supports SMEs to incorporate energy saving measures as part of wider plans to grow or become more productive.

Outputs

- 1.15 Existing Programme outputs and benefits include:
- To support 9,000 SMEs to access the business support they need.
 - To support 4,500 SMEs to access intensive support (either financial or non-financial).
 - To directly support 2,000 SMEs with at least 3 hours of Growth Manager support, including a detailed diagnostic/action plan.
 - To increase the number of BAME, disabled and female led businesses utilising Business West Yorkshire services.
- 1.16 This Change Request will increase outputs and benefits:
- Delivering 8 Equality Diversity and Inclusion work packages as part of the wider Business West Yorkshire Programme, specifically targeting barriers for minority businesses.
- 1.17 Specific outputs associated with each of the 8 individual EDI programmes will be developed through collaboration with the successful provider(s) of the programmes.

Inclusive Growth Implications

1.18 The scheme inclusive growth implications include:

- To increasing SME take-up of Business Support Services to support economic growth, productivity, and resilience.
- The Programme is the entry point for businesses into grant funding from the Combined Authority and all businesses that receive grant funding are asked to make inclusive growth commitments.
- EDI data for minority businesses accessing the Programme is collated by the Combined Authority to identify barriers to accessing Business Support. The Programme adapts to challenges using targeted marketing and by developing specific programmes to address barriers.
- This Change Request seeks to develop 8 further programmes to be delivered by Business West Yorkshire that will focus on addressing barriers that minority businesses are facing.

Equality and Diversity Implications

- 1.19 An Equality Impact Assessment (EqIA) Stage 2 was submitted at the approval of Decision Points 2-4 for the existing programme, and equality and diversity impacts taken account of.
- 1.20 This Change Request aims to diversify the SMEs that are able to access Business Support services, and to tackle barriers for minority businesses. This is through the delivery of 8 EDI focussed work packages.
- 1.21 A key objective of the overarching Business West Yorkshire Programme is to increase the number of BAME, disabled, and female led businesses utilising the Service.

Risks

1.22 The scheme risks include:

- A lack of clear single identity/branding to underpin the expanded reach of the Programme. This risk is being mitigated by close working with the Combined Authority's Communications Team and the ongoing wider Combined Authority brand review.
- Demand for support exceeding capacity of the Programme/Service. This risk is being mitigated through the existing Programme as more capacity was worked into the Service in years 2 and 3 of delivery. The Programme may also expand further with additional future funding if this becomes available.
- The Programme not meeting EDI targets. This is being mitigated by ongoing Programme monitoring, to ensure that as far as is possible the Programme remains on track to meet targets. Any potential barriers to meeting targets will be analysed and remedial action taken. Closer working relationships with partners and networks who work with minority

groups and businesses being targeted through the 8 additional programmes, this will also mitigate this risk.

Consultation and Engagement

- 1.23 At the point of the initial approval for the scheme to move into delivery engagement had taken place with politicians through the Business, Economy and Innovation Committee, the Federation of Small Business, and the regions two Chambers of Commerce. An Equality Action Group has also been established to ensure EDI is effectively embedded in the programme.
- 1.24 Further engagement has continued throughout the delivery of the scheme to ensure any improvements to delivery can be realised.
- 1.25 Due to the low cost, complexity and contentiousness of the scheme public consultation did not take place.

Costs

- 1.26 At Decision Point 2 to 4 (Business Justification) the Business West Yorkshire Programme total scheme costs were approved by the Combined Authority, 21st October 2022, and totalled £5,298,920.
- 1.27 The Combined Authority contribution to this amount is currently approved at £4,573,426. The remaining funding is being achieved through Local Authority contributions.
- 1.28 Total scheme costs have since increased; however this has had no impact on the Combined Authority contribution to the scheme. Increased costs were supported by Local Authority funding contributions and were in response to staffing inflation costs.
- 1.29 This Change Request is requesting that the Business West Yorkshire Programme's scheme costs increase by £380,000 to enable the delivery of 8 additional EDI pilot programmes as part of the wider Programme.
- 1.30 This increases the total forecast cost of the scheme to £5,708,683.
- 1.31 The total contribution from the Combined Authority will increase by £380,000, to a total Combined Authority funding contribution of £4,953,426.
- 1.32 The approval to replace £380,000 of existing Gainshare with DBT funding was undertaken at by Chief Executive. This approval looks to retain the £380,000 of Gainshare funding which has been replaced by DBT funding.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
Change Request	Recommendation: Combined Authority's Programme Appraisal Team	01/11/2023

	Decision: Combined Authority's Chief Operating Officer (COO)	
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Chief Operating Officer (COO)	31/03/2026

Other Key Timescales

- Delivery of the Business West Yorkshire programme commenced April 2023.
- A mid-point Evaluation will be conducted between July and September 2024.
- A final Evaluation will be conducted between January and March 2026.
- Programme closure will be achieved by 31st March 2026.

Assurance Tolerances

Assurance tolerances
Combined Authority costs remain within +10% of those outlined in this report. Delivery (DP5) timescales remain within 6 months of those outlined in this report. Outputs remain within -10% of those outlined in this report

	Baseline Tolerance approved by the TC at DP2-4	Baseline Approval by the TC at DP3	(Requested) Approval at Change Request	Within tolerance?
Date	21/10/2022		12/10/2023	
Total Cost	£5,298,920		£5,708,683	
CA Funding	+%10	4,573,426	£4,953,426	Y
Completion Date (DP5)	3 months	01/06/2026	01/06/2026	Y
Outputs & Benefits	-10%	N/A	N/A	Y

Appraisal Summary

- 1.33 It has been agreed at the Combined Authority's Internal Leadership Board that the £380,000 of DBT Funding replace £380,000 of Gainshare Funding allocated to the delivery of the existing Business West Yorkshire Programme, that is already in the Delivery Phase. This Change Request seeks approval that the £380,000 Gainshare funding being released by this decision remains within the Programme to enable the delivery of additional Equality and Diversity (EDI) outputs, through the delivery of 8 additional EDI-focussed programmes.
- 1.34 The Combined Authority is currently developing an EDI Strategy for Business Support. The approval to use Gainshare Funding to deliver increased EDI outputs for the Business West Yorkshire Programme will support the delivery of the wider EDI Strategy and some of its key outcomes.
- 1.35 The Change Request presents a strong Strategic Case for diversity being a strength and opportunity for West Yorkshire's economic growth potential, suggesting there is a distinct economic benefit to focussing funding on activity that increases the inclusivity within business support offers.
- 1.36 Delivery of the 8 additional EDI programmes will be achieved through the procurement of external provider(s). The Combined Authority's Programme Team are experienced in procuring external providers to deliver Business Support programmes and achieve aligned outcomes. Contracts with providers will be managed by the Combined Authority's Service Manager within the existing Business Support Team.

Recommendations

- 1.37 The West Yorkshire Combined Authority approves that:
- (i) The change request to the Business West Yorkshire scheme to increase total scheme costs by £380,000 and deliver an additional 8 EDI pilot programmes, to a total scheme cost of £5,708,683, is approved.
 - (ii) The Combined Authority agrees to increase their contribution to the total scheme costs by £380,000, taking the Combined Authority contribution from £4,573,426 to £4,953,426.
 - (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.



Green Jobs Taskforce Recommendations Report



September 2023



Foreword

Here in West Yorkshire, we have a bold ambition to create a brighter region that works for everyone.

Crucial to realising this vision is ensuring everyone has access to the skills they need to get on, live a healthy, happy and fulfilled life with a good, well-paid job.

We're not afraid to take on challenges – and arguably, the climate emergency is the biggest threat we face today. And this is on top of the worst cost-of-living crisis most of us have ever lived through.

98 In West Yorkshire, we are working towards creating a net zero carbon region by 2038 at the latest, with significant progress by 2030. This presents us with a unique, once in a generation opportunity to transform our economy and reap the benefits this will bring.

This will require a massive shift in the structure and activity of our economy, and we must ensure we make these changes in a fair way which means everyone in our region benefits.

Prioritising good, green jobs, and investing in skills and training for young people to do them have been some of my key pledges as Mayor for our region. Both will be vital to achieve our commitment to a fairer, more productive and prosperous West Yorkshire.

This is why, I created the West Yorkshire Green Jobs Taskforce, bringing together experts from business, education and training, the third and public sector and young people, to identify what actions we can take as a region to deliver the skills and jobs needed to transition to a net zero carbon economy and create 1000, well-paid, green skilled jobs for young people.

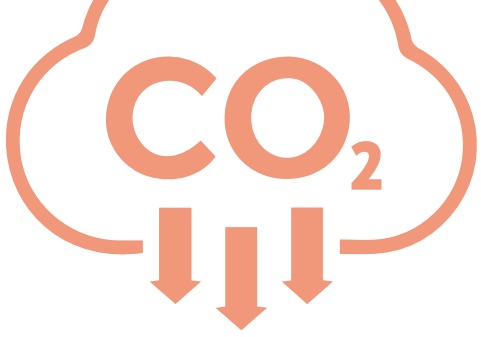
This report provides the leadership we need to make the right changes now, backed up by a wealth of evidence to bring together a plan for a brighter future for all.



Mayor Tracy Brabin

Mayor of West Yorkshire
Chair of the Green Jobs Taskforce





Executive summary

Over the coming years and decades, West Yorkshire has the potential to create thousands of good jobs in the zero-carbon economy.

To be able to seize this opportunity, we need to create a future-ready workforce of people with the right skill sets and our education and training provision must quickly pivot to the needs of a zero-carbon economy.

The region has an important role to play in driving the structural changes needed to transition to a net zero carbon economy and deliver inclusive, sustainable growth. It is vital that we support businesses and people in our region to be resilient and innovative while securing the investment needed to deliver long-lasting change.

The Green Jobs Taskforce was created to set out recommendations, supported by research, to deliver the skills and jobs needed to address the climate emergency and deliver the mayoral pledge to create 1,000 well-paid, green jobs for young people.

Our underpinning strategy for this work is the Employment and Skills Framework, focusing on bridging the gap between education and employment, creating a culture of investment in the workforce, driving innovation and productivity through high level skills.

The Taskforce has brought together a diverse range of stakeholders from across the region who have collectively shared their expertise to create solutions and recommendations.

Whilst skills are integral to the delivery of this strategic aim, there are a wide range of forecasts predicting the current and future demand for green skills and jobs. Although varied, each forecast shares the view that there will be tens of thousands of opportunities in West Yorkshire in the next decade with the right policy interventions and support in place.

The recommendations in this report identify the key areas for policy intervention to maximise opportunities and address skills needs now so that young people have the pathways to secure skilled green jobs in the future and so that the existing workforce, in those sectors most at risk from the transition towards a net zero economy, have the ability to upskill or retrain.

Recommendation summary

Inspire and engage individuals

Easy access to green career advice, training options, upskilling, reskilling and jobs.



Support educators

Support the education sector to build capacity in response to green skills demand.



Future-ready businesses

Support businesses to decarbonise, transition their workforce and attract and retain talent.



Who is the Green Jobs Taskforce

Chaired by Mayor Tracy Brabin, the Green Jobs Taskforce brought together experts from business, educators, including further and higher education and private training providers, the third and public sector and young people.

Bringing
experts
together

Impact and progress

The Taskforce was convened by Mayor Tracy Brabin in January 2022 and met four times over a period of 12 months.

Members used their time to develop recommendations around key themes:

-  Reviewing relevant labour market intelligence.
-  Commissioning and reviewing research on the employment and skills needs for the green economy.
-  Consulting with additional businesses and stakeholders on the recommendations and their delivery.
-  Discussing how activity can be aligned to existing initiatives across the region.
-  Developing partnerships that would make progress against the ambitions.
-  Supporting the mayoral pledge to create 1,000 well paid green jobs.

The result

The result is an ambitious set of evidence-led recommendations with an emerging delivery plan positioning West Yorkshire as a leader to deliver the skills and jobs needed to address the climate emergency and achieve the mayoral pledge to create 1,000, well-paid, green jobs for young people.



Why green skills are important for West Yorkshire

With radical future changes to the economy come opportunities and new high skilled jobs but also uncertainty and risk, in particular for those carbon-intensive jobs most exposed by decarbonisation.

8

West Yorkshire's position

- Meeting the UK Government's net zero target by 2050 could result in over **71,000** jobs in the low carbon and renewable energy economy in West Yorkshire by 2050 (Local Government Association).
- Across West Yorkshire, estimates show up to **235,000** jobs could be affected by the transition to a net zero carbon economy. Around **119,000** workers may be in high demand because of their skills and experience, while **116,000** workers may require upskilling and support.
- Modelling estimates that **680,000** homes will need retrofitting in order to achieve our net zero targets, domestic buildings are responsible for **26%** of West Yorkshire's carbon emissions.



Putting the right policy interventions and support in place now will allow our regional organisations and programmes and in particular our education and training providers, to establish the right training provision to meet future demand and provide confidence to our business base to upskill and re-train staff as part of the transition to a net zero economy.



Green employment

In line with the national UK Green Jobs Taskforce, West Yorkshire Combined Authority uses the government's definition of green employment:



‘Employment in an activity that directly contributes to – or indirectly supports – the achievement of West Yorkshire’s net zero emissions target and other environmental goals, such as nature restoration and mitigation against climate risks.’



Headline findings

Research was commissioned by the Taskforce to gain a clear picture of West Yorkshire's green economy, including its jobs and skills requirements with a forward look to future needs.

73,400 green jobs

There were an estimated **73,400** green jobs in West Yorkshire in 2021. Currently, the sectors with the largest number of green jobs are power, homes and buildings and green professional and research services. This accounts for **7%** of all jobs, higher than the UK average of 6%.

98,275 carbon intensive jobs

West Yorkshire has **98,275** jobs in carbon intensive sectors – (**9.2%** of the region's employment versus 10.5% nationally) – that will need to change substantially due to the transition.

91

13% of people non-white

More male employees than female

13% of people in employment in West Yorkshire in the relevant roles are non-White versus **11%** nationally. Both Nationally and at a regional level there are more male employees than female in relevant sectors - **23%** in West Yorkshire.

Green employment expected to double

Total employment in the green economy needs to **double** between 2020 and 2030 in order to put West Yorkshire on the path to net zero.

Headline findings

Our Green Skills Youth Programme consulted with young people to gain insight into their perceptions and views on green skills and careers.

Engaged with 214 people

West Yorkshire **Green Skills Youth Programme engaged** with **214** young people from across Bradford, Calderdale, Kirklees, Leeds and Wakefield, aged 4–17 years old.

Increased and advanced understanding

The number of students that rated their understanding of the range of green jobs available across the region as excellent increased more than **ten times** between the start and end of the programme.

92

82% increase in interest

82% of the **214** engaged students showed an interest in pursuing a green job after the programme.

Lack of knowledge a barrier

The students involved in this programme perceived green jobs as low paying, hard jobs. The young people participating also acknowledged that a lack of knowledge about the range of green jobs available would be a barrier to applying to one.

Environmental and social impact a focus

According to the participating students, the positive environmental and social impact they could have in these roles would be key aspects to focus on to inspire and attract young people to green jobs, other than monetary incentives alone.

Research themes

Based on the evidence, learnings, and findings from the research as well as wider conversations with stakeholders, the Taskforce has developed a series of practical recommendations and an action plan based on key themes, **individuals, educators and businesses.**

93



Key points

Recommendations focus on individuals, education and training providers and businesses. Creating a high skilled, future ready workforce requires policy interaction between all of them.

Businesses face challenges to decarbonise, including a lack of skills and knowledge in their existing workforce to meet these challenges. There are also a number of sectors which are particularly exposed, such as energy intensive manufacturing businesses, retrofit, through the sheer scale of action required, and green finance, because of its potential to leverage investment into the transition.

Further and higher education and private training providers require support to pivot their curricula and course offer so people can develop the right skills to fill current and future green jobs. Key challenges identified included capital investment in facilities and equipment needed to deliver green skills training and the attraction and retention of teaching talent.

Key challenges identified for individuals were the creation of a talent pipeline, equipping young people with the right skills for the future labour market and the need to upskill and reskill the existing workforce who will need to adapt with their employers to a transforming economy. Barriers to the uptake of green skills are a lack of awareness and understanding about green skills, career options and pathways.

Research themes



This infographic visualizes the relationship between the research findings, emerging priorities and recommendations.

Recommendations

Inspire

Inspire and inform young people, from key stages 1 and 2 (age 4-19) onwards, about opportunities and career pathways within the green economy.



Facilitate

Facilitate easy access to green skills and job information, career pathways and job opportunities for young people and adults to make informed decisions.



Embed

Embed engagement of the target group when designing initiatives e.g. young people for the development of careers, education, information advice and guidance (CEIAG); workforce for reskilling/upskilling initiatives to support decarbonisation.



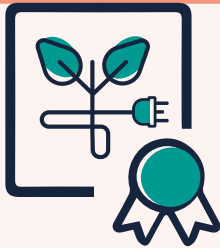
Equality, Diversity and Inclusion

Any interventions put forward must have ambitious targets addressing Equality, Diversity and Inclusion (EDI); particularly around attracting more women and people from Black, Asian ethnic minority (BAME) backgrounds towards careers within the green economy and the workforce most exposed by a transition to net-zero.



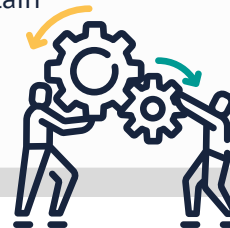
Support

Support education and training providers to build a curriculum that responds effectively to the needs of businesses transitioning to a net-zero carbon economy; including building capacity to attract, develop and retain expert staff.



Enable

Enable businesses to access support to decarbonise and innovate as well as to attract, develop and retain talent to enable a just transition.



Strengthen

Strengthen current and potential West Yorkshire specialisms to stimulate demand and create green jobs, exploring opportunities in manufacturing, green finance and retrofit in the first instance.



Action Plan

Individuals

Give every young person access to green skills careers information advice and guidance through the Combined Authority's Go Green resources.

Provide free training for adults to meet demand for green skills and jobs.

Support the development of a sustainable regional transport network that helps to break down social mobility barriers, improve access to employment and training opportunities.

Deliver a pilot scheme with 130 West Yorkshire primary schools that engages and inspires young people to understand green careers.

Educators

Establish a regional centre of excellence in environmental and sustainability training that upskills individuals and supports business leaders and their employees.

Work with Leeds College of Building to create a regional retrofit advisory board that will engage experts, housing partners and the further education sector to work towards increasing the energy efficiency of housing and commercial buildings.

Develop technical education qualifications with the Department for Education and the Institute for Apprenticeships and Technical Education that address skills gaps.

Strengthen the Green Jobs Taskforce partnership to develop a strategic response to the supply and demand issues.

Businesses

Support high carbon sector businesses, such as transport and housing, to give them access to skills support, training and funding.

Create a pilot scheme to assist businesses to recruit graduates into green job vacancies.

Work with the Government to build a stronger further education sector that delivers the green skills needed for our transitioning economy.

Put creating new green jobs and developing skills at the heart of all new West Yorkshire Combined Authority infrastructure projects.

Conclusions

The recommendations set out in this report by the Green Jobs Taskforce will create a future-ready workforce, ready to reap the benefits of a brighter, more aspirational net zero future.

We have galvanized experts from across West Yorkshire to develop our plan which will place green skills at the centre of our ambition to create a net zero carbon region.

97 Through our work we are leading the way, lowering barriers and pushing for change in a complex landscape.

And this also provides an evidence base for our region and others to call for more devolved powers across skills and employment and net zero and the environment as well as, housing, transport, culture, policing and crime.

We need a greater role in planning and preparing for our future economy, supporting our residents to upskill and reskill, our businesses to decarbonise and ready their workforce, and enable our education and training providers to invest in buildings, equipment, facilities and human capital so their offer aligns with the local labour market's current and future green skills demands.

Partners and stakeholders in the region are crucial contributors in delivering our ambitions and it is only through collaboration that we will be able to deliver on our recommendations.

Although the work of the Green Jobs Taskforce has concluded, our work here is not finished.

We have a bold ambition to transform our economy and capitalise on the benefits of the transition to a net zero West Yorkshire; improving opportunities for everyone in our region is what drives us forward.

Let's be the change we want to see. With our shared purpose we can make a lasting impact and pave the way for green skills and employment by providing our workforce, businesses and educators with the right skills and means to thrive within a net zero carbon economy.



Find out more

 [westyorks-ca.gov.uk](https://www.westyorks-ca.gov.uk)

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All information correct at time of writing.

**West
Yorkshire**
Combined
Authority

 **Tracy Brabin
Mayor**
of West Yorkshire