
Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 23 January 2019

Subject: **Employment and Skills Panel**

Director(s): Sue Cooke, Executive Head of Economic Services,
Alan Reiss, Director of Policy, Strategy & Communications

Author(s): Michelle Burton, Peter Glover

1. Purpose of this report

- 1.1 To provide the LEP Board with a report on the work of the Employment and Skills Panel.
- 1.2 To seek endorsement of recommendations from the Employment and Skills Panel (ESP) that the eligibility criteria for the Apprenticeship Grant for Employers should be revised.

2. Information

Topic Insight – Careers

- 2.1 The purpose of topic insight sessions is to provide detailed input to ESP on a particular topic of interest in order to promote discussion and to identify practical steps that can be taken forward, including the development of a policy statement in that area.
- 2.2 The main focus of the topic insight session was our future ambition for careers support in the City Region, including careers education, information, advice and guidance.
- 2.3 A presentation was given to the panel, which provided a definition of careers, highlighted the importance of careers support to individuals and the economy, examined the current careers offer in the City Region and reflected on challenges posed by current arrangements. This provided the basis for a panel discussion around the future priorities for action in the City Region and the messages the LEP and Combined Authority should be highlighting to government with regard to careers.
- 2.4 The panel discussion highlighted a number of key points:
 - The need for a clear vision for careers support in the City Region
 - The importance for all pupils of meaningful encounters with employers – it's not just about prolonged work experience opportunities

- The need for a mechanism to challenge schools and hold them accountable with regard to their careers remit – we need to avoid careers becoming a “bolt-on” role for schools as for many of them academic results are the over-riding priority
- The potential value of creating CPD networks for teachers who specialise in providing careers support
- The need to consider the potential of digitally-enabled conversations in the context of careers information and advice, in order to increase the numbers of people both giving and receiving advice
- The importance of prioritising the flow of information on the labour market to young people and others who are making career decisions and the need to raise the visibility of occupational roles not just among young people but among adults
- The problem of gender stereotyping of roles and the value of showcasing women who work in atypical occupations
- The key potential role for HE in providing careers support and the need to encourage them to contribute more in this space
- The importance of making the connection between careers support and the emerging local industrial strategy.

2.5 These points will be considered in the drafting of a policy statement on careers support that will be submitted to the next ESP meeting for consideration, as one element of the refreshed Skills Plan.

Skills Commission

2.6 As reported at the last LEP Board meeting, a radical review of the post-16 vocational skills system will be launched in January 2019 to:

- Assess the current performance of the system.
- Identify future challenges.
- Set out a coherent blue print for a reformed system that can meet needs more effectively at both local and national level.
- Inform the national policy debate.
- Develop the Combined Authority’s thinking around powers and responsibilities.

2.7 Cllr Susan Hinchcliffe, as Chair of the West Yorkshire Combined Authority and lead Local Authority Leader for Skills, will chair a Commission which will carry out the review.

2.8 Rashik Parmar and Mark Roberts of the Employment and Skills Panel have agreed to join the Commission. The Chair has written to other potential members of the Commission to invite them to join.

2.9 Work is underway to draw together existing evidence to provide an initial assessment of the current state of knowledge in respect of the review’s objectives. This consists of analysis of local data on the performance of the skills system and a review of the extensive national literature on skills policy

and delivery. This will be used to inform the content of the call for evidence, including the key questions posed to consultees; to provide an early stage briefing to members of the Commission; and to identify gaps in our understanding where further investigation is required and resources need to be targeted.

Preparing for Brexit

- 2.10 At their meeting on 29 November, Panel members were provided with the latest economic and business intelligence and an update on ongoing work to prepare and support the city region's businesses and communities ahead of the UK's withdrawal from the EU, including skills programmes in particular.
- 2.11 The Panel fed back that this offer should be brought together in an accessible way and that greater consideration should be given to the potential impact of Brexit in the health sector, particularly where there is a reliance on EU workers in highly skilled occupations.

Apprenticeships

- 2.12 The Apprenticeship Grant for Employers (AGE) is funded by devolved monies from the Education and Skills Funding Agency (ESFA).
- 2.13 The AGE programme supports employment and training within skills shortage and growth sectors and encourages development of higher level skills. The original AGE programme ran from August 2015– July 2017. The programme was very well received, supporting 2924 businesses and allocating 3834 grants. From the original budget of £8,062,500, there is £1,164,215 remaining, which may be used for a follow on grant scheme. The current grant criteria were approved at the Panel's meeting in December 2017. These criteria were intended to make the grant more targeted to avoid displacement and maximise economic impact, and to align with Inclusive Growth ambitions by encouraging more businesses to pay the national minimum wage (rather than the minimum wage for apprentices which is significantly lower).
- 2.14 The grant relaunched with the current criteria in August 2018. Take up of the grant has been much lower than expected and at the time of writing, only 5 applications have been received. Three of these applications have been rejected due to the business not meeting the full eligibility criteria.
- 2.15 The Employment and Skills Panel therefore proposes a number of changes intended to ensure that more businesses are able to benefit from the grant. The proposed changes are:
- To increase the core grant to £2000 from £1500 in order to provide a greater incentive to recruit an apprentice;
 - To expand the eligibility to include businesses with fewer than 250 employees, so as not to exclude larger SMEs that haven't previously employed an apprentice;
 - To support apprenticeship standards across all sectors to reflect the aspiration to encourage all businesses to engage with apprenticeships.

- 2.16 The proposed changes are highlighted in red in the table below and the LEP is asked to endorse the revised criteria with a view to increasing take up of the available grant to businesses to encourage them to create more quality apprenticeships.

CURRENT GRANT CRITERIA	PROPOSED REFRESHED GRANT CRITERIA
Core grant - £1,500	Proposed grant – £2,000
Business must have 50 or fewer employees	Business must have 249 or fewer employees
Business has never offered apprenticeships before	Business has never offered apprenticeships before
Businesses must be based within the Local Authority areas of WY and York	Businesses must be based within the Local Authority areas of WY and York
The apprentice must be aged 19-24	The apprentice must be aged 19-24
The business must be paying the apprentice the National Minimum Wage for the age of the apprentice	The business must be paying the apprentice the National Minimum Wage for the age of the apprentice
Apprentices must be following a recognised standard or framework relating to our key priority sectors / skills gaps in Manufacturing & Engineering, Construction, planning & the built environment and IT / Digital	Apprentices must be following an apprenticeship framework or standard as recognised by the Education and Skills Funding Agency (ESFA)
Top up grant - £500	Top up grant - £500
Additional top up grant of £500 on offer if the apprenticeship is at level 4 or above	Additional top up grant of £500 on offer if the apprenticeship is at level 4 or above

Successful applications for funding

- 2.17 The Combined Authority recently submitted a full application to a competitive European funding call to develop a £3.1m programme named **[re]boot** to support graduates and career changers into key sectors. Confirmation has now been received from the Department of Work and Pensions (DWP) that the outcome of the application was successful. Procurement of sub-contractors has commenced. Delivery is expected to commence in January 2019.
- 2.18 The Combined Authority in partnership with local authorities has been successful in an application to a competitive European funding call, **Routeways: Developing Young People**. The programme, with a value of £4.5m plus £4.5m match, will support young people into learning, employment and apprenticeships and support businesses to offer apprenticeship opportunities and other employment options. This programme will be delivered

across Leeds City Region, excluding Barnsley which is part of a different European funding programme.

Delivery Agreements

- 2.19 Formal reviews of college performance against aspirations and targets in their Delivery Agreements published in July 2017 have taken place during November and December 2018. A formal report with findings, progress and future actions will be published by February 2019.

Skills Capital

- 2.20 A summary of the Skills Capital programme was included in the papers for the September meeting. Since then:

- The Springfield Centre at **Kirklees College** was formally launched on 15 November. The centre forms part of the Dewsbury Learning Quarter and will focus on skills development for young people, with a range of new courses, which will prepare them for the world of work or to take the next steps into Higher Education, including courses in Computing and Digital Industries, Construction and Health and Social Care. Kirklees Council is on site completing its part of an ambitious plan to bring the iconic Pioneer House back into use as part of the new Dewsbury Learning Quarter. Pioneer House will be open to students in Autumn 2020.
- **Leeds College of Building** – Hunslet Road Phase II construction works will finish on site in December 2018 and will open to students in January 2019. The College will then commence works refurbishment works on its North Street Campus as part of the overall project. These works are scheduled to complete by April 2019.
- **Leeds City College** – construction continues on the Quarry Hill campus which will open to students in September 2019. The College will then commence refurbishment works on its Park Lane Campus as part of the overall project.

Enterprise in Education

- 2.21 The Enterprise in Education team is currently working with 172 secondary schools and colleges to embed employer engagement in all aspect of teaching and careers information, advice and guidance. 138 Enterprise Advisers (senior business volunteers) are working closely with senior leaders in schools.
- 2.22 A refreshed careers campaign targeted at young people and their key influencers **#futuregoals** was launched in October, receiving over 10,000 unique views per month in October and November. LEP Board members are encouraged to engage with and promote the campaign through their personal and organisational social media channels.

- 2.23 As previously reported, Leeds City Region has been successful in the competitive process to apply for a **Careers Hub** in Kirklees. A Lead Enterprise Coordinator for the Careers Hub started in post in December and will develop a 'Cornerstone Employer' plan in Kirklees to secure high profile business to act as ambassadors for business engagement promoting careers in schools.
- 2.24 The Leeds City Region has been selected to pilot an approach to promoting creative skills and careers, part of the sector deal for creative industries announced as part of Government's modern industrial strategy. The **Creative Careers Pilot** seeks to convene partners, including the Careers and Enterprise Company and creative industries to develop an online toolkit resource/portal that provides information for teachers, parents and young people on:
- An overview of the sector
 - Creative industry sub-sectors, regional businesses, entrepreneurs and events to learn more
 - Careers teaching resources
 - Young people telling their own stories in case studies and videos

Career Learning Pilot

- 2.25 The Career Learning Pilot is funded by the Department for Education (DfE) and is designed to test methods of outreach and subsidy for low skilled adults in work or close to the labour market. The outcomes of the pilot will be evaluated by the Learning and Work Institute and used by DfE to inform the design of the proposed National Re-training Scheme.
- 2.26 Activity to date has included:
- 'Face to face' outreach activity, delivered by partners, reaching 315 participants.
 - The Combined Authority's marketing campaign, which has reached 547,187 people during September, through printed media, bus stop and 'big screen' advertising as well as social media campaigns.
 - The-lep.com/earnit pages including awareness raising information about the labour market and signposting.

Digital Framework and Digital Skills Campaign

- 2.27 The Employment and Skills Panel was provided with an update on the development of the Leeds City Region Digital Framework and endorsed the adoption of the Framework.
- 2.28 The #discoverdigital website launched in August alongside social media channels. The aim of the campaign is to inspire individuals into digital roles, to promote digital skills across our key industry sectors and to demystify digital careers. Since the launch, the website has had 1,224 new visitors and over 9,600 individual page views. The campaign has also reached over 80,000 people through social media channels. LEP Board members are encouraged

to engage with the campaign through their personal and organisation's social media channels.

3. Financial Implications

3.1 The proposed changes in eligibility for the Apprenticeship Grant for Employers (AGE) programme are outlined above.

4. Legal Implications

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

5. External Consultees

5.1 No external consultations have been undertaken.

6. Recommendations

6.1 That the LEP Board:

- Notes the contents of the ESP report.
- Considers and endorses the recommended changes to the eligibility criteria for the Apprenticeship Grant for Employers.
- Encourages members to engage with the #futuregoals and #discoverdigital campaigns through their personal and organisational social media channels.

7. Background Documents

None.

8. Appendices

None.