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

**Date:** 25 September 2019

**Subject:** **Employment and Skills Panel**

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## 1. Purpose of this report

- 1.1 To provide the LEP Board with a report on the work of the Employment and Skills Panel.

## 2. Information

### Chair's update

- 2.1 The Chair provided an update to Panel members on:

- The new Prime Ministers appointments which impact on the work of this panel including appointment of a **new Secretary of State**:
  - Gavin Williamson in Education (no appointment has been made to the position of Minister for Skills and Apprenticeships)
- The **Convention of the North**, in partnership with NP11 on 13 September where the event will debate six policy priorities for the North. Cllr Hinchcliffe will chair a session on education and skills, in which changes to the delivery of education and skills services in the North will be explored, based on three ideas:
  - a. Continuing to develop local employer-engaged education and skills systems
  - b. Develop a common definition of Good Employment across the North
  - c. Creation of a collaborative board to drive improvements in Northern schools
- Update on the proposed **merger with York, North Yorkshire and East Riding LEP** to create a new LEP covering all of West Yorkshire, North Yorkshire and York with discussions continuing in October.

### Delivery Agreements

- 2.2 The first formal reviews of **Delivery Agreements** with the seven West Yorkshire Colleges took place in autumn/winter 2018. A report was published on 6 June highlighting the outcomes of the reviews and current position

statement for each college <https://www.westyorks-ca.gov.uk/media/2350/delivery-agreements-2019.pdf>.

- 2.3 The next round of formal reviews will commence later this year following release of data from the Education and Skills Funding Agency.

#### School Partnerships

- 2.4 The **Enterprise Adviser Network** and the Combined Authority's Enterprise Coordinators are currently engaged with 182 (90%) of secondary schools and colleges. From April 2019 to June 2019 the network has delivered over 30,975 employer encounters and 3,795 employer encounters for pupil premium learners.
- 2.5 A call for applications to the **Raising Aspirations pilot** closed on the 21<sup>st</sup> June 2019 with 36 applications received from 34 schools and 2 colleges. 16 projects were awarded through the pilot pending the return of grant offer letters from the successful applicants. The awarded projects will benefit a combined total of over 6500 disadvantaged pupils within the city region. All projects aim to raise the aspirations of the pupils through a variety of innovative methods with employers encounters embedded throughout.
- 2.6 The **Kirklees Careers Hub** is making good progress in supporting its 35 member schools and colleges to work towards the Gatsby benchmarks for good careers guidance. The average number of benchmarks achieved by the 35 hub institutions is 3.5, against a national careers hub average of 3.2 and a national average of non-hub schools of 2.5.
- 2.7 The Combined Authority was successful in its application to the Careers and Enterprise Company for a **Special Educational Needs and Disability (SEND) Careers Hub**. This is a pan-regional Hub covering schools in Leeds, Wakefield, Calderdale and York which is due to commence delivery in September 2019.

#### Careers

- 2.8 During May and June the **FutureGoals** careers campaign [futuregoals.co.uk](http://futuregoals.co.uk) reached over 12,000 young people, educators and parents/carers through social media and direct marketing. 80 teachers benefitted from employer-led CPD activities.
- 2.9 From October 2019 the **FutureGoals** careers campaign and website will become an all-age careers inspiration platform enabling individuals from across the Leeds City Region to access high quality Labour Market Information. The all-age platform will feature new and updated content including educator curriculum resources to help teachers meet Gatsby Benchmarks for good careers guidance and information to inspire adults to make better, more informed careers choices.

- 2.10 To support the roll out of the **Creative Industries Toolkit** sponsored by the Burberry Foundation, the LEP will partner a 'Creative zone' at Skills Yorkshire in October. Skills Yorkshire is the region's largest skills show with up to 5,000 young people, parents and teachers attending each year. The Creative Zone will enable businesses from the region to exhibit at the interactive show to inspire the next generation of talent and educate them about careers in the creative industries sector.
- 2.11 The **[re]boot** programme, part-funded through European Social Funds (ESF), will commence delivery in September, with the West Yorkshire Consortium of Colleges now procured as a subcontractor alongside Leeds Trinity University as delivery partner. Provision will be focused on the following sectors; Digital and Creative, Engineering and Manufacturing, and Construction and Infrastructure. [re]boot will offer individuals over the age of 18 the chance to upskill, gain new skills/qualifications and enter employment within shortage sectors. The programme will particularly target potential career changers and unemployed and under-employed graduates in the region.

#### Apprenticeships and Employment

- 2.12 At the LEP Board's July meeting, it was reported that the LEP/Combined Authority has been contacted by a number of providers who have reported that they are turning away non-levy paying businesses and potential learners because of a **lack of non-levy funding for apprenticeships**. A survey of providers has been carried out to gather more information. The majority of respondents have confirmed that they are also in this situation with an estimated 300 apprentices in Leeds City Region potentially unable to commence their training course this summer.
- 2.13 Further to the discussion at the LEP Board, the following approach is now underway:
- Focus on supporting levy transfer. Levy-paying employers can transfer up to 25% of their levy to support apprenticeships in smaller businesses. This approach is being encouraged and facilitated by:
    - Targeting levy-paying employers: officers are approaching large companies directly, prioritising those that the LEP/CA is already engaging with/supporting. Levy transfer could also be built in to Inclusive Growth grant conditions;
    - On a pilot basis, providing a brokerage service between levy-paying employers and training providers for the purposes of levy transfer. The AGE scheme continues to run alongside to provide an incentive for SME take-up of apprentices.
    - This approach may be rolled out further if it proves successful.
  - Lobbying government to address the funding gap, commencing by making contact with appropriate policy teams. The Future-Ready Skills Commission provides an opportunity to lobby on this agenda.

- 2.14 There have already been successes for the pilot approach. A levy-paying company has agreed to fund 20 apprenticeship starts through levy transfer, with a value of £460,000. This would not have happened without this intervention.
- 2.15 There has been a low level of uptake for **Apprenticeships Grant for Employers (AGE)** since its re-launch in February 2019. The criteria for the revised AGE grant extended the offer to businesses with up to 249 employees across all sectors. The maximum grant amount was increased to £2,500 from £2,000 as recommended by the Employment and Skills Panel in November 2018.
- 2.16 The main recruitment/start time for Apprentices is September/October. It is therefore possible that there is a pipeline of grant applicants waiting for their first apprentice to start before submitting a grant application, and this needs to be accommodated in planning for utilisation of the funds. The current plan is for the application process to be turned off at the end of November, which provides adequate time to process the grant claims in the current financial year.
- 2.17 The **LCR Employment Hub** programme, launched in January 2019, is being delivered in partnership with Local Authorities and will support over 6,000 young people aged 15-24 to access apprenticeships and employment. Following a 9 month delay in contracting with the Managing Agent, a number of the local Hubs have experienced difficulties recruiting suitably experienced/qualified staff. It is anticipated that the programme could be impacted by the funding issues facing providers (see 2.12 above) regarding engagement of non-levy companies, particularly the aspiration to engage businesses who have never offered apprenticeships before.
- 2.18 Across the programme, performance is significantly behind profile, with only 33% of profiled participants supported so far. Performance review meetings took place in July, with plans being put in place at a local level to mitigate against underperformance.

#### Social Prescribing Pilot

- 2.19 An evaluation of the **Work Wellness Service** project in York has now been completed and is attached at Appendix 1.
- 2.20 The **Halifax Work Wellness** project has been established at Beechwood Medical Centre in a deprived area of Halifax, with delivery commencing in January 2019. Since the project's commencement in January 2019, 340 people have been supported, with 33 supported to return to work. Over the last quarter, there has been an increase in clients coming into the service at crisis point and requiring urgent mental health assessment. A significant number of clients are seeing the Work Wellness Adviser, and gaining access to a wide range of services, resulting in a reduction in GP and medical appointments.

## Channel 4 / Digital sector

- 2.21 Employment and Skills Panel members are keen to ensure that Leeds City Region seizes the opportunity presented by the relocation of Channel 4's national headquarters to Leeds, for the benefit of individuals from all communities here in the city region and the broader creative sector. The Panel were given an update on the support being made available to the sector, particularly on skills and employment, and the panel were asked for 'comments on a postcard' in relation to further ideas or areas of support they could offer, completed in the meeting, which will be taken away and acted upon.

## Labour Market Information

- 2.22 The annual labour market report provides an evidence base for the LEP and Combined Authority's strategic work and service delivery, overseen by the Employment and Skills Panel. This data is used by education and training providers in curriculum planning and is embedded in careers activity. The Panel received a summary of six key messages from this year's report which included:
- Analysis of overall skills performance
  - Top occupations with number of job openings
  - Profile of highest qualifications held by working age (16-64) population
  - Apprenticeship starts by level
  - Proportion of private sector employers adopting higher performance working practices
  - Percentage of students entering higher education measured by free school meal status

The full report will be released at a workshop on 30 October 2019.

## Local Industrial Strategy

- 2.23 The Panel was given an update on emerging messages from the consultation on the People element of the Local Industrial Strategy and their views were invited.

## Skills Commission

- 2.24 The Future Ready Skills Commission was launched in January 2019, chaired by Councillor Hinchcliffe. Its members are leading thinkers from education, thinks tanks and business (full membership is available via <http://futurereadyskillscommission.com/meet-the-commissioners/> ). Its aim is to set out a bold and ambitious blueprint of how the skills system can work better for regional and national economies, using Leeds City Region as a case study. The Commission is supported by the Combined Authority, although it sits Outside LEP and CA governance arrangements.
- 2.25 The Commission has considered evidence against the three key themes within its scope: technical education, careers information and inspiration and

workforce skills. A call for evidence and literature review has been completed and is supporting the Commission's next phase of defining the key principles of a Future-Ready Skills System before publishing an interim report in the Autumn. Ten key points from the Commission's work so far were presented to the panel for comment. The final report from the Commission will be published late Spring 2020.

### **3. Financial Implications**

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

### **4. Legal Implications**

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

### **5. Staffing Implications**

5.1 There are no implications associated with this paper.

### **6. External Consultees**

6.1 No external consultations have been undertaken.

### **7. Recommendations**

7.1 That the report of the work of the Employment and Skills Panel be noted.

### **8. Background Documents**

None.

### **9. Appendices**

Appendix 1 Evaluation of the Work Wellness Project