



Employment and Skills Plan Refresh

Overview and context



Draft Strategic Economic Framework

LEEDS CITY REGION STRATEGIC ECONOMIC FRAMEWORK							
OUR VISION							
To be a globally recognised, thriving and happy region with talented people, superb environment and clean, integrated transport.							
OUR PRIORITIES							
BOOSTING PRODUCTIVITY Helping businesses to grow and bringing new investment into the region to drive economic growth and create good jobs.	ENABLING INCLUSIVE GROWTH Enabling as many people as possible to contribute to, and benefit from, economic growth in our communities and towns.	DELIVERING 21ST CENTURY TRANSPORT Creating efficient transport infrastructure to connect our communities, making it easier to get to work, do business and connect with each other.	TACKLING THE CLIMATE EMERGENCY Growing our economy while cutting emissions and caring for our environment.				
OUR POLICIES AND STRATEGIES							
Employment and Skills	Digital	Energy	Innovation	Connectivity	Green and Blue Infrastructure	Housing and Regeneration	Active Travel
Spatial Planning	Bus	Business Growth	Future Mobility	Flooding	Culture	Rail	Local Industrial Strategy
PARTNERSHIP PLANS AND STRATEGIES							
MONITORING AND IMPACT							

Future-Ready Skills Commission

10 things that need to change



1 Careers information needs to be relevant to the local labour market and empower individuals to make informed decisions



2 Employment and skills should be integrated within local housing, transport and environment strategies



3 The local approach to skills, employment and health needs to be joined up to support progression to work



4 The skills offer for businesses needs to be simplified through coordination at the level of functional economic areas



5 Investment in technical education and skills should be increased to sustainable levels



6 Greater collaboration is needed in order to spread good workplace practices to improve business performance and productivity



7 The learning offer should be simplified and made more affordable, with the right level of finance that removes barriers to access and supports progression in learning



8 Employers need to be motivated to train and re-train staff and support progression at all levels, including those in lower paid work to gain higher level skills

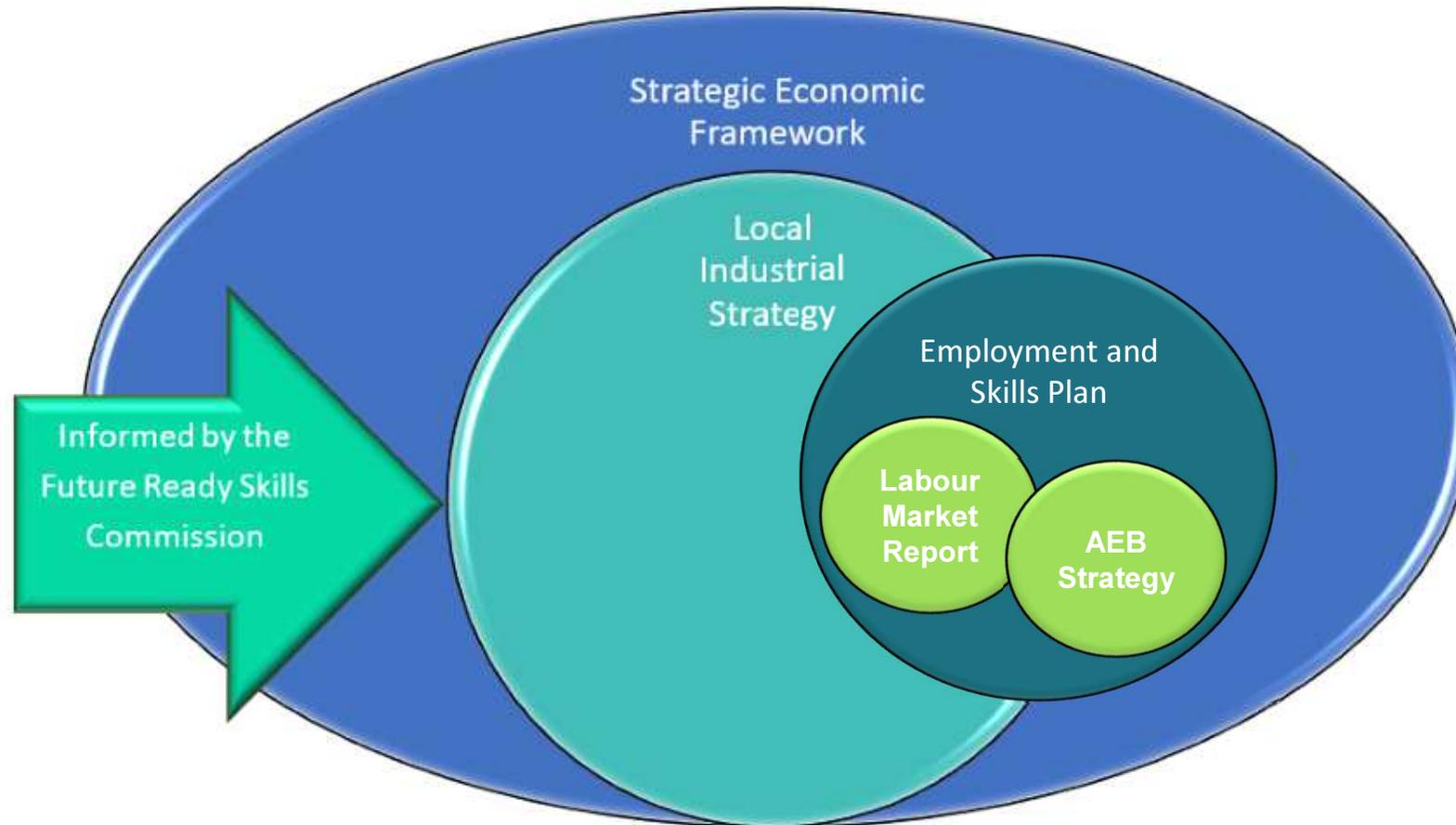


9 Local areas should have strengthened responsibilities for planning the provision of technical education and training so that it is responsive to local economic priorities



10 Employers need greater influence over the design and delivery of technical training to ensure it is responsive to local economic priorities

The Strategy Landscape and Interactions



Employment and Skills Plan (2016- 2020)



Other Policies & Strategies

- **Local Industrial Strategy**; The LIS foundations with the most implications for Employment and Skills sit within Business Environment, Ideas and People
- **Culture Framework** (draft) – priorities include employment and skills
- **Labour Market Information report**
- **Skills Commission** blueprint and recommendations
- **Inclusive Growth Framework** (draft) priorities: well-being, connectivity, skills and good work
- **Digital Framework**



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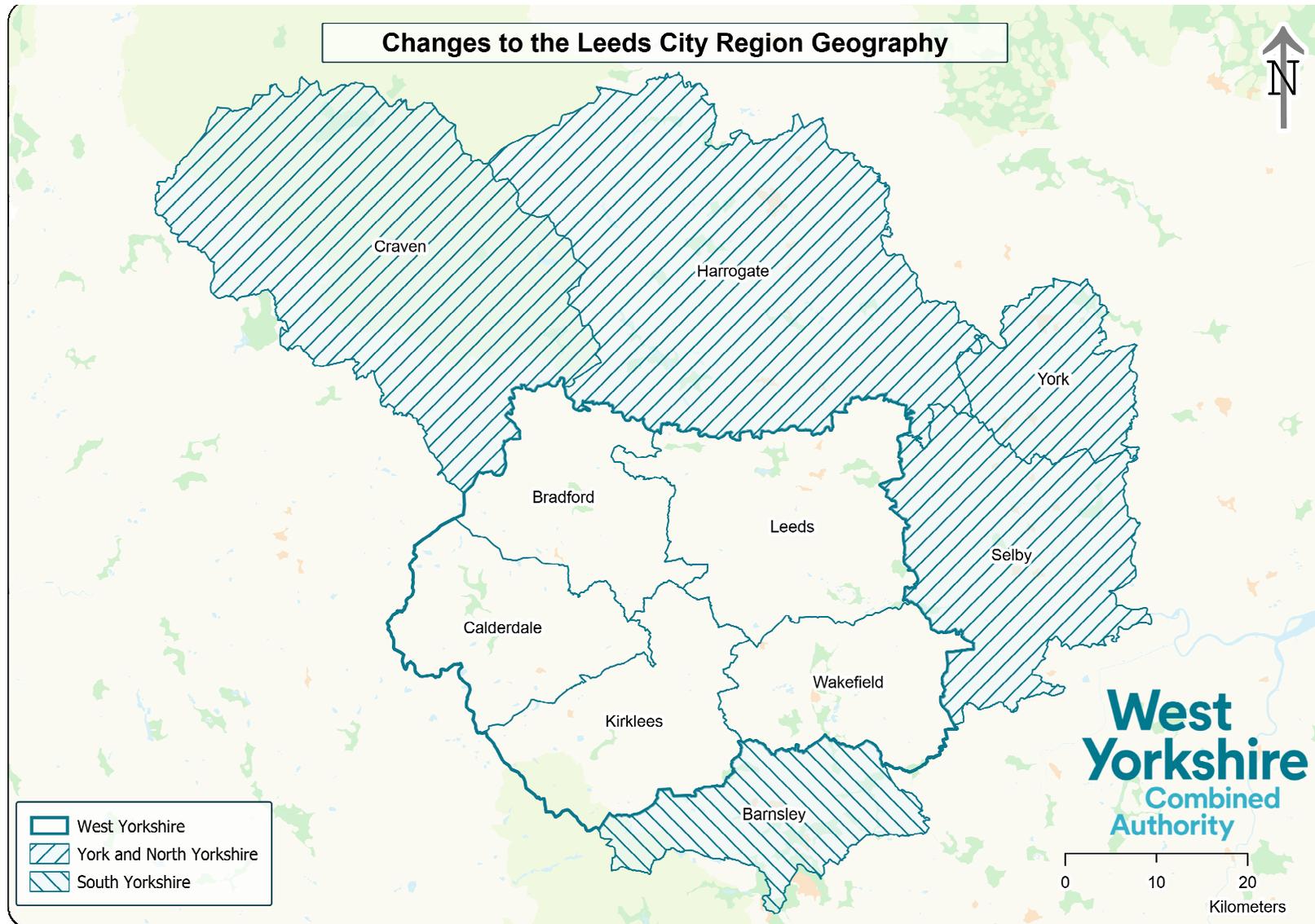
Scope



Scope of the Refresh

- The current Employment and Skills Plan is due to be refreshed and is widely used by partners and stakeholders to align priorities.
- Devolution of AEB budget (from 2021/22) requires a strategy, which has been submitted to DfE and is in consultation.
- The Employment and Skills plan is due to published in late 2020.
- The following principles are to be considered, the plan should:
 - Be strategic and practical in content and design
 - Last 5 years (which is in line with Skills Commission proposals).
 - Be flexible, allowing for changes and subsequent plans to align
 - Be practical, allowing stakeholders and partners to plan priorities and delivery
 - Embed the priorities of the Strategic Economic Framework (SEF) and other key policies, for example Inclusive Growth and Climate Emergency priorities
 - Be bold and ambitious outlining the actions required to meet the vision and support the case for further devolution
 - Ensure that collaborative partnership work continues across the functional economic area of the region with minimal impact on the delivery of core projects

Geography





Employment and Skills Plan Refresh

Vision



Where We Want To Be

West Yorkshire is the largest labour market in the Northern Powerhouse, with strengths in manufacturing, financial and professional services, digital and healthcare technology. Our diverse, rich cultural heritage and geography makes West Yorkshire one of the country's best places to live, study and work.

Nonetheless, our productivity lags the rest of the UK and we need to address a lack of skills in parts of our workforce, and a high incidence of low-paid, low-skilled employment.

Our vision for West Yorkshire is to be a region where everyone can aspire to live full, healthy lives with greater earning power through better, more flexible skills; a fair, progressive employment market; and the right support and guidance to help people achieve their personal ambitions.

We want skilled, productive people, with access to world-class training and learning opportunities that take them to the next step in their careers. We need successful employers that provide good quality jobs and who invest in their workforce.

With greater local powers over the education and skills systems secured through the ambitious West Yorkshire devolution deal, we will be better able to direct resources where employers need them and help people to develop skills that benefit themselves and the local economy.

What Does Success Look Like?

By the end of the period covered by the employment and skills plan, we want West Yorkshire to have:

- A productive, resilient and innovative economy that offers a high standard of living and is based on a highly skilled, diverse and flexible workforce.
- Stronger relationships between employers and training providers with good quality skills and training opportunities that reflect the unique needs of our labour market.
- Closed the attainment gap for disadvantaged learners, so that all communities are able to access and progress in learning, and experience the economic benefits
- Universal access to a widely used and valued, high-quality careers information and support service, and for people to understand how to access their entitlements in relation to careers guidance and training.



Employment and Skills Plan Refresh

Review of priorities



Where are we now: labour market strengths

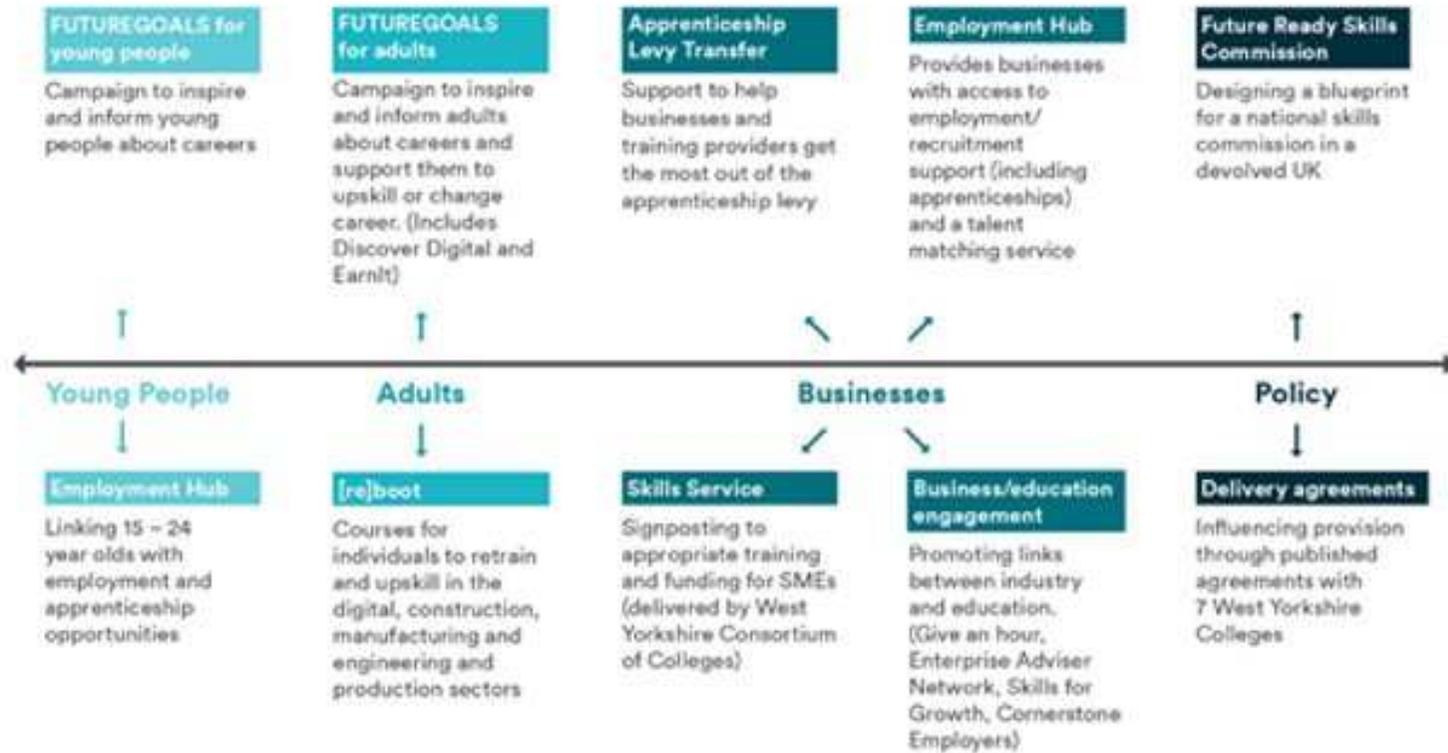
- **Productivity** – increasing, but at a level lower than the national average and with growth trajectories below national levels since the crash of 2008.
- **Labour market** – strong performance in recent years but with early signs of a downturn in employment, with disadvantaged groups continuing to face the greatest risk of exclusion from and progression in employment.
- **Sector base** - one of the most diverse economies in the UK, closely mirroring the industrial structure of the UK, making it more resilient to sector shocks.
- **Largest employers and number of employees** – the retail (95,000) and hospitality (70,000) sectors are large, although the health sector (140,000) is the largest in absolute terms.
- **Skills supply** – strong base of intermediate skills (L3)

Where are we now – partnership strengths

- World class universities
- Delivery agreements with West Yorkshire colleges
- Joint venture with West Yorkshire Colleges Consortium working with Leeds City Region LEP to address region's skills priorities
- Investment through skills capital funding into 10 major infrastructure projects to world class training facilities to deliver skills needed in the region including:
 - Process manufacturing centre, Kirklees
 - Quarry Hill, healthcare and life sciences, Leeds
 - Advance Skills and Innovation Centre, Wakefield
- Strong strategic relationships with employers
- Established Skills Advisory Panel / Employment and Skills Panel
- Devolution deal, including Adult Education
- Future-Ready Skills Commission

Where are we now – delivery strengths

Leeds City Region employment and skills offer



Where are we now – labour market challenges

- **Skills levels** - are below the national average (at level 4+). There is significant over-representation of people with low / no qualifications in West Yorkshire and large numbers without basic literacy and numeracy.
- **Skills Supply** - Around two-thirds of employers expect future upskilling needs. Many report they are unable to find the skills they need, yet the majority of employers under-invest in skills. Only 9% of employers demonstrate high performing workplace practices.
- **Skills deprivation** - West Yorkshire has more than twice its “fair share” of neighbourhoods that are among the most acutely deprived in terms of adult skills.
- **Unemployment** - West Yorkshire’s unemployment rate is above the national average. The claimant count (the number of jobless people claiming benefits) has been on an upward trend for some time.

Where are we now – delivery challenges

- There is a competition for limited national funding, with national adult skills budget in sharp decline
- Nationally, the skills system is under-funded and highly centralised which leaves no flexibility for providers to respond to regional labour market skills needs or economic shocks
- Short term funding for specific issues prohibits a holistic approach to the skills system
- The Covid-19 pandemic has significantly impacted the economy, which requires rapid rethinking of policy and support programmes to manage its impact, which will be unquantifiable until after the lockdown exit is realised and prolonged.

Key questions

- Is there anything else that should be considered as part of the scope?
- Does the vision statement capture the ambition for employment and skills in our City Region?
- What are the key priorities that must be included in the plan?
- What are the key elements that must be included in the plan?
- How do we ensure the relevant priorities for the SEF are addressed in the Employment and Skills Plan?

Process and next steps

The proposed timescales and plans for the refresh are:

- **Stage 1:** Scoping and appraising current priorities
(May – July 2020)
- **Stage 2:** Consultation with key stakeholders and partners, and open consultation
(July – September 2020)
- **Stage 3:** Preparation and sign-off of the refreshed plan
(October – December 2020)