
Report to: Business Innovation and Growth Panel

Date: 24 November 2020

Subject: **Employment and Skills Plan**

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1 Purpose of this report

- 1.1 To provide an update to the Panel on the Employment and Skills Plan (2021-2025) workplan and an overview of the feedback from the consultation and engagement phase

2 Information

Background

- 2.1 The current Employment and Skills Plan; Skilled People, Better Jobs is due to expire at the end of this year. In March, the Employment and Skills Panel agreed the plan would be refreshed and published in early 2021.
- 2.2 The Employment and Skills Plan is a key part of the Strategic Economic Framework (SEF) which will replace the Strategic Economic Plan (SEP) in March 2021.¹
- 2.3 Since then there have been a number of significant changes to the economy and labour market. The Combined Authority has published an Economic Recovery Plan in response to economic challenges of COVID-19, with a significant portion of its response focussed on skills and employment.
- 2.4 The emerging Leeds City Region Local Industrial Strategy had a strong focus on skills and employment issues through the business, ideas and people foundations. With the current government position on the status of LISs uncertain, the work down here will be reviewed and recast in the light of the challenges to employment posed by COVID-19, and captured in the revised Employment and Skills Plan.

¹ <https://www.westyorks-ca.gov.uk/growing-the-economy/strategic-economic-framework/>

- 2.3 There have also been several national policy announcements in relation to skills and employment over the last 6 months, some in response to COVID-19, including:
- **National Skills Fund** will remain a national programme, and will replace the National Retraining Fund. The funding will be used for:
 - Bootcamps – Leeds City Region were asked to submit a bid through a competitive process
 - Fully funded level 3 qualifications
 - **FE Transformation Fund** - £1.5bn capital funding to support the conditions, improvement and upgrading of FE estate
 - **National review of Levy Transfer approach/rulings** to include increased funding for SMEs and removal of funding for new Level 8 Apprenticeships
 - **Competition for further 8 IoTs** has started with the City Region in scope worth £120m
 - £111m for expansion of **traineeships**
 - £32m for recruiting extra **career advisers**
 - £17m for **Sector Based Work Academies** in England
 - £101m for school and college leavers to take **high value level 2 and 3 courses**
 - **Youth Hubs** – 33 hubs announced nationally. While West Yorkshire didn't get a formal Hub our Local Authorities are working closely with DWP to replicate the offer based around the LEP Employment Hub programme
 - **Kickstart** - £2bn to support employers to offer a six-month work placement to unemployed young people (aged 16-24) on Universal Credit
- 2.4 Further significant announcements are expected later in the year, including a white paper on FE Reform that will take “a holistic look at post-16 education and training” to rebalance higher and further education.
- 2.5 There is a current consultation on level 3 qualifications, which those with an interest are encouraged to respond to. These are complex reviews that will inform which technical qualifications should sit alongside T-levels and A-levels.² Alongside this, there is a call for evidence on the level 2 qualifications to identify what works well and needs to be improved for post-16 learners. The call for evidence is open until 31 January 2021.³
- 2.6 These national announcements have so far set out national programmes, with a little or no detail on the role of Combined Authorities or LEAs, and therefore do not currently offer opportunities to provide a flexible response to local need. We continue to make the case for the importance of devolution when

² <https://consult.education.gov.uk/post-16-qualifications-review-team/review-of-post-16-qualifications-at-level-3/>

³ <https://consult.education.gov.uk/post-16-qualifications-review-team/level-2-and-below-call-for-evidence/>

addressing local skills needs, as highlighted by the Future Ready Skills Commission. Alignment of these new national policies with local delivery will also be considered within the revised plan.

Feedback on consultation and engagement

- 2.5 To date, over 170 key stakeholders and partners participated in workshops to discuss the key priorities, challenges and barriers for employment and skills in the Leeds City Region.
- 2.6 An online public engagement survey attracted a further 113 responses from individuals, businesses, third sector organisations and organisations operating in the skills sector.
- 2.7 Key findings from the workshops and online survey include:
- Further support required for employer engagement in careers education, particularly work experience. Suggestions that engagement activities should begin in primary school.
 - Action required to tackle the decline in apprenticeship offerings and take-up, particularly for young people under 25. Support to be targeted largely at employers and parents/carers of young people.
 - Encourage adaptability and resilience to allow workforce mobilisation, tackling skills gaps and labour market diversification.
 - Highlight the benefits of a diverse workforce for business productivity, performance and impact.
 - Priorities for the region in the short-, medium- and long-term, with reference to the pandemic, its resulting recession, and Brexit.
 - A focus on particular challenges and key sectors, for example digital skills, green skills in the construction and infrastructure sector, and the impact of health on employment and skills.

Next steps

- 2.8 The priorities for the Employment and Skills Plan will be developed with consideration of; the feedback from the consultation phase, publication of the LEP's annual labour market analysis published early next year, and the FE Reform white paper expected this year.
- 2.9 Engagement with partners and stakeholders on the emerging priorities will continue.
- 2.10 An in-depth workshop to explore priorities will be arranged for members of the Business and Innovation Growth and Employment and Skills Panel, date to be advised.
- 2.11 The revised plan will be published in 2021.

3 Financial Implications

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

4 Legal Implications

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

5 Staffing Implications

5.1 There are no immediate staffing implications directly arising from this report.

6 External Consultees

6.1 No external consultations have been undertaken, specifically on this report.

7 Recommendations

7.1 That the Panel provides feedback on the progress to date, and how best to align engagement with the Business, Innovation & Growth Panel in the future.

8 Background Documents

None

9 Appendices

None