
Report to: Employment and Skills Panel

Date: 25 November 2020

Subject: **Local Digital Skills Partnership and Adult Education Budget Update**

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1 Purpose of this report

- 1.1 To update Panel on activity of the Local Digital Skills Partnership (LDSP) and formation of Board and associated governance, and to seek feedback on how best to engage with the Panel to ensure alignment of priorities.
- 1.2 To update Panel on progress with devolved Adult Education Budget (AEB) preparation and next steps.

2 Information

Local Digital Skills Partnership (LDSP)

- 2.1 In the Digital Strategy, published in March 2017, the Government set out its commitment to improving the digital skills capabilities of individuals and organisations across England. It was recognised that a partnership approach was required to drive up digital skills. As a result, the Government announced the formation of a National Digital Skills Partnership bringing together public, private and charity sectors and key regional stakeholders to develop a more collaborative, coordinated, and innovative approach to meeting the digital skills challenge.
- 2.2 The West Yorkshire Combined Authority is the seventh area to secure funding for an LDSP through its ambitious devolution plans. This partnership will bring together the region's leading employers, SMEs, digital entrepreneurs, representatives from the Combined Authority and LEP, DCMS, as well as universities, colleges and other training providers.
- 2.3 This public-private partnership will help identify what digital skills provision is needed across the West Yorkshire and, importantly, encourage partners to work together strategically to address these and emerging needs, and to

attract and retain investment and talent in the region. The aim is to deliver maximum, sustainable impact at scale and to ensure that local people form the talent pool needed for local business, with key themes focused on:

- To inspire the growth of digital skills across West Yorkshire by reducing the digital divide with opportunities for all
- To transform digital skills through adoption across SMEs of West Yorkshire to grow the local economy and boost productivity
- To inspire and influence the workforce of the future by collaborating with education providers and employers to ensure the future generation have the skills to meet the needs of the economy

2.4 The challenge was significant prior to the current pandemic but has been amplified as a result. We now have the opportunity to develop sustainable programmes to enhance digital skills growth, support the recovery, and contribute to a more sustainable and inclusive economy. The following statistics highlight both the challenge and the opportunity:

- 11.9m people in the UK do not have basic digital skills
- 1.9m households in the UK are still without connectivity and therefore increasing isolation
- 22% of adults within West Yorkshire do not have Essential Digital Skills for Life
- Only 42% of adults in West Yorkshire have Essential Digital Skills for Work
- £84.5bn could be added to the UK economy if all SMEs attained Basic Digital Skills
- SMEs with only basic digital skills benefitted by an additional £103k in turnover in 2018, this had increased to £262k in 2019
- 51% of businesses have pivoted online through the pandemic to engage with customers more
- 46% of UK businesses have increased automation, post lock-down. However, only 46% expect their use of digital to increase in the future.

2.5 The West Yorkshire LDSP was formally launched on 15 October 2020, with over 90 attendees and including an introduction from the Minister for Digital & Culture Caroline Dineage, and keynote speeches from Councillor Hinchcliffe, Kersten England, Andrew Wright, Amir Hussain and contributions from Lloyds Banking Group, BT, and Good Things Foundation.

2.6 Specific details of interventions, key priority actions and success factors will evolve following the convening of initial board meeting on 23 November, with a detailed plan and success factors to be developed for review.

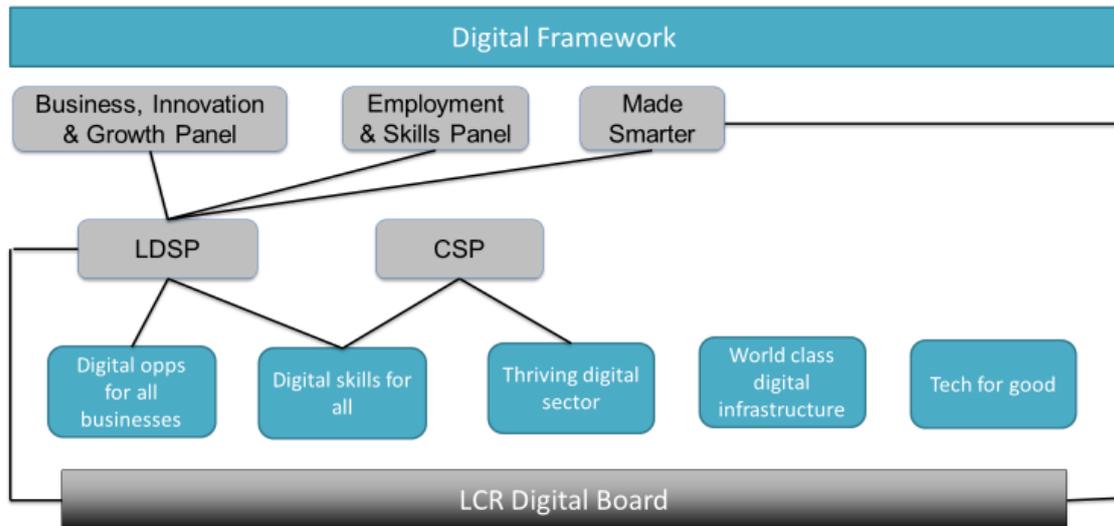
Adult Education Budget (AEB)

- 2.7 The work to prepare for AEB devolution has progressed rapidly with the following key milestones taking place:
- The AEB Strategy was approved by the Combined Authority on 4 September
 - A provider briefing event was held on 17 September with over 113 attendees. 80% of these were independent training providers with the remaining attendees, from colleges and local authorities
 - Launch of a dedicated [AEB website](#) which hosts the AEB Strategy, a film on the provider event and links to procurement activity
 - Stage 1 of the Dynamic Purchasing System (DPS) for contracts of services went live on 28 October.
- 2.8 Achieving readiness by 1 August 2021 is contingent upon the projected timescales agreed with DfE being met. Key workstreams to deliver this continue at a pace, and include legal and procurement preparation (drafting funding rules, and contracts and agreements), consultation and policy work (to ensure that the approach is fully consulted on and that this consultation is accessible); and systems development (ensuring that the ICT, Finance and Data arrangements are in place to support contracting and payments).
- 2.9 Next steps are:
- Approval by the Combined Authority of the AEB governance process (November 2020)
 - Commissioning for 2021/22 provision (October 2020 – March 2021)
 - West Yorkshire allocation confirmed by DfE (March 2021)
 - Delivery and management begin (1 August 2021)

3 Governance & Board Formation

LDSP Governance

- 3.1 The LDSP will align with Employment and Skills Panel, Business Innovation & Growth Panel and Made Smarter Board, with close alignment to Consortium of Skills Partnership and Digital Board.



Board Formation

- 3.2 Development of a formal LDSP Board is the next stage in the evolution towards tangible action to build upon the great local work ongoing within West Yorkshire.
- 3.3 The Board will be formed of both large businesses (national and regional), SMEs, sector experts, skill providers, educators, third sector, as well as Combined Authority engagement in alignment with wider strategic aims. The Board will be under-pinned by additional partnerships engaged to support “task and finish” activity to deliver specific programs of intervention and support.
- 3.4 LDSP Board will meet bi-monthly initially, to develop priority focus areas (skills gaps), methodology of delivery and evaluation as well as measures of success. Priority focus areas or skills gaps will be developed by building regional insight to create evidence of need and opportunity of impact, with a more specific and detailed actions formulating beyond initial Board meeting in November

AEB Governance

- 3.5 AEB governance will be strategically led by the Combined Authority, supported by the Employment and Skills Panel, while business as usual decision making can be more efficiently dealt with at officer level. The proposed governance structure will be presented to the Combined Authority at the end of November.
- 3.6 This decision-making model reflects the role of the Combined Authority as the accountable body for AEB, and it is consistent with the AEB Strategy which endorses a collaborative approach to delivery across the region, including establishing local ‘AEB Performance and Partnership Groups’ to closely scrutinise area delivery and performance against need and demand.

3.7 The governance structure and decision-making process has been developed in close consultation with the development of the Assurance Framework to ensure that the proposals align with broader Combined Authority governance, MCA objectives and requirements.

4 Financial Implications

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

5 Legal Implications

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

6 Staffing Implications

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

7 External Consultees

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

8 Recommendations

8.1 The Panel provides feedback on the progress to date, and how best to align engagement of LDSP with the Employment & Skills Panel in the future.

8.2 The Panel is asked to note and comment on the progress to date and next steps in preparation for AEB devolution.

9 Background Documents

None

10 Appendices

None