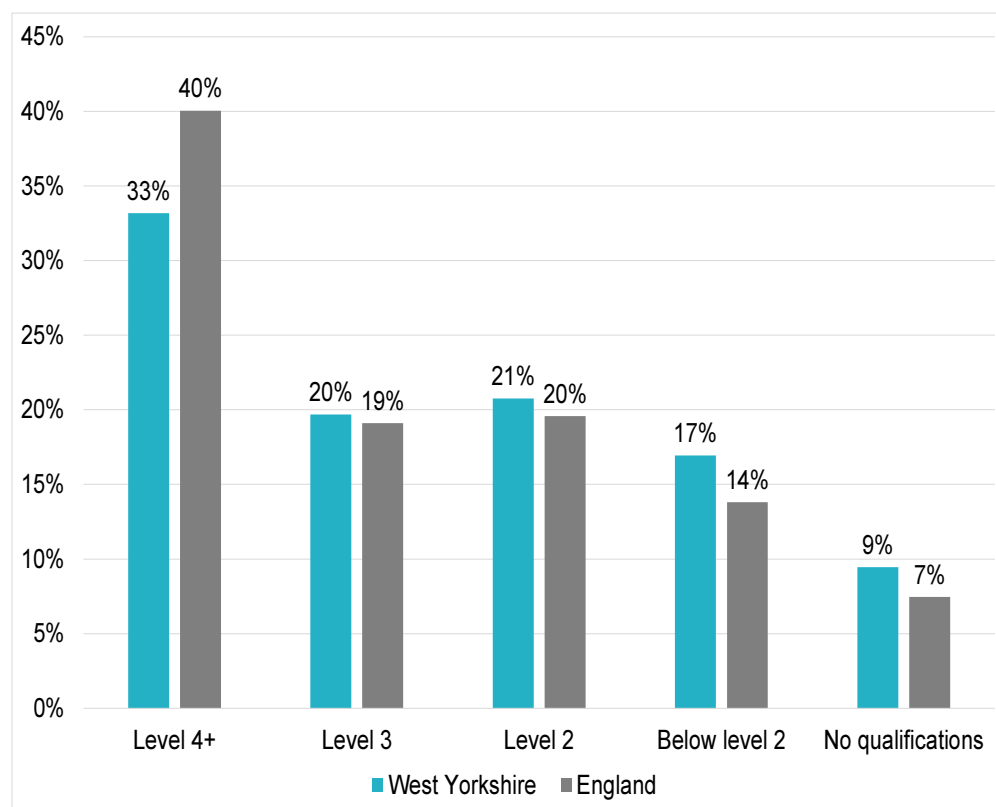




## **Review of priorities**

# West Yorkshire has a weak qualification profile

**Figure: Profile of highest qualification held by working age (16-64) population**

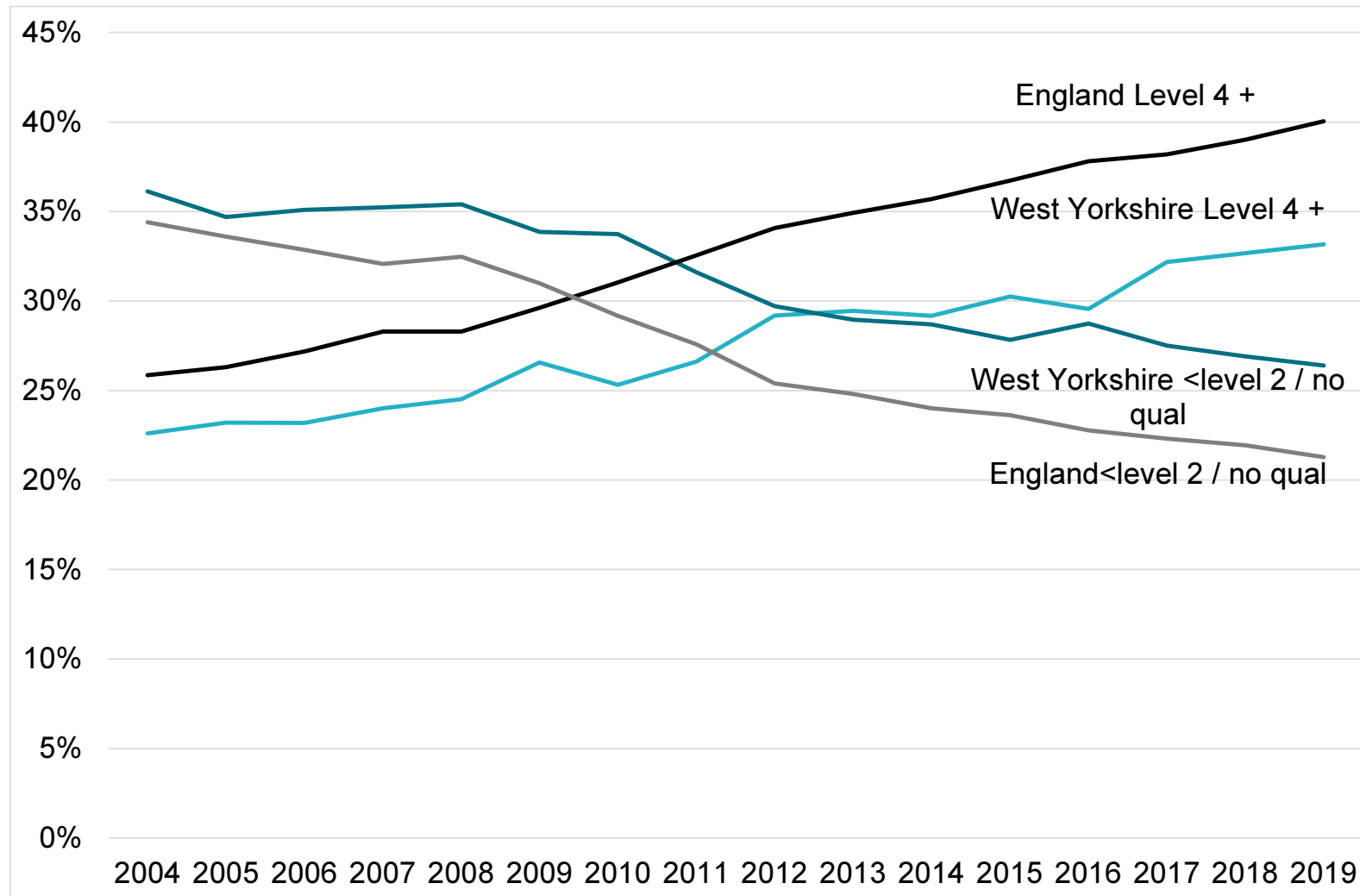


West Yorkshire is seven points below the national average with regard to the proportion of its working age population qualified to a higher level – Level 4 and above. Instead, its qualification profile is skewed towards people with no qualifications or who are qualified at the lowest level (below Level 2).

West Yorkshire is relatively strong in terms of the proportion of people who hold their highest qualification at an intermediate level i.e. at level 3 and level 2.

# There is no sign that the gap is narrowing on qualification performance

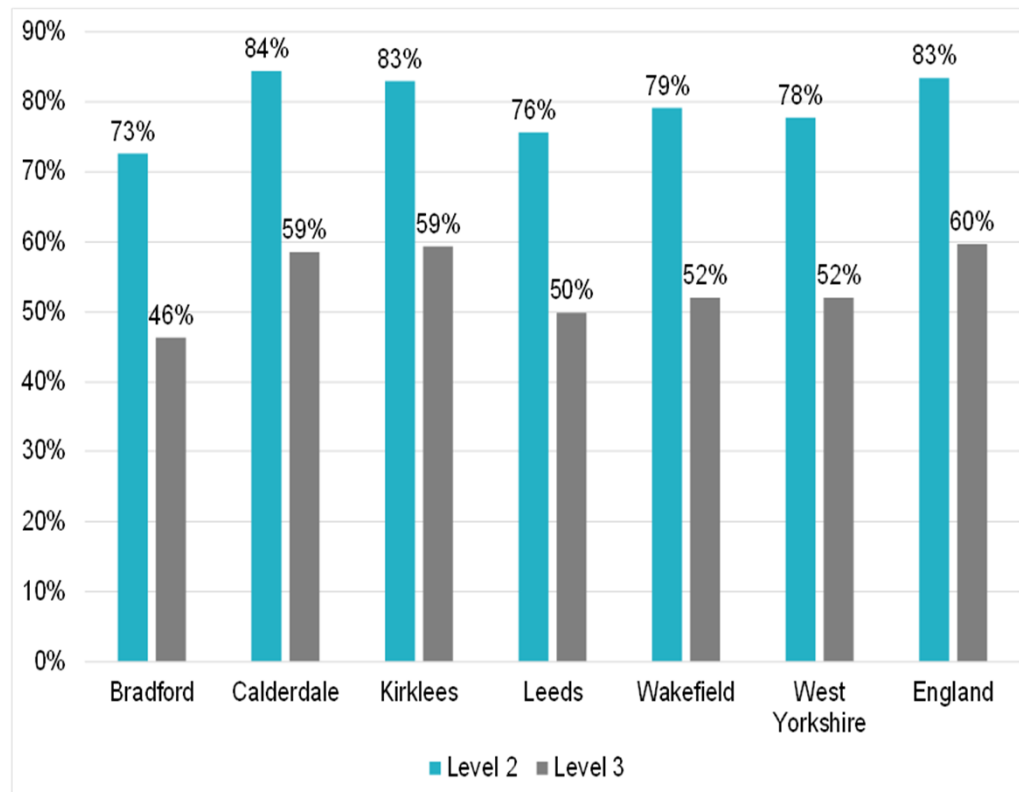
Figure: Trend in in proportion of working age population qualified at Level 4+ versus proportion with no qualifications / qualified below Level 2



Source: Annual Population Survey, Jan – Dec 2019

# Attainment of young people contributes to West Yorkshire's qualification deficit

**Figure: Proportion of young people achieving qualifications at level 2 and level 3 equivalent by age 19 in 2019**



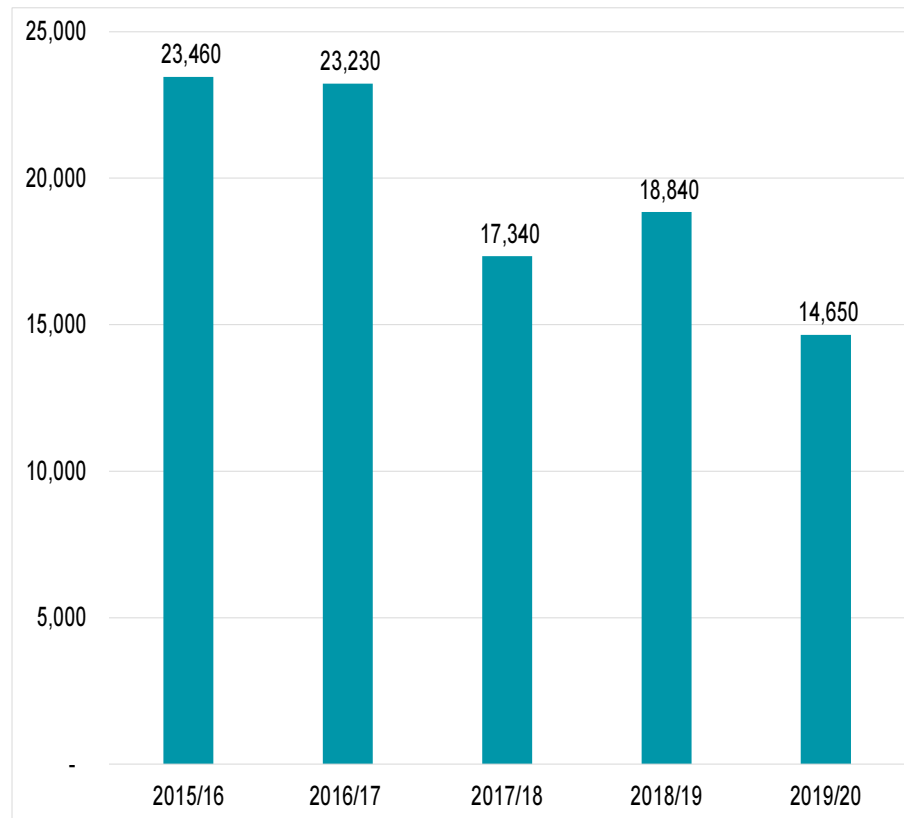
Young people in West Yorkshire are less likely to have achieved a level 2 qualification by the age of 19 than their national counterparts. The proportion is 78%, 5 points lower than the England average.

This underperformance at level 2 feeds through into a wider gap at level 3. Only 52% of young people have achieved level 3 by the age of 19, 8 points below the national average of 60%.

*Source: Department for Education*

# Apprenticeship starts fell by 22% in 2019/20, and are 38% lower than in 2015/16

**Figure: Trend in apprenticeship starts by age, West Yorkshire**



Apprenticeships are a **key means** for employers to grow their own skills and to address their specific needs, particularly in areas of shortage.

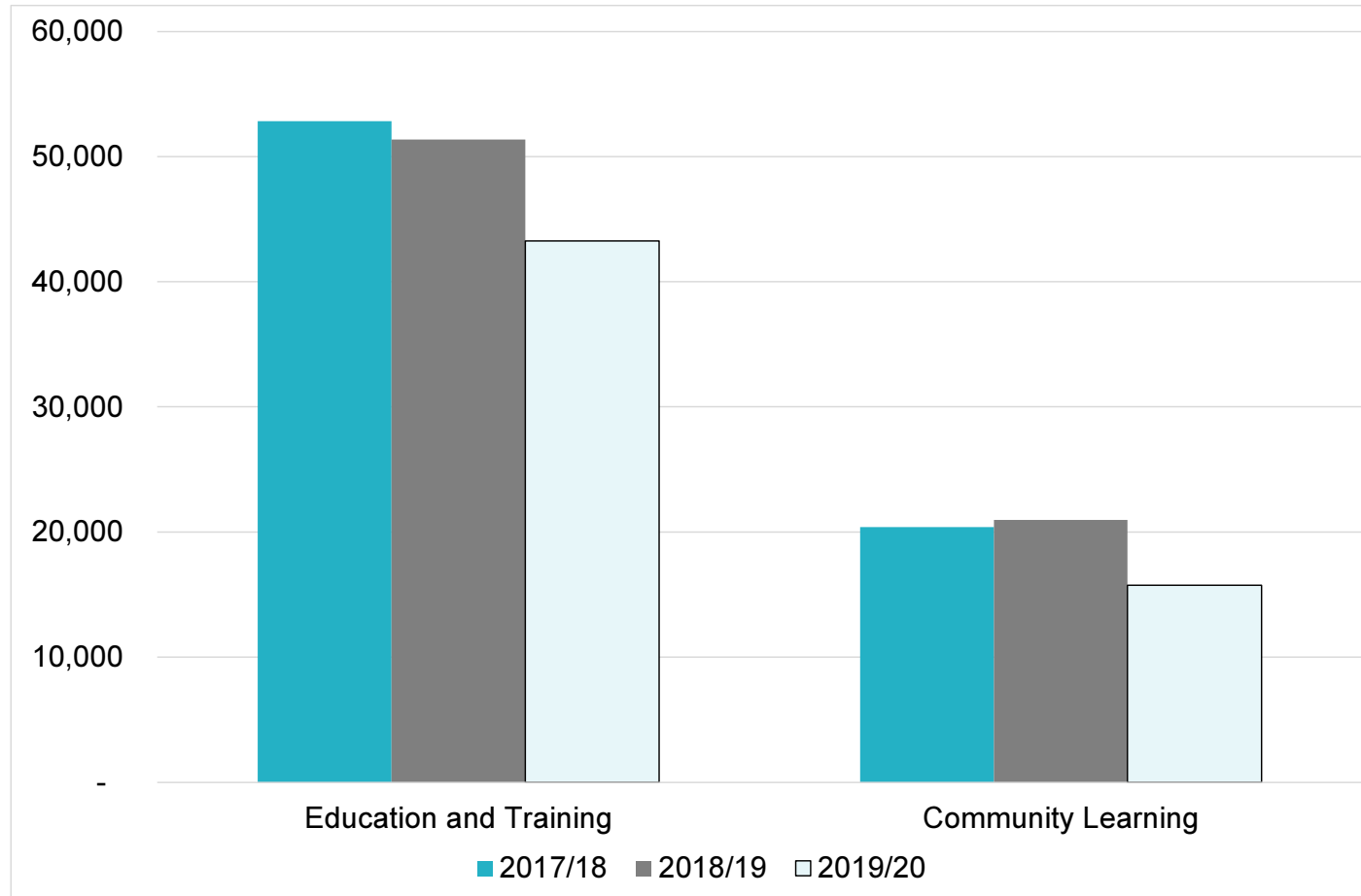
In the most recent year, the decline was most pronounced for individuals aged 19-24s - 27% down (-140).

The numbers of starts for under-19s was down by 20% and adults down by 18%.

Source: Education and Skills Funding Agency

# Participation in adult education fell by around a fifth overall in 2019/20 as a result of Covid-19

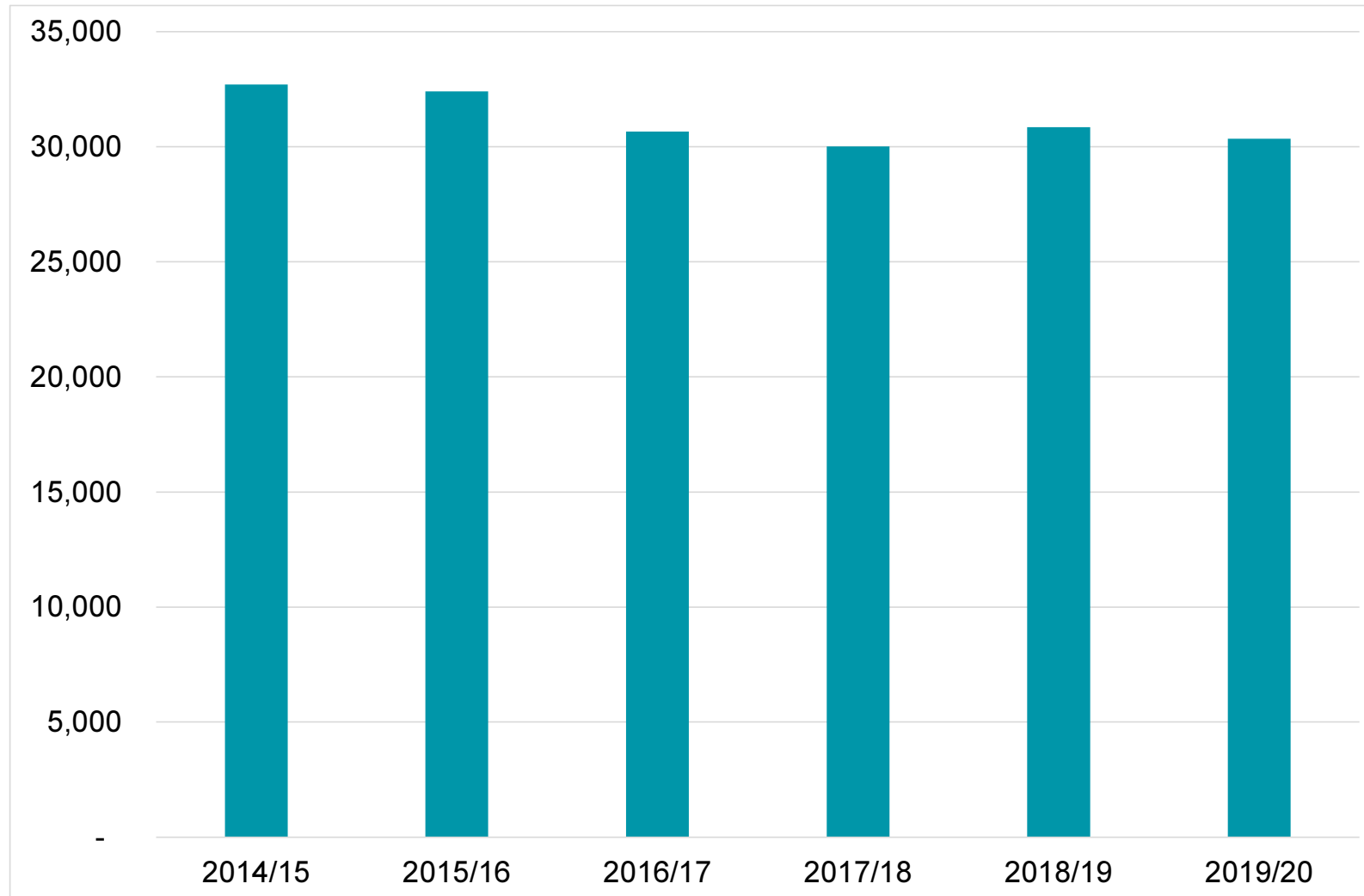
**Figure: Participation on FE and Skills programmes (learners aged 19+), West Yorkshire**



Source: Education and Skills Funding Agency

# Number of entrants into Higher Education has remained stable in recent years

Figure: Trend in number of entrants to West Yorkshire HEIs

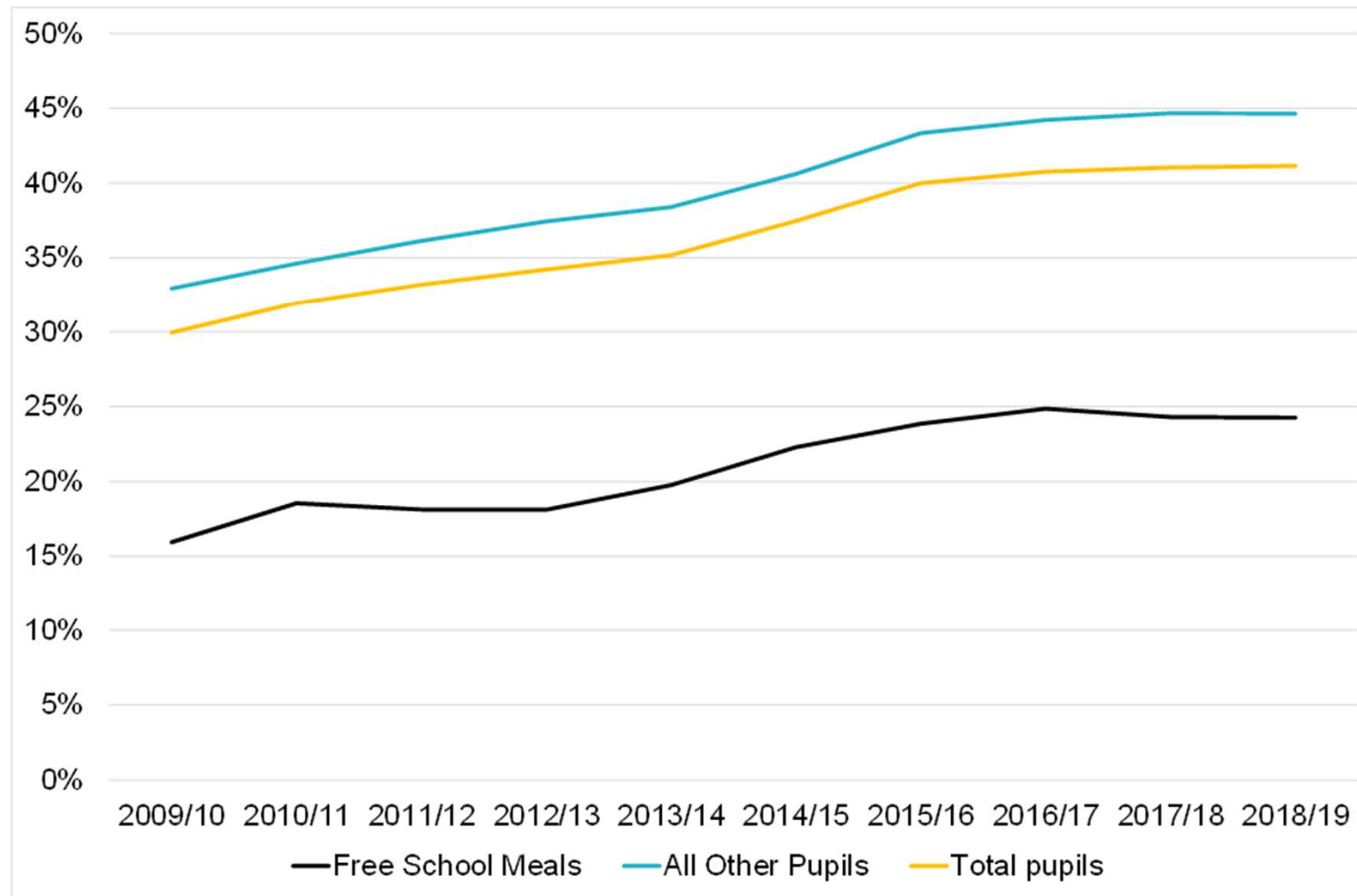


*Note: UK domiciled entrants into WY institutions*

*Source: HESA*

# HE entry rates have plateaued

**Figure: Trend in proportion of pupils entering higher education by free school meal status, West Yorkshire**

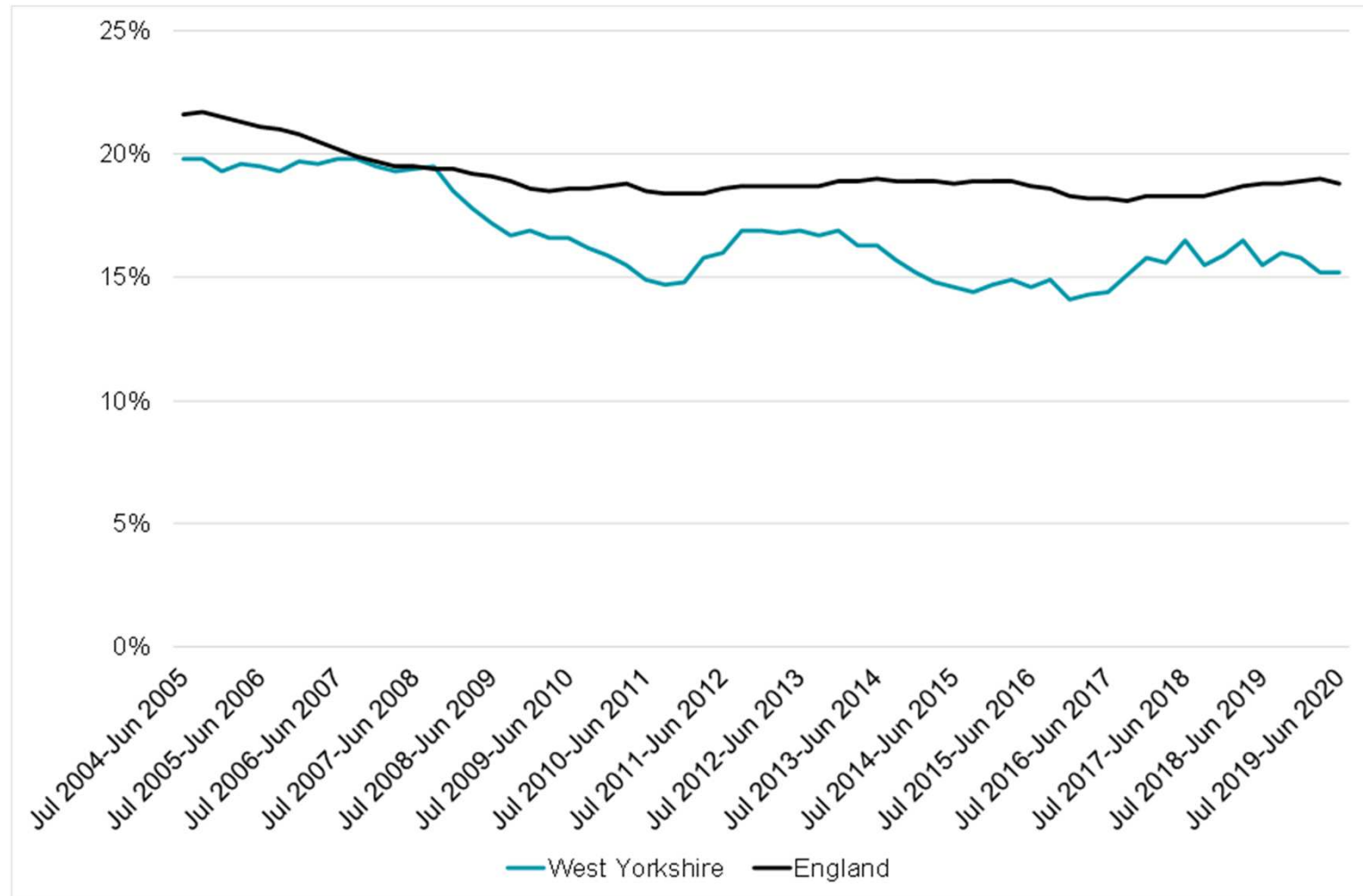


Source: Department for Education



# Job-related training has stagnated

Figure: Proportion of people receiving job-related training in previous 13 weeks



Source: Annual Population Survey

# Where are we now?

---

## Labour market strengths:

- Higher skilled jobs have been the main driver of recent employment growth and this is expected to continue into future.
- Prior to the COVID crisis, employment growth had been broad-based in terms of sectors, with manufacturing and services sharing in the growth
- Role of Leeds city as an economic hub and as one of the most vibrant labour markets in the north.
- Good availability of intermediate level skills (levels 2 and 3) which are a key requirement for some inward investors

# Where are we now?

---

## Labour market strengths:

- Diverse local economy with key strengths in sectors like manufacturing and finance. Strong growth in previously under-developed areas like culture, media and sport.
- Digital employment is growing rapidly and presents a key opportunity to boost the performance of the local economy and provide opportunities for individuals.
- Future infrastructure investment, including HS2 and mass transit, presents an opportunity to connect local people to jobs related to the construction and operation of such schemes.

# Where are we now?

---

## Partnership strengths:

- West Yorkshire has a high performing further education sector offering diverse range of provision, strong community engagement and good level of quality.
- Large and diverse HE sector attracting significant net inflow of students each year.
- Joint venture with West Yorkshire Colleges Consortium working with Leeds City Region LEP to address region's skills priorities
- Devolution deal, including Adult Education

# Where are we now?

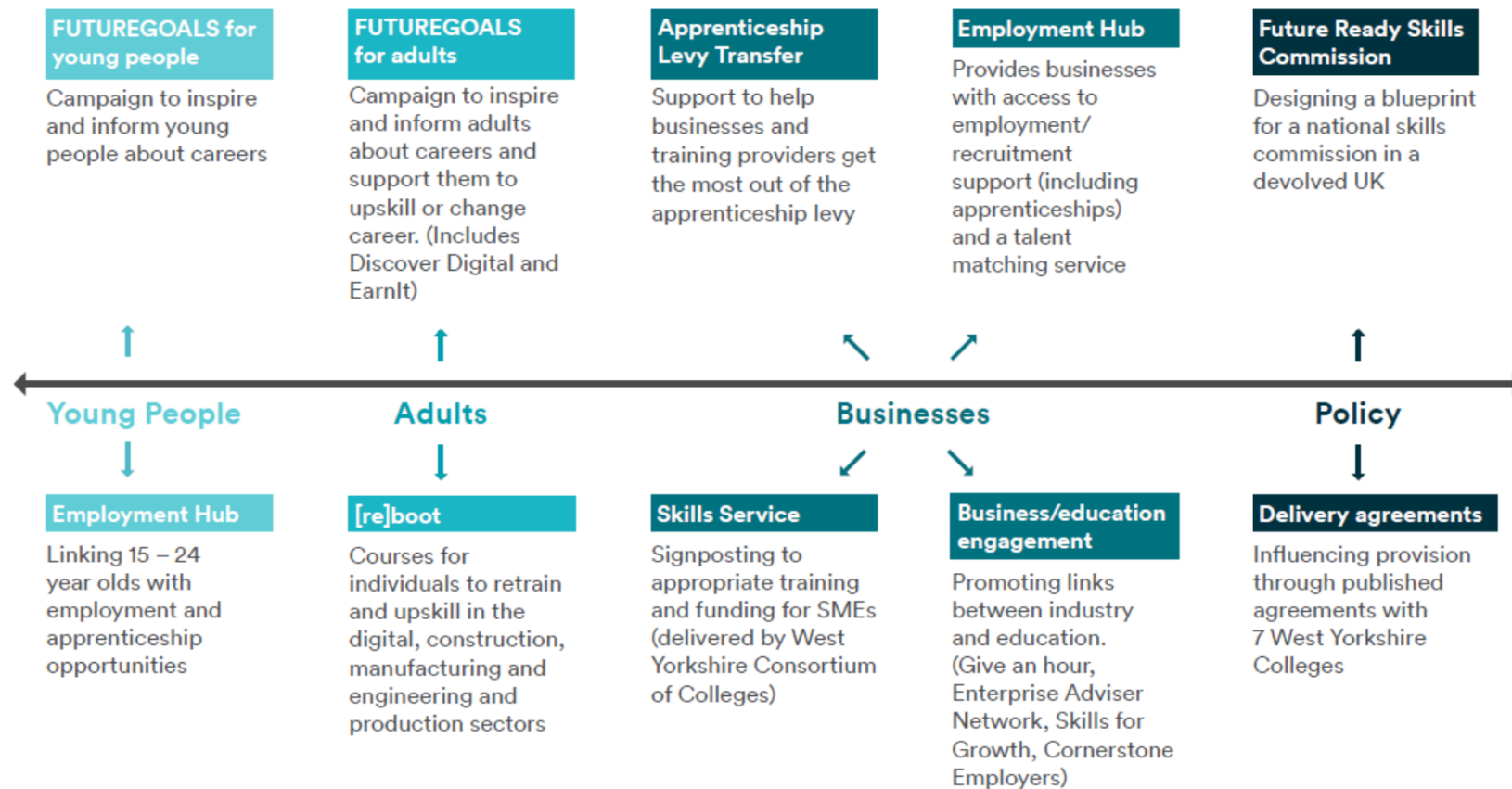
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## Partnership strengths:

- 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
- Future-ready Skills Commission

# Where are we now?

## Delivery strengths

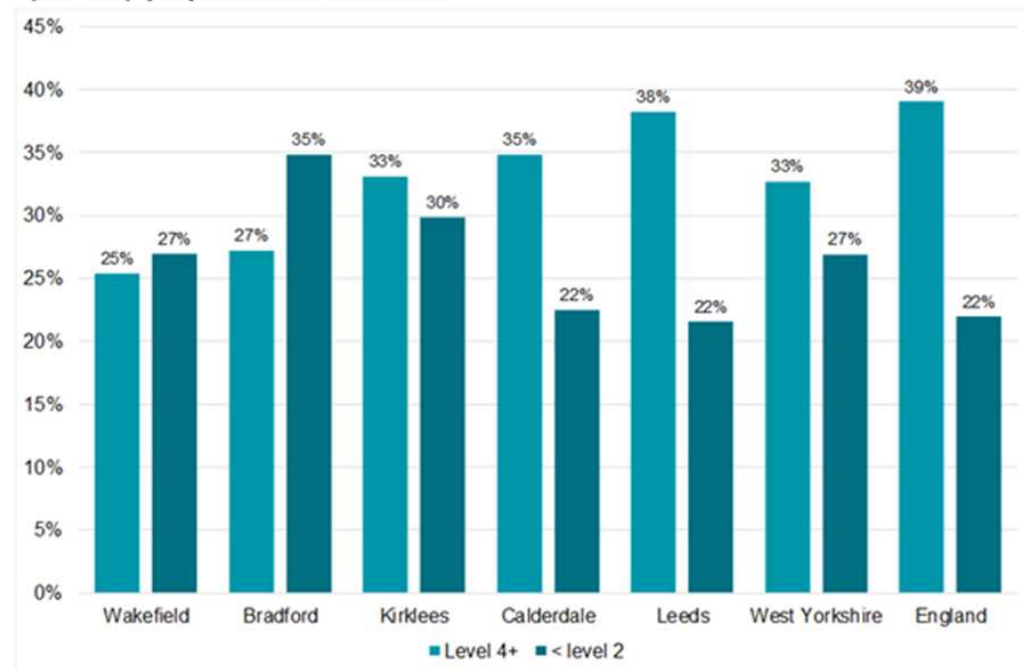


# Where are we now?

## Labour market challenges

Skills levels at level 4+ are below the national average, there is significant over-representation of people with low / no qualifications in West Yorkshire and large numbers basic literacy and numeracy.

Figure: Profile of highest qualification held by working age (16-64) population in 2018



Source: Annual Population Survey, Jan to Dec 2018

# Where are we now?

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## Labour market challenges

- 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. Yet only 9% of employers demonstrate high performing workplace practices.
- West Yorkshire has more than twice its “fair share” of neighbourhoods that are among the most acutely deprived in terms of adult skills.
- West Yorkshire’s unemployment rate is above the national average. The claimant count has been on an upward trend for some time, with around 100,000 claiming jobless benefits in West Yorkshire.



# Where are we now?

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## Labour market challenges

- Around two-fifths of employers would like to invest more in training – but face barriers in terms of cost and time.
- Minority of local businesses have a skills plan:
  - Only 36% have training plan and 29% a training budget and few have a structured approach to managing their talent.
- A significant proportion of workers lack the full proficiency to do their jobs. Among the skills that need improving are management skills, basic digital skills and “soft” / interpersonal skills.
  - 22% of adults do not have essential digital skills for life, with only 42% having essential digital skills for the workplace.

# Where are we now?

---

## Labour market challenges related to COVID-19

- There is uncertainty about future growth patterns in the economy and sectors / occupations that will offer the greatest opportunity for reskilling etc. Some areas like health and digital have been resilient to the crisis in terms of job openings but others like clerical and hospitality have seen a reduction in demand.
- Lockdown has had a negative impact on Leeds city centre, hampering its key role as a source of job creation.
- West Yorkshire's unemployment was already at elevated levels before the COVID-19 crisis hit. Risk of further rise in unemployment as furlough scheme expires. Added threat of large numbers of people feeding through to long-term unemployed from summer 2021 onwards.

# Where are we now?

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## Labour market challenges related to COVID-19

- Likely that COVID-19 will exacerbate existing disadvantage, impacting most severely on prospects for low-paid, young people, workers on atypical contracts etc. Risk that those already excluded from the labour market will face increased competition and will be pushed to back of queue for jobs.
- Increase in young people stopping on in school and further education but overall sharp reduction in apprenticeship take-up and enrolments on adult education programmes. Could limit opportunities for individuals into medium term and constrain supply of skills required by economy.

# Where are we now?

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## Labour market challenges related to COVID-19

- COVID along with Brexit is likely to accelerate investment in automation as supply of foreign workers is squeezed, impacting on demand for routine skills and increasing the need for reskilling.
- Many providers have made a rapid shift to online modes of delivery but challenges remain in terms of digital poverty, difficulty of developing hands-on skills etc
- Difficulty of co-ordinating coherent local response in context of rapid introduction of large-scale national programmes

# Where are we now?

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## Labour market challenges related to COVID-19

- Increase in young people stopping on in school and further education but overall sharp reduction in apprenticeship take-up and enrolments on adult education programmes. Could limit opportunities for individuals into medium term and constrain supply of skills required by economy.
- Risk that recovery in hiring will falter in coming months with new job starts lower than in summer 2020.



**Vision**

# Where do we want to be?

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

## Vision

Our Vision is for West Yorkshire to be a world-leading region where investment in skills, training and education, and support from employers go hand in hand to create a diverse, inclusive, and highly skilled workforce with good jobs, leading to sustained improvements in the quality of life for all.

# What does success look like?

---

We want West Yorkshire to be a place where:

- There are no barriers to people taking up, progressing and succeeding in learning and work, and where they are supported into good employment
- Employers recognise the value of a diverse workforce and invest in their talent to develop the skills that will improve productivity and support progression in the workplace
- Individuals value lifelong learning and are able to make decisions about their development, informed by quality, relevant careers information based on the reality on the ground
- World class teaching and training provides flexible learning opportunities that align to the strategic needs of the local economy.





## The Framework

# Our vision

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



Our Vision is for West Yorkshire to be a **world-leading region** where investment in skills, training and education, and support for employers go hand in hand to create a **diverse, inclusive, and highly skilled workforce with good jobs**, leading to sustained improvements in the **quality of life for all**

# We want West Yorkshire to be a place where:



There are no barriers to people taking up, progressing and succeeding in learning and work, and where they are supported into good employment



Employers recognise the value of a diverse workforce and invest in their talent to develop the skills that will improve productivity and support progression in the workplace



Individuals value lifelong learning and are able to make decisions about their development, informed by quality, relevant careers information based on the reality on the ground



World class teaching and training provides flexible learning opportunities that align to the strategic needs of the local economy

# Plan on a Page



# The refreshed priorities:

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Priority	Ambition
<b>QUALITY TECHNICAL EDUCATION</b>	Technical education is a choice with clearly developed pathways that meet the needs of employers
<b>GREAT EDUCATION CONNECTED TO BUSINESS</b>	Learning supports preparation for and progression in work, it is informed by employers. Locally rooted careers information inspires and enables informed choices to support personal ambitions
<b>ACCESSING AND PROGRESSING IN GOOD WORK</b>	Everyone has the skills to be able to access good work and is equally supported to take up training in the workplace that enables progression and development of transferable skills.
<b>CREATING A CULTURE OF INVESTMENT IN WORKFORCE SKILLS</b>	Every employer has a skills plan and invests in the workforce at all levels leading to reduction in skills gaps reported and increased productivity at firm level
<b>DRIVING INNOVATION AND PRODUCTIVITY THROUGH HIGH LEVEL SKILLS</b>	To increase the qualification levels, particularly in STEM, of working age adults, foster a culture of enterprise and innovation and widen the talent pool for employers



## Objectives and actions

# Quality technical education

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## Evidence

- Apprenticeships / technical education key to addressing employer skills needs and providing sustainable careers
- Those completing an apprenticeship at level 4 or above earn £150,000 more on average over their lifetime
- Disadvantaged less likely to access apprenticeships
- 10% of pupils go into an apprenticeship after KS5 but only 8% of FSM pupils
- Technical education take-up disrupted by COVID-19
- Apprenticeship starts down by 21% in 2019/20 but down by 50% in final quarter of academic year
- Levy is key source of apprenticeship funding
- 60% of starts in 2019/20 were levy funded and proportion is growing

# Quality technical education

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## Objectives

- Support individuals to take up technical qualifications and access high quality work placements
- Increase the number of learning opportunities to take up technical education as a route to a rewarding career
- Work with employers to maximise apprenticeship levy investment in West Yorkshire



# Great education connected to business

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## Evidence

- Work experience / inspiration opportunities still limited
  - A minority of local employers offer work experience and work inspiration opportunities – 36% and 11% respectively; 18% offer placements to school pupils, 14% to college students.
- Access to workplace constrained by COVID-19
  - Major challenge in connecting students with workplace
- Attainment of young people is low in West Yorkshire
  - 78% of young people in WY achieve level 2 by age of 19 compared with 83% nationally; for level 3, figures are 52% and 60%.
- Deprivation / disadvantage impacts on career outcomes.
  - Disadvantaged pupils less likely to achieve academically and they have poorer career outcomes in terms of entering a sustained positive destination when leaving education

# Great education connected to business

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## Objectives

- Ensure careers information takes account of local labour market information to supported informed decision making and supports lifelong learning
- Enable equal participation in the take up of careers education for people of all ages, backgrounds, and career stage to support personal ambitions
- Embed careers support and career management into key transition points in life
- Increase the number of employers providing experiences of the workplace and work placements

# Accessing and progressing in good work

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## Evidence

- Sharp increase in unemployment as a result of COVID-19
- Claimant unemployment has doubled locally – more than 100,000 claiming jobless benefits in West Yorks with potential for this figure to grow further.
- Many people locked into low-paid work - low skills hamper career prospects
- A fifth of jobs in city region pay less than the Real Living Wage
- Evidence of demand from individuals for re-skilling as a result of COVID-19
- According to You Gov polling, 26% are likely to retrain in another sector in the near future
- Significant national resources are being targeted on reskilling.
- £375m investment in National Skills Fund, including Skills Bootcamps and Lifetime Skills Guarantee

# Accessing and progressing in good work

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## Objectives

- Support the unemployed to gain and sustain employment
- Unlock progression opportunities and career adaptability through skills, particularly for those on low wages and with insecure work
- Support people from all backgrounds to access self-employment opportunities and explore opportunities for new business start-ups
- Coordinate and provide access to training, work placements and job matching for unemployed with SMEs
- Improve West Yorkshire's resilience by identifying and delivering the skills needed for the future

# Creating a culture of investment in workforce skills

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## Evidence

- Employers acknowledge that they under-invest in skills
  - Around two-fifths of employers would like to invest more in training – but face barriers in terms of cost and time.
- Widespread skills gaps among managers
  - A fifth of employers with skills gaps say management staff are affected.
- Minority of local businesses have a skills plan
  - Only 36% have training plan and 29% a training budget
- Digital skills gaps a key issue for business
  - Around a third of medium-sized businesses say they need to improve basic digital skills to meet business objectives.
- Access to training is unequal.
  - Workers who are already qualified to a high level (level 4+) are almost twice as likely to receive training than their less qualified colleagues.

# Creating a culture of investment in workforce skills

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## Objectives

- Focus investment in and development of technical training facilities to ensure future needs of employers, individuals and the wider economy are met
- Increase leadership and management skills for improved skills utilisation in the workplace
- Encourage employers to invest and have a workforce skills plan in place to drive productivity and innovation for staff at all levels

# Creating a culture of investment in workforce skills

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## Objectives

- Develop innovation and enterprise skills in the workplace to boost productivity and economic growth
- Increase digital enterprise by helping small businesses and charities upskill their employees and increase their digital capabilities so they can take advantage of the productivity gains that technology provides
- Increase the number of people in work with basic skills, including digital

# Driving innovation and productivity through high level skills

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## Evidence

- Weak local performance on innovation and productivity
- Output per hour worked only 85% of national average, R&D spend in Yorkshire and Humber lowest in country
- Local deficit of higher-level skills / qualifications
- 33% of labour force of West Yorks are qualified to level 4+ compared with national average of 40% - this equates to 100,000 people in real terms.
- Disadvantaged less likely to access higher level skills
- 41% of all pupils go into HE in West Yorks but for FSM pupils it's only 24%.
- Deficit of higher-level jobs – especially STEM
- 47% of people in employment in WY in higher skilled roles compared with 50% nationally



# Driving innovation and productivity through high level skills

---

## Objectives

- Attract talent to key areas of economic growth for WY, including health tech and transition to net zero economy and digital
- Increase take up of STEM subjects at all levels to meet future demand, particularly on the clean growth agenda
- Remove barriers and ensure equality of access so that learners progress towards higher levels learning
- Maximise collaboration with HEIs, FECs, training providers and employers to establish training needs and provision that supports higher level skills in areas of strength for WY and the North that supports job creation and safeguarding
- Continue to make the case to government for a regionally accountable and driven post-16 skills system

# Sectoral engagement around defined issues

Broad sector	Illustrative examples of priority issues
Energy and utilities	Apprenticeships Higher level technical skills
Engineering and manufacturing	Apprenticeships Learning facilities Higher level technical skills
Construction	Apprenticeships Learning facilities Higher level technical skills Recruitment
Retail	Upskilling / reskilling Digital
Hospitality	Upskilling / reskilling
Professional / financial services	Digital (incl. bootcamps)
Financial services	Attracting / retaining talent Digital (incl. bootcamps)
Transport and logistics	Recruitment Digital
Health	Workforce planning Higher level technical skills (e.g. degree apprenticeships)
Care	Recruitment Higher / degree apprenticeships
Arts and entertainment	Upskilling / reskilling

# Strategic Economic Framework Indicators

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Indicator title	Description
% qualified at level 4 and above	% of population aged 16-64 with highest qualification at Level 4 and above
% qualified below level 2	% of population aged 16-64 with highest qualification below level 2 or no formal qualifications
Unemployment rate	Proportion of labour force who are unemployed and actively seeking and available for work
% of employees in quality work	% of employees who have good hours, a desired contract type, and are not in low pay
Apprenticeship starts	Number of people starting an apprenticeship each academic year
Jobs paying below Real Living Wage	% of local jobs that pay below the Living Wage Foundation's Real Living Wage threshold
Employment rate gap for disadvantaged groups	Proportion of people in employment in disadvantaged groups (disabled, BAME, aged over-50) versus overall employment rate
NEETs	Percentage of 16-17 year olds NEET or activity not known

# Economic Recovery Plan Indicators

	Economic indicators	Social indicators	Environmental indicators
<b>Skills</b>			
Relevant & transferable skills	<ul style="list-style-type: none"> <li>• Employment and pay gap for disadvantaged groups</li> <li>• Working age without qualifications</li> <li>• Skills shortages and gaps</li> <li>• Economic activity rate</li> <li>• Claimant unemployment count for deprived neighbourhoods</li> </ul>	<ul style="list-style-type: none"> <li>• Access to skills development for disadvantaged groups</li> <li>• Social mobility (attainment at KS4 by FSM eligibility and access to HE by social status)</li> <li>• Employers engaging with schools</li> <li>• Levels of digital exclusion</li> </ul>	<ul style="list-style-type: none"> <li>• Access to net zero skills development for disadvantaged groups: apprenticeships, HE</li> <li>• Jobs in the clean growth sector</li> <li>• Attendance at green skills training</li> </ul>
Prevention of NEETs	<ul style="list-style-type: none"> <li>• Number of NEETs / post-education destinations</li> <li>• 16-24 / 50+ unemployment</li> </ul>	<ul style="list-style-type: none"> <li>• NEETs in disadvantaged groups</li> <li>• 16-24 / 50+ unemployed in disadvantaged groups</li> </ul>	
Equal access to learning	<ul style="list-style-type: none"> <li>• Participation in employment and skills programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in disadvantaged groups</li> </ul>	
Strengthened skills offer	<ul style="list-style-type: none"> <li>• Vacancies (online job postings) – level and occupational profile</li> </ul>	<ul style="list-style-type: none"> <li>• Programme participation in demand / growth sectors</li> </ul>	<ul style="list-style-type: none"> <li>• % with access to net zero / clean growth sector opportunities</li> </ul>
Skills utilisation	<ul style="list-style-type: none"> <li>• Prevalence of "flexible" employment modes</li> <li>• % qualified at L4+ or degree level employed in non-graduate roles</li> </ul>	<ul style="list-style-type: none"> <li>• Variation across disadvantaged groups</li> </ul>	



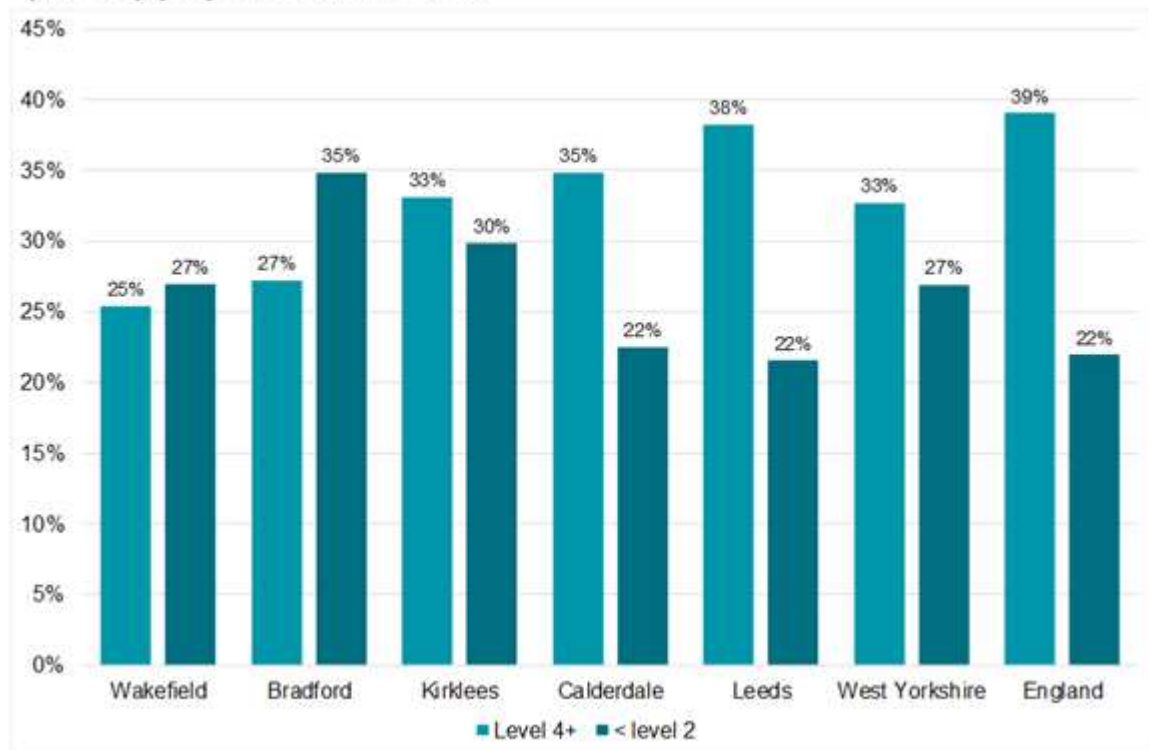
## **Inclusive Growth as a Cross-Cutting Theme**

# Inclusive growth

## Why is this important for West Yorkshire?

The City Region is below average in both basic and higher-level skills, and a quarter of jobs across the City Region pay less than the Real Living Wage. Under-investment in training and development over the years has affected living standards and makes it hard for many people to find a route to higher-quality work.

Figure: Profile of highest qualification held by working age (16-64) population in 2018



Source: Annual Population Survey, Jan to Dec 2018

# Inclusive growth

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## Who is this important for?

All, including:

- The 950,000 people live in areas considered to be the most deprived in the UK
- Individuals working in 24% of local jobs which pay less than the Living Wage Foundation's Living Wage rate
- Black, Asian and minority ethnicities, for whom the employment rate lags behind the national average
- People without essential digital skills
- Individuals aged 16-64 whose highest qualification is below level 2, or who have no formal qualifications