



# **Future-Ready Skills Commission**

## Nine key recommendations:



Ensure the funding system offers fair access regardless of age, level of attainment, background and learning route alongside reversing the long-term decline in adult training



Recognise that areas are best placed to understand their own skills requirements and implement statutory five-year strategic skills plans to make it happen



Empower areas to design services around the individual to address complex and interrelated health, employment and skills issues



Everyone should have right to quality information about jobs and careers, no matter what their stage in life



Employers should take greater ownership of their talent management and skills development, aided by a joined-up approach to business support that means they can find the help they need, regardless of the route they take to find it



In order that people can gain the right skills needed for good quality work in their area, all adult skills and careers funding needs to be devolved



Ensure that training meets the current and future skills needs of regional labour markets, delivery agreements with skills providers should be put in place, supported by investment



Large-scale public infrastructure projects designed to level up areas should include an additional skills premium of up to 5% of the total budget to maximise their economic potential



The Apprenticeship system needs national review to make it work more effectively, and this should include recognising and resourcing areas as the key route to employers and individuals

Leeds City Region Enterprise Partnership

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West **Yorkshire** 

# **Adult Education Budget (AEB) Strategy**

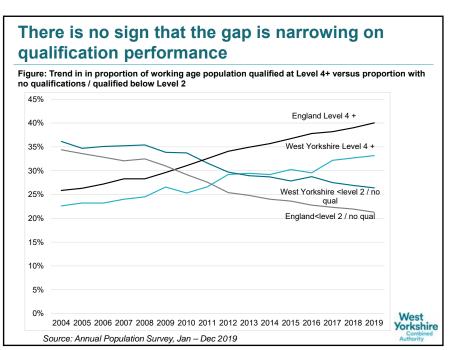
- Devolution of AEB requires a strategy, which has been submitted to DfE and is in consultation, in order to achieve a devolved AEB budget for 2021/22
- £63m annually to target the following priorities:
  - · Support the unemployed to gain and sustain employment
  - Unlock progression opportunities and career adaptability through skills, particularly for those on low wages and with insecure work
  - Making learning more inclusive to support disadvantaged residents
  - · Increase the supply of skills to support key sectors in West Yorkshire
  - Improve West Yorkshire's resilience by identifying and delivering the skills needed for the future
- Direct management of the training providers in West Yorkshire to influence and align spending on skills to the opportunities and needs in the local economy. LAs have both a strategic and delivery role within this system.



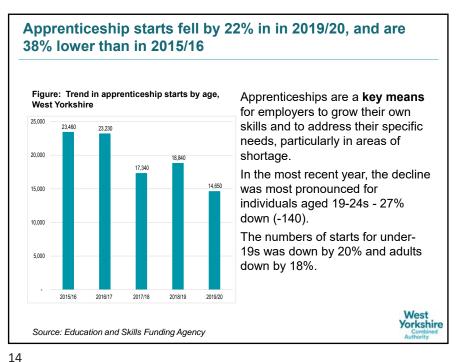


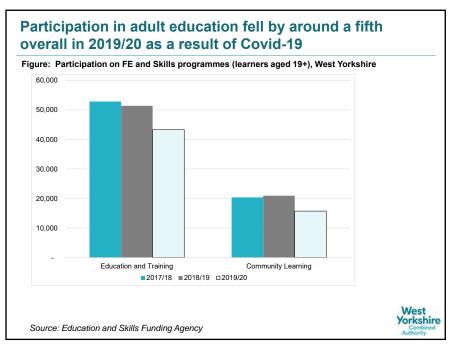


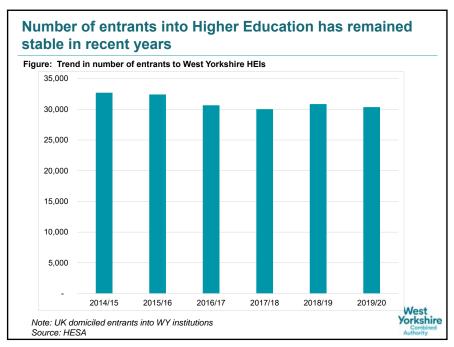
### West Yorkshire has a weak qualification profile Figure: Profile of highest qualification held by working age (16-64) population West Yorkshire is seven points below the national average with 40% regard to the proportion of its 35% working age population qualified to 33% a higher level - Level 4 and above. 30% Instead, its qualification profile is 25% skewed towards people with no 20% qualifications or who are qualified at the lowest level (below Level 2). 15% West Yorkshire is relatively strong in terms of the proportion of people who hold their highest qualification Level 4+ Level 2 at an intermediate level i.e. at level ■West Yorkshire ■England 3 and level 2. West Yorkshire Source: Annual Population Survey, Jan – Dec 2019

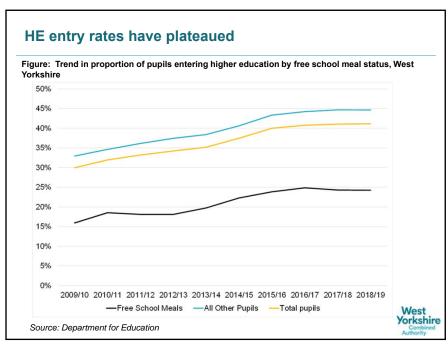


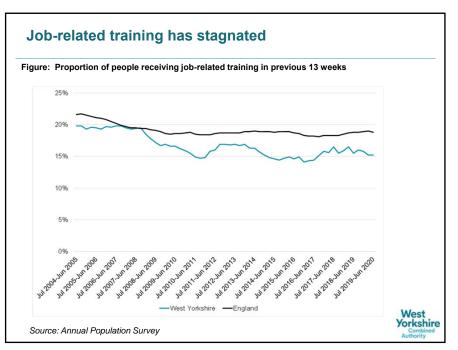
### **Attainment of young people contributes to West** Yorkshire's qualification deficit Figure: Proportion of young people achieving qualifications at level 2 and level 3 equivalent by age Young people in West Yorkshire 19 in 2019 are less likely to have achieved a level 2 qualification by the age of 19 than their national counterparts. The proportion is 78%, 5 points lower than the England average. 50% 40% This underperformance at level 2 30% feeds through into a wider gap at 20% level 3. Only 52% of young people have achieved level 3 by the age of 19, 8 points below the Kirklees Leeds national average of 60%. ■Level 2 ■Level 3 West Yorkshire Source: Department for Education











## Where are we now?

# 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.
- 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

- 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.
- · Negative impacts on town and city centres, hampering their key role in job creation.
- Further rises in unemployment as furlough ends, with the risk of people feeding through to long-term unemployed.
- Likely to exacerbate existing disadvantage, impacting most severely on prospects for low-paid, young people, workers on atypical contracts etc. Risk that those already struggling to access the labour market will face increased competition for jobs.
- Increase in young people staying on at 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.





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## 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 across 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
- 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, could create jobs directly, as well as connecting local people to jobs.





# **Yorkshire**

## 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 the 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
- · Future-ready Skills Commission



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# **Progress against strategic priorities**

- · The Devolution deal secured progress in key areas:
  - Adult Education Budget (AEB) Devolution Implementation and the AEB Strategy is a key Employment and Skills Plan within the Strategic Economic Framework.
  - A Local Digital Skills Partnership has been established to address digital
    exclusion, support the digital growth of SMEs and charities, and help educators
    and students to grow digital skills
- The Future-Ready Skills Commission has published its blueprint and final report for the post-16 skills system
- The Combined Authority and West Yorkshire Colleges have Delivery Agreements in
  place that set out delivery and curriculum planning against the region's skills priorities.
  This will be extended as a minimum to all AEB grant recipients.
- Lifetime Skills Guarantee, Level 3 entitlement will be delegated to the Combined Authority and aligned with AEB.



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# **Progress on delivery**

### Careers and retraining

- [re]boot offers over 18 year olds the chance to upskill, gain new skills/qualifications and enter employment within shortage sectors
- #futuregoals is an all-age careers platform and campaign that showcases jobs and careers in a range of sectors, created with employers.

### **Employment Offer**

- Employment Hubs deliver in partnership with Local Authorities to support young people aged 15-24 to access additional learning, apprenticeships and/or employment. They also engage businesses to support their workforce development including talent matching to job and apprenticeship vacancies. This programme has been extended in response to the COVID-19 crisis.
- The Apprenticeship Levy Support service helps businesses to either use their levy funds to recruit their own apprentices or transfer their unspent levy to other businesses seeking apprenticeship funding.





# **Progress on delivery**

### Education offer

- Enterprise Adviser Network (EAN) works with 185 secondary schools and colleges to improve the destinations of young people. 70% of schools and colleges report that pupils are more career ready and have better employability skills, as a result of being part of the Enterprise Adviser Network
- Careers Hubs deliver enhanced and targeted activity in Bradford and Kirklees as well
  with institutions with high numbers of pupils with SEND through Careers Hubs.
- The pilot **Raising Aspiration Fund** has created employer co-designed provision targeted at students from disadvantaged backgrounds.
- Skills for Growth programme enables small and medium enterprises to access
  education providers in a simple one stop approach with localised delivery. In the
  programme's first quarter, 36 businesses have been engaged and completed an
  Education Engagement Plan which outlines how they would like to engage with skills
  provision and education in the region.







## Where do we want to be?

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 worldleading 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.



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West Yorkshire

## What does success look like?

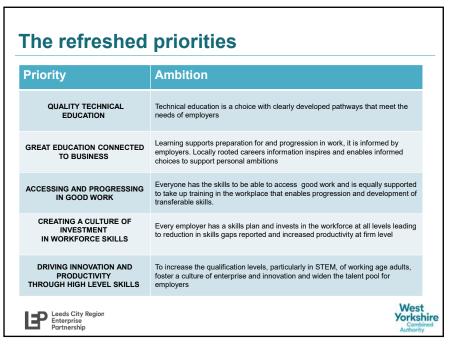
We want West Yorkshire to be a place where:

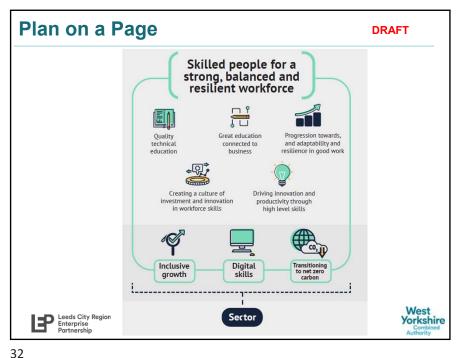
- There are no barriers to people taking up, progressing and succeeding in learning and work, and where they are supported into good employment
- Employers recognise the value of a diverse workforce and invest in their talent to develop the skills that will improve productivity and support progression 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.













# **Quality technical education**

## **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



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# **Quality technical education**

### **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**

## **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



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## Great education connected to busines

### **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 educations 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

## **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

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West Yorkshire Combined Authority

# **Accessing and progressing in good work**

### **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

## **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.



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# Creating a culture of investment in workforce skills

### **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
- 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



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# **Driving innovation and productivity through** high level skills

### **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







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Broad sector	Illustrative examples of priority issues
Energy and utilities	Apprenticeships
	Higher level technical skills
Engineering and manufacturing	Apprenticeships
	Learning facilities
O mark and the second	Higher level technical skills
Construction	Apprenticeships
	Learning facilities
	Higher level technical skills Recruitment
Retail	Upskilling / reskilling
Relaii	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

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** Skills Relevant & Employment and pay gap for Access to skills development for Access to net zero skills transferable disadvantaged groups disadvantaged groups development for disadvantaged skills Working age without Social mobility (attainment at KS4 groups: apprenticeships, HE qualifications by FSM eligibility and access to Jobs in the clean growth sector Skills shortages and gaps HE by social status) Attendance at green skills training Employers engaging with schools Economic activity rate · Levels of digital exclusion Claimant unemployment count for deprived neighbourhoods Prevention of · Number of NEETs / post-· NEETs in disadvantaged groups • 16-24 / 50+ unemployed in education destinations 16-24 / 50+ unemployment disadvantaged groups Equal access Participation in employment and Participation in disadvantaged skills programmes to learning groups Strengthened skills offer Vacancies (online job postings) – Programme participation in • % with access to net zero / clean level and occupational profile demand / growth sectors growth sector opportunities Skills Prevalence of "flexible" Variation across disadvantaged utilisation employment modes % qualified at L4+ or degree level employed in non-graduate roles West Yorkshire Leeds City Region Enterprise Partnership

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# **Digital skills**

### Why is this important for West Yorkshire?

West Yorkshire has a fast-growing digital sector which makes the development of digital skills for the population a key focus area to ensure we can support this growth and provide future employment opportunities into this sector. Digital skills also form a key part of modern-day life for everyone across West Yorkshire, where we are looking to create a fully inclusive society and provide opportunities for all. Yet over 25% of the population do not have basic digital skills for life, therefore are being excluded and will struggle to gain employment. Providing opportunities for all to develop their digital skills will enhance their inclusivity and their employability and support growth across the region's economy and enhance business productivity and allow West Yorkshire to thrive as a region.

### Who is this important for?

Important for **all**, but in particular for those from disadvantaged backgrounds such as low income, low education households, those with disabilities, those from BAME heritage those from older age group and those with English as a second language. Digital skill will also support those who are under or unemployed or are furloughed or at risk of redundancy and enhance everyone's chances of future employment.it will also provide support to the thriving digital sector and those growth businesses adopting digital skills by providing a skilled workforce to support future growth.



# **Digital skills**

### What are we already doing?

We have recently launched the Local Digital Skills Partnership to work with key partners both regionally and nationally across all sectors to support the growth of digital skills and coordinate provision in the region. Programs such as future goals and re-boot are already in place to support sections of those in need, and 100% digital Leeds is also enabling digital skills provision. In addition, AEB and the coming digital entitlement will support provision to those in need. There are also business support programs being provided to those businesses most in need to evolve their digital skills and support their sustainability and growth through the pandemic.

### What more could we do?

Provision is often disjointed, not easy to navigate, nor uses routes that all can engage through, so we must look at broadening provision of skills provision from L1 through to L5 and beyond and ensure that it is available to all, utilising diverse routes to deliver and therefore providing opportunities for all to grow their skills, to become more included in mainstream society and move towards employment. We can also look to understand the needs of employers more and work closely to provide reskilling and upskilling programs to those at risk of redundancy to support future growth, but also to build engagement with education to ensure work ready students are being provided to match business needs.



## **Green workforce**

### Why is this important for West Yorkshire?

Skilled workers are required to deliver against to deliver against immediate and longerterm challenges, in order to support the Combined Authority's ambition for a net zero carbon economy. The Government's Green Jobs Taskforce has committed to creating 2 million green jobs nationally by 2050, suggesting that approximately 100,000 will be required in West Yorkshire in the same timeframe.

An alternative analysis by Ecuity for the Local Government Association suggests the creation of approximately 71,000 new clean growth jobs in West Yorkshire – potentially more than any other area in England. The study estimates that 40,000 of these will be required by 2030, with the largest need in the alternative fuels industry sector (17,291 jobs).

The recent Scaling Up Better Homes Yorkshire report suggests that, in domestic retrofits alone, 30,000 jobs will be required in West Yorkshire by 2028, with 5,000 by 2024. The same report provides the evidence on construction trades and roles needed to deliver retrofits, yet it remains unclear where the pipeline of skilled workers will come from



## **Green workforce**

### Who is this important for?

All, but particularly:

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- · individuals at risk of unemployment as a result of decarbonisation, or looking to re-train
- business owners requiring support to upskill and re-train staff as part of the transition
- young people to ensure a strong and diverse future talent pipeline
- employers and training providers in strengthening their collaboration and engagement to improve and expand training programmes.

### What are we already doing?

The Employment and Skills Panel have convened interested parties in a roundtable forum of employers and skills providers to share intelligence and review the actions required in West Yorkshire



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## **Green workforce**

#### What more could we do?

- Establish peer networks to enable the sharing of best practice within sectors and/or areas
- Coordinate a programme of careers and inspiration activities with employers to raise
  awareness of the importance of STEM skills and to address the future demand for green
  jobs. A lack of diversity is recognised, as shown in the National Grid's Building the Net
  Zero Energy Workforce report; to offset the gender stereotypes embedded by the age of 7
  this activity would be for Early Years, primary and secondary-aged students and their
  parents, carers, and teachers.
- Strengthen collaboration and engagement between employers and training providers to improve and expand their training programmes.
- Undertake skills audits with SMEs and training providers to establish need and opportunity for behaviour change
- Explore opportunities for supply chains that are not necessarily in the 'green market' to share their green credentials.
- · Bursaries or incentivised training for individuals to undertake retraining opportunities
- Establish an internship programme, connecting skilled interns / students with organisations development low-carbon technologies

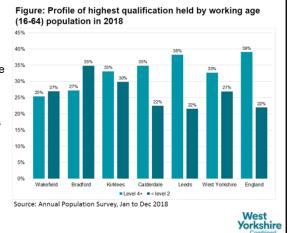


# **Inclusive growth**

## 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. Underinvestment 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.

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# Inclusive growth

### 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



# **Inclusive growth**

### What are we already doing?

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- Continued delivery of **[re]boot** to support those who are employed, furloughed or facing redundancy to re-train.
- Continued delivery of the Employment Hub, providing careers support and a job matching service.
- The Enterprise Adviser Network (EAN) works with 185 secondary schools and colleges to improve the destinations of young people
- Careers Hubs provide enhanced and targeted activity in Bradford and Kirklees, as well
  with institutions with high numbers of SEND pupils
- The Raising Aspirations pilot fund has created employer co-designed provision targeted at students from disadvantaged backgrounds
- The **Skills for Growth** programme enables small and medium enterprises to access education providers in a simple one-stop approach with localised delivery.



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# Inclusive growth

#### What more could we do?

- 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
- Remove barriers and ensure equality of access so that learners progress towards higher levels learning
- Enable equal participation in the take up of careers educations for people of all ages, backgrounds, and career stage to support personal ambitions
- Increase the number of employers providing experiences of the workplace and work placements

