
Report to: West Yorkshire Combined Authority

Date: 21 October 2022

Subject: **Digital Update**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

1.1 Our Local Digital Skills Partnership (LDSP) was created as part of the West Yorkshire Devolution deal. The LDSP brought together stakeholders and partners to develop an approach to digital skills in the region and has overseen the development of the Digital Skills Plan. This paper:

- Seeks the Combined Authority's approval of the Digital Skills Plan.
- Requests the Combined Authority's comments on the proposition of converting the Local Digital Skills Partnership into a Local Digital Partnership, once the LDSP project ends.

1.2 We are also continuing to develop and deliver initiatives to tackle our regional challenges around digital skills as this wider work is being developed. Therefore, this paper also provides an update on progress to date on existing digital skills work, including enrolments on community/foundation digital courses using the Adult Education Budget, enrolments on Skills Connect Digital courses, numbers of digital apprenticeships and levy transfers, and numbers of Small Medium Enterprises taking up digital support through Business Support and Skills for Growth. We want to continue to develop

propositions and projects and propose to do this through a refresh of the Digital Framework with an updated delivery plan.

2. Information

2.1 Nationally, there is a mismatch between our reliance on digital technologies and our adoption of digital skills. The Digital Skills Plan tackles several key areas that will benefit from increased digital skills across the region:

- **Higher Level Skills for the Tech Sector** - West Yorkshire has the fastest growing digital sector outside of London and is the UK's number one location for tech scale-ups. Increased digital skills will support this ecosystem.
- **Skills for all Businesses** - Increased digital skills will enable greater digital transformation across other key sectors, such as Manufacturing, Engineering, and Health. Increased digitisation will help them to compete and support their sustainability.
- **Workforce** - Over 80% of all jobs in West Yorkshire currently require the minimum of basic digital skills.
- **Upskilling** - With 80% of the 2030 workforce already in employment today, reskilling the existing workforce will be a major challenge between now and 2030.
- **Education** - Fewer than 10% of pupils take a Key Stage 4 Computing qualification in West Yorkshire. Girls are far less likely than boys to study digital-related courses.
- **Inclusion** - Socially, reducing the numbers of digitally excluded residents will have wider benefits on elements such as physical and mental health, regeneration and education.

Local Digital Skills Plan

2.2 The Local Digital Skills Partnership was created as a result of West Yorkshire's devolution deal. Its membership includes representation from the private, public and third sectors.

2.3 The ambitions of the Digital Skills Partnership are also in line with Mayoral pledges to:

- Prioritise skills and training to ensure everyone in West Yorkshire has the skills they need to secure work
- Support local businesses and be a champion for our regional economy

- 2.4 The Digital Skills Partnership has been working over the last 2 years to develop a Digital Skills Plan. This Digital Skills Plan will help to place West Yorkshire as a leader for digital skills. This supports the development of the Mayoral pledges and deliver the agreed priorities in the Combined Authority's Economic Recovery Plan.
- 2.5 The Digital Skills Plan takes forward the Employment and Skills Framework and its cross-cutting themes as well as the Digital Framework, particularly the 'digital skills for all' priority.
- 2.6 There has been wide consultation and engagement with stakeholders - Employment and Skills Committee; LDSP Board; Go Higher West Yorkshire Board, workstream members from community, private and public sector organisations; senior Local Authority officers; Employment and Skills managers in WYCA - to develop the plan.
- 2.7 The vision statement for the Digital Skills Plan is: "Creating a fully inclusive society and a thriving economy through the growth of digital skills for all." The four thematic workstreams of the LDSP have developed the four agreed priorities with an action plan: Social Digital Inclusion; Workforce for the Future; SME and Third Sector Growth; Simplifying the Digital Offer.
- 2.8 The appendices to this paper include the plan in more detail and an overview of rationale, statistics, the plan on a page, the work that is already ongoing to support digital skills in the region, headline proposed interventions, and potential performance targets and scale of ambition.
- 2.9 The plan has been endorsed by the Employment and Skills Committee, presented to the Business, Economy and Innovation Committee and endorsed by the LEP Board. The LEP Board members gave positive feedback and endorsed the Digital Skills Plan, and endorsed the proposals to refresh the Digital Framework, convert the LDSP into a broader digital partnership, and to conduct a LEP Board deep dive on digital. LEP Board members highlighted the need to continue to focus on green and sustainability within digital, to consider the interrelation of culture and digital, to link the needs of employers with the needs of individuals, and to keep the focus on skills within the broader digital agenda.
- 2.10 Pending the Combined Authority's approval, the Digital Skills Plan will be designed and published with a formal launch. Since the LEP Board viewed the Digital Skills Plan, minor amendments to imagery have been made and typos have been rectified.
- 2.11 Ultimately, this plan will inform the development of a comprehensive pipeline of digital skills projects.

Local Skills Improvement Plans

- 2.12 One of the policy aims of the Skills for Jobs White Paper (January 2021) was to place employers at the heart of the skills system. As part of a range of reforms Local Skills Improvement Plans (LSIPs) were proposed to be piloted – the pilots concluded earlier this year. LSIPs are led by Employer Representative Bodies (ERBs), MCAs and LEPs were not eligible to lead the pilots, there was no pilot in West Yorkshire. There has been no published evaluation of the pilots.
- 2.13 A full roll out of LSIPs is being implemented following a competitive process, with West Yorkshire Chamber leading this across the West Yorkshire geography. The process is in at early stage and will engage with a wide range of stakeholders in the skills system to determine a plan to ensure that provision is aligned with employer need.
- 2.14 MCAs have a strategic role in the development of LSIPs and its final plan, and will need to provide a statement of support for the LSIPs to be submitted to government at the same time as the plan. Whilst LSIPs do not have any commissioning powers within the skills system, a diverse employer voice is an important stakeholder voice in the system.
- 2.15 The Employment and Skills Committee have engaged with the Chamber throughout the pilot stage and will continue to do so.

Recent Digital Skills Delivery and success in West Yorkshire

- 2.16 The LDSP has collated a range of case studies of successes in West Yorkshire as part of the Digital Skills Plan (Appendix 2). For example, 'Person A' used 100% Digital to stay out of prison and flee domestic violence. And the leading international industrial group in healthcare software, Dedalus, engaged with the Digital Skills Bootcamps and Skills for Growth to hire 10+ new employees into digital roles.
- 2.17 The LDSP has also collated indicative numbers of individuals and businesses who have participated in digital programmes, initiatives and interventions (Appendix 1). These include:
- 2310 individuals enrolled on community/foundation ICT courses (2020/21)
 - 34000 laptops/devices were donated to children/residents (2021)
 - The FutureGoals website has been viewed 15422 times since Oct 2020.
 - 938 individuals enrolled in Skills Connect digital courses (since Jan 2021)

- 8103 students/teachers took part in virtual work experience (2021/22)
- 23 schools have been supported by 18 Enterprise Advisers in digital roles/sectors via the Schools Partnership team (since Jan 2021)
- 2950 individuals enrolled on ICT courses via FE (2020/21)
- 1120 individuals qualified from Computing courses from West Yorkshire Higher Education Institutions (2020/21)
- 1720 SMEs took part in digital events run by private partner organisations (since Jan 2021)
- 213 digital-sector SMEs were supported by Skills for Growth (since Jan 2021)
- 458 SMEs have received support from Business Support relating to digital (since Jan 2021)
- 22 businesses were supported by the apprenticeship levy for digital-related roles (since Jan 2021)
- £728,000 of apprenticeship levy has been pledged for digital apprenticeships (since Jan 2021)

Proposed Digital Skills Performance Targets and Scale of Ambition

- 2.18 Through the Digital Skills Plan, we aim to increase the numbers of residents with Essential Digital Skills for Life (75%) and Work (59%) to match the leading region (Greater London Authority) - 82% and 69%, respectively - by 2025. In line with the Equality Act (2010), diversity will be embedded throughout our targets.
- 2.19 Details of the various methods by which we will demonstrate progress and measure take-up are included in Appendix 1.

Next Steps for Improvements in Digital

- 2.20 The Local Digital Skills Partnership is in its third and final year of DCMS funding. The LDSP workstreams have accomplished their core targets:
- a) To ensure that the challenge of each theme is clearly defined and evidenced by the gathering of additional data, and
 - b) To develop a programme of interventions or action plans (from those that will require significant funding, to those that can utilise partner support and may be delivered with minimal or no cost.
- 2.21 Therefore, the partnership is in the early stages of exploring with DCMS how to continue the legacy and the relationships built through the LDSP. An option

is to broaden the scope of the LDSP into a 'Local Digital Partnership (LDP)'. This Partnership would act as an engagement and consultancy panel to support the next wave of projects and programmes that we suggest come forward through a refreshed Digital Framework.

- 2.22 Digital is a cross-cutting issue. Digital technology enables every person and every business in the region. People need digital skills and good quality and affordable internet access to help them get the most out of their lives. All businesses need to consider, invest in and develop their approach in a way that utilises the latest advancements and innovations. This way all of our business community can be enabled to be more productive and more likely to survive and thrive. Our region also wants to be the key location for high growth digital businesses to grow and invest in. These issues span social inclusion, place making, business support, skills, and inward investment. This therefore, does not fall under the remit of just one committee. We need to consider how we develop all our digital work using the expertise, knowledge and connections of all committee members.
- 2.23 WYCA's Digital Framework was published in 2019. Since then, the LEP's geographic remit has altered (in April 2021), moving to West Yorkshire (Bradford, Calderdale, Kirklees, Leeds, Wakefield) from Leeds City Region (WY plus Craven, Selby, York and Harrogate). With the change in geography coinciding with increased digital adoption by residents and businesses during COVID, it is timely to refresh the Digital Framework.
- 2.24 West Yorkshire has some significant strengths in digital and tech. However, we are not leveraging this ecosystem in a coherent way to create maximum benefits for people, businesses, and places. By refreshing the Digital Framework, there is an opportunity to draw together all elements of digital and ensure that West Yorkshire is a 'Smart Region'.
- 2.25 A refreshed Digital Framework would update on how lives are transformed by digital technologies and would include a coherent strategy for delivery and partnership working, which may be framed into three strands:
 - a) Place – infrastructure, data and connectivity
 - b) People – inclusion, skills and confidence, entrepreneurs, and advanced skills (much of which can be transferred from the Digital Skills Plan)
 - c) Businesses – clusters, transformation, inward investment, education providers (in partnership with businesses), capital.
- 2.26 As part of a refreshed Digital Framework, we would look to undertake research into our digital/tech clusters in West Yorkshire to identify genuine areas of distinctive strengths and opportunities, so that we can better understand and therefore support our digital tech ecosystem.
- 2.27 A series of engagement activity will take place to develop the revised strategy and interventions, including a potential deep dive with members of the LEP Board and relevant committees.

3. Tackling the Climate Emergency Implications

- 3.1 The Digital Skills Plan will support growth of digital skills and therefore movement into “better jobs” and more productive jobs within the region. This will include growth of skills across the region to enhance innovation across green sector to support climate challenges.
- 3.2 The Digital Skills Plan will also support ‘digital first’ business growth through greater social digital inclusion provision. This will support climate challenges by enabling customers to make first contact online, reducing the need to travel.

4. Inclusive Growth Implications

- 4.1 Supporting digital skills development and West Yorkshire’s digital/tech ecosystem will positively contribute to recovery from the impact of the pandemic. It is proposed that the original strapline of ‘lives transformed by digital tech’ is adopted in the revised version to ensure the focus remain on the positive benefits to the region’s citizens.
- 4.2 Delivery of the regional Digital Skills Plan will support inclusive growth across West Yorkshire. We expect to demonstrate progress in the following areas set out in the *Strategic Economic Framework*:
- Percentage qualified below level 2
 - Unemployment rate
 - Percentage of employees in quality work
 - Apprenticeship starts
 - Jobs paying below Real Living Wage
 - Employment rate gap for disadvantaged groups
 - Young People Not in Education, Employment or Training (NEET)

5. Equality and Diversity Implications

- 5.1 In 2022, 23% of the adult population within Yorkshire and the Humber lacked essential digital skills for life, and 7% of these are digitally excluded, meaning they cannot complete a single ‘foundation’ digital skill such as turning on a device, using a mouse/keyboard, browsing the internet. 4% of people in Yorkshire and the Humber remain offline.¹ This is despite West Yorkshire’s above-average internet infrastructure.²
- 5.2 The pandemic has accelerated the rate at which our lives have moved online, increasing our reliance on access to digital services. The close association

¹ This data is from the Consumer Digital Index 2021, by Lloyds Bank, which provides these breakdowns at regional levels.

² This statistic is from ThinkBroadband, correct as of 5.5.22, which analyses broadband coverage (Full Fibre, Gigabit and Superfast) by local authority area.

between digital exclusion and other dimensions of inequality exposes the urgent need for greater digital inclusion.

- 5.3 The Digital Skills Plan seeks to directly address socio-economic inequalities facing our population. Digital Inclusion is a central tenet of the plan, to be achieved through the growth/provision of digital skills and supporting the resolution of data poverty and the ongoing challenge of accessibility and connectivity.
- 5.4 Digital exclusion is a key barrier to participation in social and economic activity. A refreshed Digital Framework will help us to maximise the opportunity that integrated digital policy, people and technology can offer to improve inclusivity.

6. Financial Implications

- 6.1 The pipeline of projects which emerge from the Digital Skills Plan will require regional funding to deliver. These will be subject to separate approvals and processes following a scoping and prioritisation exercise overseen by the Employment and Skills Committee. It is anticipated that the funding will come from allocated Gainshare funding to IP2 and/or the Shared Prosperity Fund.

7. Legal Implications

- 7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

- 8.1 There are no staffing implications directly arising from this report.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 That the Combined Authority approves the Digital Skills Plan.
- 10.2 That the Combined Authority approves the proposal to convert the Local Digital Skills Partnership into a Local Digital Partnership once the LDSP project ends.
- 10.3 That the Combined Authority approves the proposal to refresh the Digital Framework with a focus on the next phases of projects and programmes, to include a deep dive with the LEP Board.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Summary Version of the Digital Skills Plan

Appendix 2 – Digital Skills Plan (full draft, including the summary slides)