



Name of meeting: Economy and Neighbourhoods Scrutiny Panel

Date: 10th January 2023

Title of report: An Overview of Post 16 Skills , Training and Apprenticeships

Purpose of report:

- To present overview of Aspire , Achieve, and Include : Kirklees Employment and Skills Plan 2022 - 2025.
- To summarise the role of the Skills Advisory Panel and Local Skills improvement plans in shaping Adult Skills Activity.
- To provide and present an overview of Adult Skills , Apprenticeships and Training provision in Kirklees.
- The report invites the Economy and Neighbourhoods Scrutiny Panel for any comments, feedback or areas they would like further information on in future session .

<p>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards? Decisions having a particularly significant effect on a single ward may also be treated as if they were key decisions.</p>	<p>Not Applicable If yes give the reason why</p>
<p>Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u></p>	<p>No Private Report/Private Appendix – Yes/No</p>
<p>The Decision - Is it eligible for call in by Scrutiny?</p>	<p>No If no give the reason why not</p>
<p>Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Service Director for Finance? Is it also signed off by the Service Director for Legal Governance and Commissioning?</p>	<p>David Shepherd , Strategic Director , Growth and Regeneration 21/12/2022 N/A N/A</p>

Cabinet member [portfolio](#)

Cllr Graham Turner Growth and
Regeneration

Electoral wards affected: All

Ward councillors consulted: n/a

Public or private: Public

Has GDPR been considered? YES

1. Summary

- 1.1 Our economy is changing rapidly. Making sure that people have the right skills to get a job and progress in work is key to economic growth through ensuring employers have access to people with the right skills.
- 1.2 Despite improvement in recent years in Kirklees our adult population have lower skills levels than the England average. 8.6% of Kirklees adults (23,200) have no qualifications - more than the region (7.8%) and more than England (6.6%); qualifications lag the regional and national average at NVQ Levels 1 to 3. At Level 4, just 35.3% of residents have a degree level qualification or better, compared with 43.6 % for England.
- 1.3 Low skill levels are one of the factors impacting on productivity and in turn wage levels. Gross weekly pay for Kirklees residents was -4.5 % of the English average in 2022 ; wages growth lagged that of England as a whole between 2015-2022. See Appendix A for details.
- 1.4 The Adult Skills landscape is complex and made up of local , regional and national policy and programmes with funding managed by at least nine Whitehall departments . In West Yorkshire the approach is a combination of Local and Regional. Local Authorities are closer to their communities. As the labour market fluctuates and behaves differently in each Local Authority this requires a flexible response to support individuals to retrain, upskill and progress towards employment or self-employment. Regional coordination provides the opportunity to build upon best practice from local 'hubs' and provides economies for scale.
- 1.5 The report offers a top line introduction and overview of skills policy and programmes available in Kirklees for both businesses and individuals to support with skills development.
- 1.6 The report also offers an overview of 'Aspire, Achieve, Include' is the 2022-2025 Post-16 Employment and Skills Plan for Kirklees. It explains how the Local Authority , working closely with partners across the borough, will support and invest in the local employment and skills system over the next three years. The full plan can be found in Appendix B.
- 1.7 The Employment and Skills plan is design to inform and work alongside the current Skills Advisory Panel which operates at a West Yorkshire level and the forthcoming employer led Local Skills and Improvement Plan (LSIP) referenced in The Skills and Post-16 Education Act 2022. The report offers an introduction to the Local Skills Improvement Plans and an update on progress to date .
- 1.8 The report also offers an update on Apprenticeships in the district and Apprentice Levy activity .

2. Information required to take a decision

Aspire ,Achieve and Include :Employment and Skills Plan 2022 -2025

- 2.1** Adopted by Cabinet 'Aspire, Achieve, Include' is the 2022-2025 Post-16 Employment and Skills Plan for Kirklees. It explains how the Local Authority, working closely with partners across the borough, will support and invest in the local employment and skills system over the next three years. See Appendix B for a copy of the plan
- 2.2** A plan draws on feedback from over 250 local businesses and education providers as well as key stakeholder engagement.
- 2.3** It details a series of partnership-based actions and explains how we will measure success and is overseen by a partnership board which has representation from further and higher education, work-based learning providers, employers from sectors of local strategic significance, business representative organisations, the voluntary sector, the local authority, and local government agencies.
- 2.4** 'Aspire, Achieve, and Include' is designed to align with the West Yorkshire Combined Authority investment priorities as detailed in the West Yorkshire Investment Strategy (2021 – 2024) which identifies Good Jobs and Skills and Training as key investment priorities and the Combined Authority Employment and Skills framework. This is necessary in order to ensure we are well placed to maximise on any future funding opportunities which will present themselves via the West Yorkshire Investment Strategy.
- 2.5** The plan will help us to maximise the opportunities arising from the UK Government's Levelling up White paper, Devolution, and the Mayoral pledges. It highlights priorities to be tackled by increased local investment and the co-design of local, regional and government programmes and feeds in the West Yorkshire Combined Authority led Skills Advisory Panel through a shared membership.
- 2.6** The plan is structured around four priority areas with an agreed list of actions and priorities which we are working on in collaboration with our partners:
- Empowering our Young People*
 - Digital Inclusion.*
 - Supporting our communities to Learn and Progress*
 - Skills for the Future*
- 2.7** The Employment and Skills partnership boards oversee the agreed list of actions and priorities. It will monitor the data on employment and skills and respond accordingly. The partnership also oversees local and regional provision - monitoring performance and seeking to exert strategic influence and direction to ensure all provision has the impact required.

Regional Skills Advisory Boards and LSIPs (Local Skills Improvement Plans)

- 2.8** Since 2018, Skills Advisory Panels (SAPs) have been bringing together employers, skills providers and key local stakeholders to better understand and resolve skills mismatches at a regional level.
- 2.9** SAPs are part of Mayoral Combined Authorities and Local Enterprise Partnerships and there are thirty-six in total across England. The Department for Education (DfE) has supported SAPs with grant funding primarily to produce high-quality analysis of local labour markets and publish Local Skills Reports, which set out the local skills strengths and needs. The last Local Skills plan for West Yorkshire was published in January 2022 see Appendix C.
- 2.10** In West Yorkshire the Combined Authority's Employment and Skills Committee serves as the Skills Advisory Panel for Leeds City Region . Bringing employers together with Local Authorities and Education and Training providers at a West Yorkshire level . Under its terms of reference the Committee provides local leadership that drives improvements in skills and employment by overseeing development of policies and projects to address skills gaps in the City Region.
- 2.11** The Kirklees Employment and Skills partnership ensures alignment with the SAP via a shared membership representation ensuring the voice of Kirklees is heard and reflected in policy and programme development.
- 2.12** Local Skills improvement plans(LSIPS) are part of a suite of reforms launched in DfE's "Skills for Jobs" White Paper that aim to put employers more firmly at the heart of the skills system.
- 2.13** Led by designated Employer Representative Bodies , LSIPs will set out a clear articulation of employers' skills needs and the priority changes required in a local area to help ensure post-16 technical education and skills provision is more responsive and flexible in meeting local labour market skills needs. The product will be a report setting out those key priorities, but the process to develop the report, i.e., bringing together employers and providers to understand skills needs and provision, is as important as the report itself.
- 2.14** A call for expressions of interest from Employer Representative Bodies (ERBs) closed on 6 June. Local Authorities ,MCAs and LEPs were not eligible to apply. In West Yorkshire, the Chambers of Commerce submitted an expression to cover West and North Yorkshire – with a separate plan for each area this was approved, and funding was awarded to develop a delivery plan.
- 2.15** The expression of interest was supported by a number of other ERBs (including CBI, FSB, IOD West Yorkshire, Make UK along with the CITB, Tech UK and Yorkshire Asian Business Association) in the Region and

sets out how the Chamber will engage with the Local Authorities , The Combined Authority and the LEP.

- 2.16** In December 2022 the Chamber of Commerce received their funding agreement and work on the West Yorkshire LSIP work has commenced an initial meeting of the LSIP Strategic board is due to take place in January 2023.
- 2.17** The DFE has confirmed funding for the Skills Advisory Panel for 22/23 with the stated aim of this year's funding is for SAPs to produce high quality, local level skills analysis to support the successful implementation of Local Skills Improvement Plans (LSIPs). The Government's aim is that the majority of areas will have an LSIP developed and signed off by the Secretary of State by summer 2023.
- 2.18** In order to ensure Alignment a member of the Chamber of Commerce will sit on The Employment and Skills Committee at the Combined Authority and act as the Strategic link. .

Current Skills Programmes in Kirklees

- 2.19** A large number of programmes supporting Kirklees employers and people who live in Kirklees exist. This paper will give a top line summary those which the Employment and Skills partnership are involved in delivering and monitoring for performance in Kirklees. These are detailed in Appendix D.
- 2.20** It is important to note this is not a complete list of all provision - research by the Local Government association has recently identified over 49 national programmes delivered across 9 Whitehall departments which state skills in their activity. As our ability to monitor and influence these is limited, we have not covered these for the purposes of this report.

Programmes for individuals

- 2.21** The Adult Skills landscape is complex with a wide range of support on offer for adults (19 plus)looking to upskill or reskill with various funding streams support at different levels.
- 2.22** The wider adult skills infrastructure includes (but is not limited to): apprenticeship funding and levy, Higher Education loans, careers funding, adult learner loans, employer investment, individual investment, ESIF/UKSPF interventions, National Skills Fund interventions, and, for devolved areas, Gainshare funded interventions.
- 2.23** In recent years in Kirklees funding for Adult Skills Programmes has primarily been managed by the West Yorkshire Combined Authority working in partnership with Local Authorities. Whilst come of this funding is devolved

not all of it is and some is delegated or has been won as part of a competitive process.

2.24 West Yorkshire has also benefitted from access to European Social Investment funding (ESIF) - however as we enter into the final year of access to these funds many of these programmes have completed or are due to complete this year.

2.25 In response the funding gap created by the UKSPF People and Skills strand not being available until March 2024 and ESIF funding finishing in 2023 Local Authority officers have been working with The Combined authority alongside other partners to develop a pipeline of projects to address Employment and Skills challenges. This includes programmes to specifically linked to Mayoral pledges on Digital and Green Skills , a Graduate programme aimed at SMEs and specific support for young people.

Programmes supporting Employers

2.26 Employers play a central role in developing the skills that the economy needs, although many acknowledge that they under-invest, and the evidence suggests that the trend in job related training is static at best.

2.27 The key to tackling this issue is to encourage employers to adopt talent management systems that enable them to identify their skills needs and to deploy those skills effectively in the workplace to achieve business objectives.

2.28 Working with the Combined authority a number of programmes exist to support employers with this (see appendix D) - however the landscape is sporadic, and it is often reported confusing for employers with no one single access point available and funding for training focused on the individual rather than the employer.

2.29 It has been identified by Local authority officers working with the Combined authority that this is gap and there is a need to develop a programme to support employers with Skills support. Development work for these will commence in Autumn.

Apprenticeships in Kirklees

2.30 The Kirklees Employment and Skills plan 2022 - 2025 Aspire, Achieve , Include references several actions linked to Apprenticeships under its priority areas , Empowering our young people , Digital Inclusion , Supporting our Communities and Skills for the Future. Apprenticeships provide excellent career pathways and help develop core competencies for work and life

- 2.31** Apprenticeship starts have fallen due to introduction of reforms (2016/17) followed by pandemic .Apprenticeship starts in Kirklees have fallen by 41% since their peak in 2015/16 (national average fall -37%)
- 2.32** Some subject areas that are linked to sectors and occupations with a bigger exposure to the Covid 19 crisis have been particularly hard-hit. There is a concern that technical and work-based routes could see lasting damage as a result with implications for efforts to support the economic recovery.
- 2.33** The latest annual figures we have for take-up of Apprenticeships is for 2020/21 academic year. It shows that overall starts during the year were still 23% below pre-pandemic level in 2018/19 with the Intermediate level worst hit.
- 2.34** Provisional figures for first three quarters of 21/22 show an 11% improvement compared with the same period of 20/21 but there is still a significant gap.
- 2.35** Take-up of higher apprenticeships has been resilient in the face of the COVID-19 crisis, partly reflecting the fact that the majority are funded through the levy, and many are provided to existing staff rather than new recruits.
- 2.36** This shows that the levy is a powerful mechanism for driving the development of higher-level skills. However, higher apprenticeships remain narrowly focused in subject terms and there are few starts in subject areas associated with the most acute skill shortages such as engineering, construction and ICT.
- 2.37** This raises the issue of the sustainability of apprenticeships for SMEs and for the types of apprenticeship that are less likely to be levy funded, including those for the under nineteen and intermediate apprenticeships
- 2.38** It is important that apprenticeships provide an entry point for young people and those with lower level skills.
- 2.39** Apprenticeship achievement rates over the same period have also fallen – more steeply than starts. Much of the evidence around this is anecdotal with employers and apprentices expressing dissatisfaction with the End Point assessment system introduced as a result of the reforms which has been subject to delays in implementation meaning many have not been completed.
- 2.40** The Kirklees Apprenticeship for All project aims support and growth apprenticeships across the district and delivers a range of activities to increase the uptake of apprenticeships across large and small employers in the Kirklees district.

- 2.41** The project is part funded by ESF (European Social Fund) which are funds that help local areas stimulate their economic development by investing in projects which will support innovation, businesses, skills development, job creation, social inclusion, and local community regenerations.
- 2.42** The programme provides employers with access to a skills gap analysis and identifying training solutions via apprenticeships . It also provides a programme of enrichment support for Apprentices and access to unspent levy funding for SMEs.
- 2.43** IT also works with local Levy payers and encourages them to commit their unspent levy to the LEP Levy Transfer scheme to ensure the funding can be accessed by local SMEs employers.
- 2.44** The programme also works along the Councils Works Better programme to provide Information, advice and guidance around apprenticeships for people who live in Kirklees aged 15 and above - regardless of employment status.
- 2.45** Whilst having success engaging businesses and with objectives associated with Levy transfer and increased interest in Apprenticeships the Kirklees Apprenticeships for All programme is not currently hitting its ESF profiles targets and a change request to reduce the amount of funding and the associated outputs and results is required and will be submitted in November of this year . This is not unexpected due to the programmes late start and its nature of being a pilot project .
- 2.46** A requirement of the Kirklees apprenticeships for All programme is for a fully funded evaluation to take place - this will start in February of 2023. The findings of this will inform and shape future Apprenticeship activity as detailing the in Employment and Skills plan for Kirklees
- 2.47** As a levy payer Kirklees Council has committed £100 000 of its own levy to the Levy transfer scheme to support SMEs in Kirklees to recruit new apprentices up to level 4 to cover the training costs.
- 2.48** To date approximately £ 70 000 of its initially allocation has been allocated and work is now underway with People Services to see if more can be released without undermining the councils' own ambitions as an Apprentice employer.
- 2.49** To stimulate interest in Apprenticeships , employers in Kirklees can also access an Apprentice grant as part of the Kirklees Economic Recovery Programme of support . Grants of up to £ 3000 are available to support apprenticeship costs for qualifying employers in priority sectors.

3. Implications for the Council

3.1 Working with People

Our skills work considers the impacts of people in everything it does. By its nature, we are seeking to ensure that the skills offer the district has will enable everyone who lives in Kirklees , regardless of their background to have a thriving future.

3.2 Working with Partners

We recognise that we cannot operate in isolation and that creating the conditions for local growth requires intense collaboration across the public, private and third sector. From its inception, Aspire , Achieve, and Include has been co-produced and developed through collaboration and engagement with Stakeholders. The Employment and Skills Partnership Board has been established to oversee the delivery of this plan and skills related programmes . The Board has representation from Further and Higher Education, Work-based learning providers, Employers (from sectors of local strategic significance), Business representative organisations, the Voluntary Sector, the Local Authority, and Local Government Agencies.

3.3 Place Based Working

Where Kirklees residents live shapes their experiences and outcomes and has an impact on their personal economic and social circumstances. Places and neighbourhoods are important and influential to both everyday experience and to longer-term outcomes for individuals including their health, economic footprint, and employability.

Transparent sharing of data will continue to enable all partners to be responsive to the changing demographics and their changing needs within Kirklees, and our internal place-based analysis will shape future interventions.

Our understanding of Place will continue to influence the way we work with partners, providing the aspiration and challenge to local people, appropriate to their needs.

3.4 Climate Change and Air Quality

The information contained within this Cabinet Report and the appended Employment and Skill plan do not directly impact on the climate and air quality. However, many of the key priorities and actions contribute towards a cleaner and greener future for the people of Kirklees.

The growth of the green economy and the need for individuals with the skills to support this transition is a growing theme of skills development and is reflected in project pipeline activity related to the mayoral pledges.

3.5 Improving outcomes for children

The information contained within this Report and the appended Employment and Skill plan do not directly impact on improving outcomes for Children . However, many of the key priorities and actions contribute indirectly towards improving outcomes of Children in Kirklees .

3.6 Financial Implications for the people living or working in Kirklees

Low skill levels are one of the factors impacting on productivity and in turn wage levels. Gross weekly pay for Kirklees residents was -4.5 % of the English average in 2022 ; wages growth lagged that of England as a whole between 2015-2022. By improving skill levels of people who live and work in Kirklees there is the potential to increase gross weekly pay and contribute toward the shared outcome of Sustainable Economy

3.7 Other (e.g. Integrated Impact Assessment (IIA)/Legal/Financial or Human Resources) Consultees and their opinions

There are no direct legal/ financial implications in associated with this report .

4. Consultation

N/A

5. Engagement

N/A

6. Next steps and timelines

The report invites the Economy and Neighbourhoods Scrutiny Panel for any comments or feedback on content.

Work on Skills is ongoing and 2023 is a key year with the development of the Local Skills improvement plan and work of the Employment and Skills partnership continues.

Development of regional programmes detailed in the skills pipeline will commence to business case development at which point further information can be provided.

7. Officer recommendations and reasons

The report invites the Economy and Neighbourhoods Scrutiny Panel for any comments or feedback on content.

8. Cabinet Portfolio Holder's recommendations

That the Committee notes content of the report and agrees to receive regular progress reports on the delivery of the employment and skills plan and Skills programmes.

Our economy is changing rapidly, this poses both challenges and opportunities for Kirklees. Making sure that people have the skills to get a job and progress in work and employers have people with the right skills they need for growth is a key priority.

9. Contact officer

Gillian Wallace , Head of Employment and Skills , 01484 221000 ,
gillian.wallace@kirklees.gov.uk

10. Background Papers and History of Decisions

Kirklees Employment and Skills plan 2022 - 2025 - adopted June 2022.
[Kirklees Economic Strategy - Kirklees Council 2019 - 2025](#) - Kirklees Council
[Kirklees Economic Recovery Plan](#) - Kirklees Council 2020
[Our Kirklees Futures :Our Approach to Learning 2019 - 2030 - Kirklees Council](#)
[West Yorkshire Employment and Skills Framework](#)
[West Yorkshire Investment Strategy 2021 - 2024](#) - West Yorkshire Combined Authority
[Levelling Up the United Kingdom White Paper 2022](#)- Department for Levelling Up, Housing and Communities

11. Service Director responsible

Edward Highfield , Service Director Skills and Regeneration