

REPORT TO: WECA OVERVIEW AND SCRUTINY COMMITTEE

DATE: 2 October 2019

REPORT TITLE: EMPLOYMENT & SKILLS PLAN IMPLEMENTATION

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Purpose of Report

- 1 This report provides an update on implementation of the West of England Employment and Skills Plan.

Background / Issues for Consideration

- 2 The Employment and Skills Plan (E&S Plan) was approved by WECA and Joint Committee in July. A full implementation plan is in development. This paper provides an update on progress to date in delivering on the ambition of the plan.
- 3 The E&S Plan contains 11 initial actions that have been agreed for the region alongside a set of outcomes that we will be tracking to ensure the plan is contributing to achieving our regional ambition to drive clean and inclusive growth. This paper provides an initial update on progress against the 11 actions in the plan.
- 4 To provide oversight for the delivery of the E&S Plan, a Skills Advisory Panel (SAP) is being established, ensuring we have expert oversight in place to continue building our understanding of the current and future labour market.

PROGRESS UPDATE: IMPLEMENTING THE WEST OF ENGLAND EMPLOYMENT AND SKILLS PLAN

- 5 As highlighted above, the E&S Plan sets out 11 initial actions to deliver on our collective ambition that *'By 2036, the West of England will be internationally recognised for its sustainable, inclusive and diverse economy, providing a high quality of life, prosperity and opportunities for all its residents. Our people will be skilled, healthy and able to access pathways of opportunity to achieve their potential. Our businesses will play an active role in shaping employment and skills provision across the region and they will be able to find the skills and talent they need to innovate, add greater value and thrive.'*

- 6 To help us understand if the action we are taking is having impact, the plan identified a range of outcome measures that we will track over the coming years. Table 1 sets out the baseline position against these measures. A reporting schedule will be agreed with the SAP once this Panel is in place.
- 7 Each project developed under the plan will have its own set of outcome metrics but each will feed into the headline outcomes the region has agreed it would like to see, ensuring the plan is delivering positive outcomes for local residents and businesses.

TABLE 1: E&S PLAN OUTCOME MEASURES

INDICATOR	BASELINE
1. Increase the proportion of 16-18 year olds in education, employment or training (EET)	6.6% of 16 and 17 year olds were not in education, employment or training at the end of 2017 (Source: DfE)
2. Increase the educational attainment among young people	The average attainment 8 score was 46.2 for all pupils in 2017/18 (Source: DfE)
3. Increase the proportion of young people (KS5) progressing to any sustained education destination	53% of students progressed to a sustained education destination after key stage 5 (state funded mainstream schools and colleges) in 2016/2017 (Source: DfE)
4. Increase the proportion of young people (KS5) progressing to higher education destinations	41% of students progress to Higher Education (level 4 and above) after key stage 5 (stage funded mainstream schools and colleges) in 2016/17 (Source: DfE)
5. Reduce the number of people who are unemployed or inactive but wish to work	In Dec 2018 there were 20,500 people unemployed in the West of England and 27,300 who were inactive who wanted a job, therefore 47,800 in this group (Source: Annual Population Survey)
6. Significantly increase the proportion of people with Level 2+ qualifications	In Dec 2018, 18.2% (133,000) of 16-64 year olds did not have a Level 2 qualification (Source: Annual Population Survey)
7. Increase the proportion of people with Level 3+ qualifications	In Dec 2018, 66.5% of 16-64 year olds had a Level 3 or higher qualification (Source: Annual Population Survey)
8. Increase the proportion of people with Level 4+ qualifications	In Dec 2018, 46.3% of 16-64 year olds had a Level 3 or higher qualification (Source: Annual Population Survey)
9. Decrease the proportion of people earning less than the Living Wage	19% of workers received less than the Real Living Wage (gross hourly pay, total workers, workplace analysis) in 2018. (Source: Annual

	Survey of Hours and Earnings, https://www.livingwage.org.uk/calculation
10. Increase median earnings	In 2018, the median gross hourly pay was £13.30 (Source: Annual Survey of Hours and Earnings)
11. Increase the proportion of employees supported by their employer to receive training	In 2017, 66.09% of staff received training from their employer (Source: Employer Skills Survey)
12. Reduce the number of employers with Hard to Fill Vacancies	In 2017, 13% of establishments had at least one vacancy that was hard to fill (Source: Employer Skills Survey)
13. Significantly increase take up apprenticeships	In 2017/19 7,590 people completed an apprenticeship in WECA (Source: SFA, Statistical First Release)
14. Increase GVA/hour worked	In 2017, the GVA per hour worked was £33.7 in the West of England (Source: ONS)

- 8 Activity is already underway against a number of the initial strategic actions that were agreed in the E&S Plan. The table below provides a brief update. A full E&S Implementation Plan is in development, which will provide detail on the proposed activity and timescales for those actions where we do not yet have plans in place.

TABLE 2: E&S PLAN STRATEGIC ACTIONS, PROGRESS UPDATE

ACTION	PROGRESS TO DATE	NEXT STEPS	NEXT KEY MILESTONE
<p>1. Work towards a more integrated regional skills function (providing intelligence and co-ordination)</p>	<ul style="list-style-type: none"> • Proposals for establishment of SAP developed • Work underway to explore data and intelligence in place across region • Analysis of future labour market trends by sectors and occupations planned 	<ul style="list-style-type: none"> • SAP membership and ToR to be agreed at first meeting in October • Meet with relevant UA analysts to map current picture and gaps in our intelligence base 	<ul style="list-style-type: none"> • Initial meeting Oct 2019 • Initial meetings within 6 weeks
<p>2. Co-design activities which challenge and support our schools to improve outcomes and raise aspiration among young people</p>	<ul style="list-style-type: none"> • Not yet started, action to be framed through E&S Implementation Plan development • CIAG project detailed below will help inform this action 	<ul style="list-style-type: none"> • Full E&S Implementation Plan to be developed 	
<p>3. Enhance careers education, advice and guidance through expansion of the Careers Hub model</p>	<ul style="list-style-type: none"> • Careers Hub expansion bid successful, circa £200K per annum investment to ensure progress against government's Gatsby Benchmarks. 74/76 Schools and Colleges across region have signed a MOU and meetings with all head teacher completed • Eight cornerstone employers signed-up to support Hub activity • Scope for an initial research project to help understand current strengths and challenges associated with CIAG provision has been 	<ul style="list-style-type: none"> • Meetings with each new institution signed up to the Careers Hub underway • Continued drive to recruit to a diverse Enterprise Advisers network to link with schools/colleges 	<ul style="list-style-type: none"> • Establish new stakeholder engagement strategy and revised governance • Investment Fund decision (Oct)

	developed to unlock Investment Fund allocation	<ul style="list-style-type: none"> Investment Fund decision due October 2019 	<ul style="list-style-type: none"> Appointment of research capacity
4. Secure investment for a community grant scheme for projects targeting local need or specific hard to reach groups	<ul style="list-style-type: none"> Not yet started, action to be framed through E&S Implementation Plan development 	<ul style="list-style-type: none"> Full E&S Implementation Plan to be developed 	
5. Infrastructure to connect people to employment and skills opportunities	<ul style="list-style-type: none"> West of England Institute of Technology (IoT) – funding from DfE (£14m) confirmed with WECA Investment (£0.5m) for development phase. FE/HE/Business consortium led by Weston College. Will utilise existing facilities and provide a virtual platform to ensure STEM education and training at Level 4 and above responds to workforce development needs. Full E&S Implementation Plan to be developed 	<ul style="list-style-type: none"> Contract award completion and soft launch of IoT planned Appraisal of existing HE/FE capital investment and future plans being planned 	
6. Support effective retraining opportunities across the region	<ul style="list-style-type: none"> Women into Digital, Jobs, Education & Training (WIDJET) a programme to support 350 women develop new digital skills is now operating. Initial £350K investment. Over 150 women have been engaged to date. Mix of delivery partners including Bath College, boomsatsuma, DOT PROJECT, Knowle West Media Centre, and Maiden Academy Roll out of National Retraining Scheme in the West of England coming soon 	<ul style="list-style-type: none"> Continued engagement activity Learning from WIDJET is being captured, to help inform plans for future activity. 	

7. Develop Future Bright Plus	<ul style="list-style-type: none"> • Full business case for expansion of Future Bright programme developed, building on evidence of impact achieved through initial pilot • The project will invest £3.6m over 3 years to kick-start career progression for 4,000 residents with income increase for 25% of participants at a total of £7.2 million over 7 years. 	<ul style="list-style-type: none"> • Business Case to be considered by WECA Committee Oct 2019. 	<ul style="list-style-type: none"> • Anticipated start date for FB Plus – April 2020.
8. Development of the Apprenticeship Hub	<ul style="list-style-type: none"> • Analysis of existing provision and best practice underway. 	<ul style="list-style-type: none"> • Full scoping study and options to be developed. 	
9. Develop an Adult Education Budget Commissioning Strategy	<ul style="list-style-type: none"> • 2019/20 AEB delivery has now commenced for circa £15m investment in adult skills across the WECA area • Learning from provision this year will help shape an AEB Commissioning Strategy, with more fundamental change anticipated post 2021 	<ul style="list-style-type: none"> • Prepare for mid-year reconciliation point • Development of 20/21 allocations process • Identification of initial changes for 2020/21 onwards. 	<ul style="list-style-type: none"> • Mid-year reconciliation point • Development of AEB data management resources
10. Develop initiatives to help employers plan for skills needs of the future (i.e. Workforce for the Future, Growth Hub)	<ul style="list-style-type: none"> • Workforce for the Future (WFTF) is an £8m programme that will work with SMEs to improve their future skills planning. Full funding anticipated to be secured soon • An initial project, focused on supporting development of Creative Careers (aligned to opening of Channel 4 Creative Hub), is due to begin operating in November 	<ul style="list-style-type: none"> • Launch of Creative Careers programme • Development of further work packages underway • Confirmation of full funding expected over coming months. 	<ul style="list-style-type: none"> • Calls for other WFTF funded projects will commence before Christmas and then at regular intervals throughout 2020.

<p>11. Supporting key growth sectors and innovation</p>	<ul style="list-style-type: none"> • The LIS set out proposals for the Global Centre of Innovation Excellence (GCIE). As detailed in the innovation update to the LEP Board, work to progress the GCIE is underway. Talent development will be integral to realising ambitions • Digital Engineering Technology Institute (DETI) project has established separate workforce development strand led by UWE • Development of 'Working Well Institute' continues – partnership between B&NES, University of Bath, Bath Spa and Bath College • Creative Careers project included above 	<ul style="list-style-type: none"> • Further development of GCIE concept and complementary skills interventions 	<ul style="list-style-type: none"> • Tangible progress in business case development by end of 2019
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- 9 Plans in relation to the actions that have not yet started will be developed over the coming months.

NEXT STEPS

- 10 A full implementation plan is in development, this will set out next steps for delivering actions that have not yet been started.
- 11 The SAP will be established over the coming weeks. This Panel will provide ongoing oversight and expert insight to support the delivery of the E&S Plan.

RECOMMENDATION –

That this update report be noted.

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird / Tim Milgate on 0117 332 1486; or by writing to West of England Combined Authority, 3 Rivergate, Temple Quay, Bristol BS1 6EW; email: democratic.services@westofengland-ca.gov.uk