

**REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY
COMMITTEE**

DATE: FRIDAY 16 JUNE 2023

**REPORT TITLE: WEST OF ENGLAND EMPLOYMENT AND SKILLS
PLAN**

DIRECTOR: STEPHEN BASHFORD

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Purpose of Report

- 1 To present for approval the refreshed West of England Employment and Skills Plan, and to consider progress and approve next steps in relation to the green construction and retrofit skills feasibility work supported by the Green Recovery Fund.

Recommendation

- To approve the refreshed West of England Employment and Skills Plan (see Appendix 1).
- To approve next steps on the green construction and retrofit skills feasibility work (par 2.7).

Reasons for recommendation

The recommendations follow discussions at the 17th of March 2023 West of England Combined Authority Committee meeting.

Voting arrangements

The decision requires majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Mayor

Background / Issues for Consideration

2 West of England Employment and Skills Plan

- 2.1 The West of England produced its first comprehensive and ambitious Employment and Skills Plan in 2019, which was based on a thorough review of the evidence available at that time.
- 2.2 Significant progress has been made in delivering the 2019 Plan with over 32,000 people in the region supported through a range of employment and skills programmes developed in line with its vision and objectives. The value of the West of England Combined Authority's investment in skills has trebled to around £60m in just 2 years, with activity including the devolved Adult Education Budget, Skills Bootcamps, Multiply, and improving the quality of careers support – all the way from school age to people in work looking for opportunities to change direction.
- 2.3 Despite this progress, for many people across the region, the skills landscape remains overly complicated and difficult to navigate: we have currently mapped over 300 skills and training offers across our area. This means that those who could gain the most from the quality and depth of training provision available, are missing out. Work in the region is changing too. Traditional sectors like manufacturing, engineering, construction, and transport are having to adapt to the pressing need to tackle the climate and ecological emergency. Digital advances like artificial intelligence, automation, and quantum technologies, will create new ways of working and jobs in the future which haven't even been invented yet. People working in our large employment sectors like care, teaching, hospitality, and our creative and cultural industries, have been deeply affected by major events like the global pandemic and the current cost of living crisis.
- 2.4 As a key building block in the development of a new Regional Strategy, this Plan sets out our collective regional ambition for employment and skills over the coming 3-5 years and it will act as the reference point and strategic guide for investment and delivery. Developed with national, regional, and local partners, it is underpinned by the latest available evidence on how the region's labour market is performing comparatively, including its strengths and weaknesses, and emerging issues and opportunities.
- 2.5 New areas of focus include the delivery of a single regional careers, training and job support service – Skills Connect – which will help an extra 3,000 people every year to upskill, reskill, progress in work, and find new employment and apprenticeship opportunities; and the introduction of a new Mayoral Priority Skills Fund to help us respond more flexibly to skills challenges and opportunities as they arise, whether that is in helping bridge severe skills and labour shortages in certain sectors, or equipping people with the green and digital skills they need for future jobs.

Green construction and retrofit skills feasibility work

2.6 As agreed by Committee in March 2023, as part of the implementation of the refreshed Employment and Skills Plan, further analysis is required on suitability of the current post-16 education and training provision (and the developments required) to deliver the region's green skills construction needs. Running alongside a separately funded initiative to drive up training for retrofit and to knit together delivery of more green skills (the 'Retrofit Step Up' project), the West of England Combined Authority is in the process of procuring consultancy support up to a value of £100K to deliver this research work, which will be structured as follows:

- Consideration of the current and future construction skills supply and demand position at all levels, building on established regional and national research (e.g. Post-16 Horizon Scanning, Green Skills Market Analysis, Retrofit Market Analysis and Labour Market and Skills Projects 2002 - 2035 etc.) as well as taking into consideration key priorities and findings emerging from the Employment and Skills Plan Evidence Base and Local Skills Improvement Plan (LSIP) led by Business West.
- With the current and future skills needs identified, a detailed suitability analysis of the region's Post-16 construction skills training infrastructure (across FE Colleges, Higher Education Institutions, Independent Training Providers etc.) to deliver these skills will be undertaken. This will identify any new capital developments (facilities and equipment) required in the estate to ensure supply can meet demand, and include both the type of facilities needed, and where those facilities should be located geographically.
- The potential need for a Regional Centre for Net Zero Construction Skills. This facility could work in tandem with the rest of the estate to not only deliver current skills needs but also develop the innovative future training approaches required in the region. This will form part of a wider Post-16 Investment Strategy.

2.7 **Next Steps:** The commissioned research will be procured in June 2023 and take an anticipated 6 months to fully conclude (timeline to be confirmed by successful bidder), with regular updates to the Business and Skills Directors and CEOs Groups as it progresses. The work will align with the process for developing the new Regional Strategy and associated Investment Priorities. A summary of next steps is set out below:

- Brief development (May-June 2023)
- Research commissioned (June 2023)
- Monthly updates to Business and Skills Directors Group (from July 2023)
- Final report to Directors and CEOs (December 2023)

Consultation

- 3 The refreshed Employment and Skills Plan has been overseen by the West of England Skills Advisory Panel, a sub-group of the Local Enterprise Partnership Board. The Panel includes a range of public, private and third sector stakeholders. Skills leads from the West of England Combined Authority and the West of England Unitary Authorities have a seat on the Panel.

Other Options Considered

- 4.1 Retain existing Plan – the evidence underpinning the Plan and its original recommendations is outdated. The refreshed Plan draws on a comprehensive updated evidence base.
- 4.2 Discontinue – the Plan is fundamental to guiding the programmes and services delivered by the West of England Combined Authority and its partners, ensuring activity is fully reflective of economic need.

Risk Management/Assessment

- 5 The Employment and Skills Plan provides an evidence-based framework to guide future investment decisions by the West of England Combined Authority and partners, which address regional challenges and opportunities, and supports the economic wellbeing of our people, communities and employers. Projects brought forward by the Plan will be subject to their own risk management/assessment in due course.

Public Sector Equality Duties

- 6 There are no specific equality implications arising directly from this report at this stage.

Climate Change Implications

- 7 The West of England Combined Authority's Climate Emergency Action Plan has been considered in the production of this report. Points of particular relevance have been added to this report and reviewed by the Head of Environment.

Report and advice reviewed and signed off by: Roger Hoare, Head of Environment

Finance Implications, including economic impact assessment where appropriate:

- 8 The Plan provides a framework for both directing existing funded projects and for helping to shape any new investments that may come forward. Therefore, existing and known delivery will be within current budgets (around £60m) and any new delivery will be subject to new funding bids from a variety of sources.

Report and advice reviewed and signed off by: Stephen Fitzgerald, Interim Director of Investments and Corporate Services.

Legal Implications:

- 9 The proposals in the report are within the powers of the West of England Combined Authority.

Report and advice reviewed and signed off by: Tom Clark, Head of Legal Services.

Human Resources Implications:

- 10 There are no Human Resources implications arising directly from this paper. Individual projects arising from the Employment and Skills Plan may have resource requirements, and if this is the case, separate business cases will be brought and any HR implications will be detailed within these business cases.

Report and advice reviewed and signed off by: Alex Holly, Head of People and Assets

Appendices:

List any appendices to the report:

Appendix 1 – Draft West of England Employment and Skills Plan

West of England Combined Authority Contact:

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