

## **LEP - Lancashire Skills and Employment Board**

**Wednesday, 22nd February, 2017 in Cabinet Room D - The Henry Bolingbroke Room, County Hall, Preston at 8.00am**

### **Agenda**

#### **Part I (Items Publicly Available)**

- 1. Welcome and Apologies for Absence**
- 2. Declarations of Interest**
- 3. Minutes of the meeting held on 11 January 2017** (Pages 1 - 6)
- 4. Matters Arising**
- 5. Skills Hub Update** (Pages 7 - 14)
- 6. National Collaboration Outreach Programme (NCOP)**  
*Presentation from Lynne Livesey*
- 7. ESIF Programme - update and recommendations** (Pages 15 - 20)
- 8. Green Paper: Building our Industrial Strategy** (Pages 21 - 26)
- 9. Apprenticeship Growth Plan** (Pages 27 - 38)
- 10. DWP Fuller Working Lives Strategy and Lancashire 'The Value of Experience' Conference** (Pages 39 - 44)

#### **Part II (Private and Confidential)**

- 11. Strategic Planning Session - expanding the evidence base** (Pages 45 - 50)  
*(Not for Publication - Exempt information as defined in Paragraph 41 of the Freedom of Information Act 2000. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)*

**12. Area Based Review progress report** (Pages 51 - 56)

*(Not for Publication - Exempt information as defined in Paragraph 41 of the Freedom of Information Act 2000. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)*

**Part I (Items Publicly Available)**

**13. Reporting to the Lancashire Enterprise Partnership**

- *Identification and agreement of any recommendations for consideration/approval by the LEP Board.*
- *Identification and agreement of issues for inclusion in the feedback report for the LEP Board.*

**14. Any Other Business**

**15. Date of Next Meeting**

The next meeting was scheduled to take place at 08.00 on 07 June 2017 in Cabinet Room D – Henry Bolingbroke Room, County Hall, Preston

An informal session is scheduled for 05 April.

## LEP - Lancashire Skills and Employment Board

**Minutes of the Meeting held on Wednesday, 11th January, 2017 at 12.45pm at the Runshaw College - Euxton Campus**

### Present

Mark Allanson  
Lindsay Campbell  
Steve Gray  
Paul Holme

Lynne Livesey  
Joanne Pickering  
Andy Wood

### Observers

Dean Langton  
Sharon Riding

### In Attendance

Councillor Mark Townsend, Burnley Borough Council  
Pam Smith, Burnley Borough Council  
Dr M Lawty-Jones, Lancashire Skills Hub  
Lisa Moizer, Lancashire Skills Hub  
Janet Jackson, Strategic Partnerships Manager for NEET, Lancashire Skills Hub  
Sean McGrath, External Funding and Investment Manager, LCC  
Holly Tween, Company Services, LCC

#### 1. Welcome and Apologies for Absence

It was noted that Amanda Melton had given apologies. Joanne Pickering took the Chair.

The Chair welcomed everyone to the meeting and noted that apologies had also been received from Graham Haworth and Bev Robinson. Introductions were made by all in attendance.

#### 2. Declarations of Interest

There were no declarations of interest in relation to matters appearing on the agenda.

#### 3. Minutes of the meeting held on 30 November 2016

**Resolved:** that the minutes of the meeting held on 30 November 2016 are confirmed as an accurate record and signed by the Chair.

#### **4. Matters Arising**

It was reported that the Apprenticeship Growth Plan would now be taken to the February meeting of the Board.

In relation to the ESF Moving On Project, it was noted that a steering group had taken place in December where data collection was discussed. The project had now been extended for three months to July 2018 and outputs were being re-profiled which would help resolve the timing issues discussed at the last meeting.

It was noted that Lisa Moizer was in contact with Lisa Edge regarding the developing website.

#### **5. ESIF Programme - progress and recommendations to the ESIF Committee**

Sean McGrath, External Funding and Investment Manager, Lancashire County Council, attended to present the report on the Lancashire ESIF Programme performance previously circulated, which the Committee considered.

It was reported that 39% of the total funds had been committed and that, given the challenging nature of the outputs, Lancashire's position should be regarded as good. In terms of ESF, most of the funding had been allocated through opt-ins.

It was highlighted that no ESF calls had been issued in Lancashire since the EU referendum result. It is understood that other areas had been prioritised, due to poorer performance. Further clarity was awaited from DWP in regard to the prioritisation process and positioning of Lancashire. It was also unclear when the programme would run to, it was hoped that it would be at least December 2019, if not December 2020. Again, clarity from DWP was awaited.

Two projects from Lancashire had been developed and sent to the DWP in July. These were around 'Leadership and Management for Females in STEM Industries and SMEs' and 'Apprenticeship Capacity Building'. These should have been moderated over the summer and released in September, but this had not happened. Further guidance was awaited from DWP.

Michele Lawty-Jones updated the Committee on the Skills Funding Agency (SFA) Opt-in where, due to uncertainty around the SFA's future, only two thirds of the allocation had been contracted, leaving £13.7m to be allocated across ESF measures 1.1, 1.2 and 2.1. The committee discussed the options for procuring activity for this funding. The options included procuring activity that would begin delivery once the current SFA projects had completed (July 2018).

The Committee felt it would be useful to gather further information to gain a feel for how current projects operate, and to ensure that new activity procured was chosen in response to emerging needs and gaps.

It was therefore agreed that a report would be presented to the next Skills and Employment Board meeting for discussion and feedback to the ESIF committee on the suggested nature of activities to procure, showing headlines and timescales, with a detailed specification to be developed later. It was agreed that ethnic minority outputs could be built into the specifications.

**Resolved:**

1. That a report showing the suggested nature of activities to procure, headlines and timescales would be brought to the meeting on 22 February for discussion and for feedback to the ESF committee.
2. That ethnic minority outputs would be built into the specifications

**6. ESIF Skills Funding Agency Opt-in Projects: Engagement Activity / Capacity Building Plans for approval**

Janet Jackson, Strategic Partnerships Manager for NEET, Lancashire Skills Hub, attended to present the report on the Engagement Activity / Capacity Building Funding and Delivery Plans for the Skills Funding Agency (SFA) / ESF projects, which the Committee considered.

It was highlighted that within the contracts with SFA up to £825,000 was available for engagement and capacity building activity across the three ESIF projects, Employee Support in Skills (ESS), Access to Employment (ATE) and NEET.

The Committee considered the spreadsheets showing the funding broken down by project and by theme/priority. The plans were approved by the Committee. Following a discussion, the Committee requested that information about the outcomes of the activity be included in the next progress report.

**Resolved:**

1. That the cross-cutting approach to investment of engagement activity / capacity building funding as set out in the report is agreed
2. That the Engagement Activity / Capacity Building delivery plans for each project and theme are agreed
3. That the next progress report brought to the Board includes outcomes

**7. Area Based Review - Progress Report**

Michele Lawty-Jones presented the report on the Area Based Review.

The next Steering Group was scheduled for the end of January where the draft recommendations would be considered. Michele Lawty-Jones provided an overview of the draft recommendations and the Committee was supportive. The

Committee would be updated further on the recommendations as they were formulated.

It was recognised that there was a need to ensure private providers and employers were involved, and that the skills conclusion was being met through collective working.

**Resolved:** that the report be noted.

## **8. Meeting Programme 2017**

At the LEP Board meeting on 08 November 2016 the Board approved a slight reduction to the cycle of LEP Board meetings, and also reviewed the cycle of LEP Committee meetings with a view to mirroring the same cycle. The intention is for the Committees to all meet in the month prior to LEP Board meetings which will allow time for decisions referred on to the LEP Board to be prepared.

The Committee considered the report. There was a general feeling that keeping some dates as informal sessions could help set aside time for strategic planning as well as support relationships and information sharing. It was also noted that should items of business arise which required urgent attention, the informal session could meet formally. The Committee therefore agreed to move to four formal meetings per year, and to keep the other dates as informal sessions.

**Resolved:** that the programme of meetings for 2017 be amended to the below:

### Formal Meetings

22 February

07 June

18 October

29 November

### Informal Meetings

05 April

26 July

07 September

## **9. Reporting to the Lancashire Enterprise Partnership.**

**Resolved:** that the following matters be reported to the LEP Board:

1. The agreed meeting programme for the year, noting the formal and informal meeting dates
2. A summary of the planning meeting including feedback from discussions

**10. Any Other Business**

Michele recommended that a presentation be provided by UCLAN at the next meeting on the National Collaborative Outreach programme in Lancashire which commences this month

Joanne reported that the HR Employers forum was holding an event in March, at which learndirect would be speaking about the ESF project aimed at upskilling employees in the workplace (Employee Skills Support).

**11. Date of Next Meeting**

The next meeting was scheduled at 08.00 on 22 February 2017 at Cabinet Room D – the Henry Bolingbroke Room, County Hall, Preston.





## LEP – Sub Committee

## LEP - Lancashire Skills and Employment Board

**Private and Confidential: No**

Wednesday, 22 February 2017

## Skills Hub Update

**Report Author:** Dr Michele Lawty-Jones, Director of the Lancashire Skills & Employment Hub, [michele.lawty-jones@lancashire.gov.uk](mailto:michele.lawty-jones@lancashire.gov.uk) & Lisa Moizer, Co-ordinator of the Lancashire Skills & Employment Hub [lisa.moizer@lancashire.gov.uk](mailto:lisa.moizer@lancashire.gov.uk)

### Executive Summary

This paper provides an overview of the Lancashire Skills Hub activity since the last board meeting.

### Recommendation

The board are asked to:

1. Note the up-date.
2. Support the suggestion that Graham Cowley be invited to a future meeting to talk about the work in Blackpool and the evolving approach to the Opportunity Area.

## Background and Advice

### 1. Careers Education, Information, Advice and Guidance (CEIAG)

- 1.1 The expansion of the Lancashire Enterprise Adviser Network with Inspira has exceeded the end of January target (60 schools and colleges). The network has grown from 30 to 62 schools since the update in November. The network is spread across Burnley and Blackburn with Darwen, and the new areas: Blackpool, Morecambe, Preston, Pendle, Rossendale and Hyndburn. Thirty six Enterprise Advisers have been recruited to date. 65% are SMEs and 35% are large employers. The focus in the new areas is the recruitment of the additional Enterprise Advisers; 25 of the 36 Enterprise Advisers are matched to schools with the remainder commencing during February and March. Employers from the Energy and Health and Social Care sectors are currently being approached



to complete engagement of Enterprise Advisers across all Lancashire LEP priority growth sectors.

- 1.2 Employer engagement strategies and plans are being embedded into the schools with support from their Enterprise Adviser and the Enterprise Coordinator. As a result a range of activities are being developed which are increasing the number of employer encounters. Examples from Blackburn with Darwen and Burnley include local Business Leaders providing Year 10 Business Studies students an insight into starting and running a business (7 employers supported this activity), visits to companies by groups of gifted and talented Year 9 students (6 companies engaged), whole year groups will be spending half a day in businesses in March 2017 (7 companies engaged), students from Coal Clough Academy (Pupil Referral Unit) spent time with Pendleside Hospice's Fundraising team to work as a team to plan and deliver a fundraising project, supporting the development of employability skills. A large skills event in Blackburn with Darwen is planned on the 7 March 2017 during National Careers Week which will be supported by 33 organisations and attended by 600 young people. The event will enable young people to have hands on experience of employer related activities.
- 1.3 The Careers and Enterprise Company procurement exercise to contract mentoring providers across the Country has now been completed. Two contracts for Lancashire have been awarded (of the 29 nationally): EBPBW in the East of Lancashire and Preston, and Inspira in Blackpool and Morecambe. This is complementary to the ESF activity recently tendered, and is welcomed as an earlier intervention to support young people to reengage. Project initiation meetings have been held jointly between the Careers and Enterprise Company and the Skills Hub.
- 1.4 The Inspira mentoring provision is targeting Years 8 to 10; schools are asked to identify the young people they feel will benefit most. In this first academic year (2016/17) Inspira is contracted to work with 84 young people and engage sufficient business mentors (the business mentors will support 3 young people in the Inspira model). In the second academic year this grows to 166 young people. Three Blackpool Schools have been engaged to-date and recruitment of mentors has commenced. A mentoring handbook has been developed, which will complement Inspira's mentoring training programme; the first training programme will take place early March, with view to activity commencing late March.
- 1.5 EBPBW will support 120 learners from cold spots along the M65 corridor through a 1:1 and group mentoring programme to Year 9 and 10 students at risk of disengaging. Students are targeted based on referrals from school. The face-to-face mentoring will occur on average every 3 to 4 weeks. Students will undertake 6 activities throughout the programme, including enterprise activities. Six of seven target schools have signed service level agreements and are in the process of identifying students. Mentor recruitment is



underway, with the first 12 employers now fully trained and DBS cleared ready for delivery to commence in schools at the beginning of March.

- 1.6 The activity fund has been released by the Careers and Enterprise Company for activity in academic year 2017/18. The funding supports the delivery of activities which can be embedded into the employer engagement plans of the schools and colleges involved in the Enterprise Adviser Network. A rate card approach is being trailed this year in the Opportunity Areas, including Blackpool, so that schools can pick from a menu of options with their Enterprise Adviser. The Skills Hub has been involved in the evaluation process; 20 proposals have been shortlisted and interviews will take place in March.
- 1.7 A forum organised by the Careers and Enterprise Company for LEP Skills Leads was attended on the 7<sup>th</sup> February. The Skills Hub was invited to present on progress in Lancashire and the strategic fit of activity and how it aligned with the priorities of the LEP. It was announced at the meeting by the company that the Department of Education has confirmed funding until the end of academic year 2019/20. It was indicated that a letter will be sent to the LEP confirming the grant offer in April. Match funding is in place until the end of 2017/18 in Lancashire via Lancashire County Council. Further match will be need to be confirmed to continue activity.

## **2. Blackpool Opportunity Area**

- 2.1 In early October, the Government announced £60 million funding for 10 opportunity areas (now 12), aimed at helping local children get the best start in life and improving social mobility. Blackpool was included in the first 6 opportunity areas announced. It is intended that opportunity areas will also be given prioritised access to a wider support package helping young people from nursery right through to starting work, including a teaching and leadership innovation fund worth £75 million over 3 years focused on supporting teachers and school leaders in challenging areas to develop. The Careers and Enterprise Company have also offered to fully-fund an Enterprise Coordinator in each of the Opportunity Areas and the LEP has received a grant offer for Blackpool, which will complement the work to date and the broader Lancashire Enterprise Adviser Network.
- 2.2 The Skills Hub is involved in the development of the approach in Blackpool and is working with Graham Cowley (who has agreed to chair the Executive Partnership that is being established to oversee the Opportunity Area delivery plan) Blackpool Council and the Blackpool School Improvement Board. The executive, which also includes Blackpool and The Fylde College, will feed in developments and good practice to the Skills and Employment Board to ensure that learning and good practice is disseminated to other areas of Lancashire in which there is a 'disadvantage gap'. Graham has offered to attend a future meeting of the committee to provide further insight.



### **3. European Structural Investment Funds (ESIF)**

- 3.1 The main agenda item relating to ESIF provides an update on the latest position in relation to procurement and planning.
- 3.2 Tracy Heyes, Strategic Partnerships Manager (Employers) commenced employment on Monday 9<sup>th</sup> January. Interviews were held early January for the Strategic Partnership Manager (Adults). Sara Gaskell has been appointed and will commence employment on Monday 6<sup>th</sup> March; Sara has a strong track record in developing strategic partnerships and overseeing ESF adult-facing activity.
- 3.3 The three Skills Funding Agency (SFA) opt-in projects are now in delivery. In addition to the steering group for the NEET activity (SFA and Big Lottery), a steering group has been established for the Employee Skills Support project led by Learndirect (upskilling in the workplace) and met for the first time mid-January.
- 3.4 The SFA NEET programme is currently underperforming nationally due to the complex nature of the funding model and eligibility criteria (as presented at the November meeting by Preston's College). Preston's College have provided the following update (3.4.1 and 3.4.2).
  - 3.4.1 In December, Preston's College gained agreement to re-profile (as previously reported). The project has now formally been extended to July 2018, although the requirement to deliver the full amount originally profiled by July 2017 is still in place. At the February Performance Management Point (PMP), the value delivered by the partnership was £498,867. This equates to 861 starts on programme. A key challenge is the need to deliver a further £2,025,758 in this academic year to avoid contract reduction at the July PMP. There is a 10% tolerance against this value. Work has been undertaken to ensure that realistic profiles are in place with delivery partners and to streamline the evidence validation compliance process. A procurement exercise to select additional delivery partners to address any shortfall in value or gaps in provision focusing on target groups and geographic wards has been initiated; successful applicants will be announced publicly on Tuesday 28 February 2017.
  - 3.4.2 There may be a further opportunity to re-profile in April 2017 with the possibility that the current July restriction might be lifted. This would mean that the income profile could be spread more realistically across the academic years. Any requests would be agreed with the Skills and Employment Hub around emerging need and priorities, and would aim to achieve the greatest impact over the project lifetime. The next steering group takes place on Tuesday 21<sup>st</sup> February.
- 3.5 The SFA Employee Skills Support programme commenced delivery in January, following the development phase in the previous quarter. The next steering group takes place on Thursday 23<sup>rd</sup> February. The following update has been provided by the accountable body, Learndirect (3.5.1 and 3.5.2).



- 3.5.1 The project comprises 3 strands: Skills Support for the Workforce (SSW) – basic skills, SSW – intermediate and higher level, and Skills Support for Redundancy (SSR). In January, 21 Learner Assessments and Plans were delivered against SSW - basics skills against a profile of 29. Reassuringly performance is forecast to be 311 against a profile of 88 in February. No Learning Assessments and Plans have yet been delivered against the other two strands, however activity is forecast in February of 25 against SSW – intermediate and higher level (against a profile of 136) and 54 (against a profile of 41) for SSR.
- 3.5.2 Delivery is being undertaken by both Learndirect and their supply chain. Learndirect have now formally contracted with 9 suppliers which are profiled to deliver from February. 3 suppliers delivered activity in January. Following the recent ITT to procure new suppliers due diligence is underway and Learndirect expect the newly contracted suppliers to be delivering by Mid-March (which will boost the level of delivery against SSW – intermediate and higher level). It is anticipated that delivery will increase in March with the increase in the supply chain and also further development of the Learndirect direct delivery curriculum.
- 3.6 The SFA Access to Employment is the final SFA opt-in project. The accountable body for the project is Preston's College. A steering group is to be established once Sara Gaskell takes up post, and also a broader forum which will bring in the range of projects which aim to support active inclusion and labour market mobility. Preston's College have provided the following update in relation to Access to Employment (3.6.1 and 3.6.2).
- 3.6.1 The 2 themes of the Access to Employment contract combine to a total contract value of £6.7m and aims to support over 4,000 unemployed and inactive adults across Lancashire into work. The contract is held by Preston's College as Lead Accountable Body on behalf of LESEP. The delivery network includes colleges, private training providers, third sector and other partner organisations. There are a number of new and different partners to the NEET partnership including specific employment and sector focused training providers. This addresses the high percentage of job and Apprentice outcomes required.
- 3.6.2 The majority of delivery partners have received letters of intent allowing them to start delivery while contracts are finalised and the first participants started on programme this month.
- 3.7 Three projects have been contracted under the Big Lottery 'Building Better Opportunities' opt-in with Social Enterprise Network Lancashire (Selnet) as the accountable body. The projects aim to target the most disadvantaged in Lancashire. The Invest in Youth (NEET) project is complementary to the SFA activity and is overseen by the same steering group. All three projects have now been contracted. The following update has been provided by Selnet (3.7.1 to 3.7.4).



- 3.7.1 The two projects, Invest in Youth and Age of Opportunity are under profile in terms of the targets for the period, however this is the case for all BBO projects in the North West and we are confident that we can increase through-flow to bring us to our target profile for this current period.
- 3.7.2 'Invest in Youth' targets young people aged 15-24. 112 participants are registered on the project CRM system and the first grant claim was submitted in January. The key project partners continue to meet on a monthly basis to share learning and support each other to help our participants. There is an emerging demand for mental health/wellbeing support for participants on this project and we are currently examining ways of meeting this demand using the flexible specialist budget which we have built into the project, without duplicating existing external provision. Two partners have withdrawn from the programme and we are now procuring replacement delivery partners to fill the gap in provision.
- 3.7.3 'Age of Opportunity' targets disadvantaged unemployed adults aged 50 and over. The project is now supporting participants and is currently experiencing a higher than anticipated interest. There are 232 participants registered on the project CRM system. The first grant claim was submitted in January and the feedback from the subsequent audit was positive. There has been significant demand within this project for support with speaking English. We are currently making plans to map external language services to enable us to see where there are gaps in provision. Where it is justifiable we will look to procure support for participants using the flexible specialist budget we have built into the project. Five partners have withdrawn from the project since it started in August 2016 and we are now procuring replacement delivery partners to fill the gap in provision.
- 3.7.4 'Changing Futures' was approved by BLF on 1<sup>st</sup> February 2017 and partners are currently recruiting new posts in order to deliver the project. The first referrals onto the project have been made by partners who are ready to deliver, though most delivery will begin in April.
- 3.8 Sean McGrath and the Skills Hub attended a project initiation meeting with DWP and G4S, who are the accountable body for the 3 year DWP opt-in keyworker project. The delivery partners are Burnley Football Club in the Community, Bootstrap, Blackpool Council and PHX Training. The project aims to give benefit claimants additional support to secure work. A second meeting was also held to discuss referral processes to the project, and also the skills escalator and referrals to the Employee Skills Support project, to maximise sustainable job outcomes. A critical issue at present is the length of time it takes for DWP to confirm that a customer is eligible (up to 20 days) – DWP are looking at how this can be reduced, as this impacts on attrition.



- 3.9 Stage 2 applications to the Active Inclusion call were appraised against strategic fit at the ESIF committee in January. DWP are now appraising bids (which includes the new requirement to appraise projects against 'national value for money') and liaising with Treasury. It is currently unknown how long the process will take and when projects might move to contract, assuming they are approved. Sean McGrath has asked DWP to confirm timelines.

#### **4. Growth Deal Skills Capital**

- 4.1 Edwin Booth visited the University of Cumbria's campus in Lancaster to meet the new vice chancellor, Professor Julie Mennell and to undertake a tour of the evolving Teaching Hub which will be a focal point for health and social care provision. The hub will open in September 2017. See here for press release: <http://www.lancashirelep.co.uk/news/archive/2017/lep-uni-cumbria-health-social-care.aspx>

#### **5. Events**

- 5.1 The Skills Hub was invited to be the key note speaker at the Lancaster & District Chamber of Commerce Christmas lunch. This gave opportunity to speak to 90+ business representatives about the apprenticeship reforms and the levy, and to promote engagement with the Lancashire Enterprise Adviser Network. Enterprise Advisers for the Morecambe schools have been secured for the network via the Chamber.
- 5.2 The Skills Hub presented at the City Deal Construction Hub. This gave opportunity to speak to 50 construction business representatives about the apprenticeship reforms and the levy, and to promote engagement with schools to inspire young people, through for example, the Lancashire Enterprise Adviser Network.
- 5.3 A roundtable was organised in response to a skills shortage raised by both the East Lancashire Chamber of Commerce and the Lancaster & District Chamber of Commerce. The roundtable focused on the shortage of skilled HGV drivers in Lancashire (and the industry generally), and involved the 2 chambers, 3 employers, DWP and Mantra, LanTraining and the Transport Teaching Academy. Barriers to entry for young people were highlighted, as were issues of retention – a number of solutions were discussed which will be taken forward over the coming months.
- 5.4 The Skills Hub volunteered to judge two categories of the Red Rose Awards 2017. The judging day took place earlier this month – the calibre was extremely high and difficult decisions were made!

#### **6. Digital Advantage**

- 6.1 Digital Advantage has engaged with 10 education institutions and is delivering the programme to 129 young people in eight of the 10 institutions. A group of NEET young people will now be involved in the project which replaces a potential group at a School Sixth Form, the school disengaged after initially showing interest. The final two groups will start the programme by the end of



February and this should take the number of young people engaged above 150.



## LEP – Sub Committee

### LEP - Lancashire Skills and Employment Board

**Private and Confidential: No**

Wednesday, 22 February 2017

### ESIF Programme - update and recommendations

**Report Author:** Dr Michele Lawty-Jones, Director of the Lancashire Skills and Employment Hub, [michele.lawty-jones@lancashirelep.co.uk](mailto:michele.lawty-jones@lancashirelep.co.uk) & Sean McGrath, External Funding & Investment Manager, [sean.mcgrath@lancashire.gov.uk](mailto:sean.mcgrath@lancashire.gov.uk)

#### Executive Summary

The report provides a progress up-date in relation to the European Social Fund (ESF) element of the European Structural and Investment Funds (ESIF) programme in Lancashire, and the issue of the call against investment priority 2.2.

The report provides an overview of the current position in relation to funds allocated against investment priorities 1.1, 1.2 and 2.1 in Lancashire against the SFA opt-in, the funds released, and national policy. It is recommended that no further calls are released against these investment priorities utilising the 'released' SFA opt-in allocations until national policy is clearer (including the potential to extend contracts). If policy remains unclear by June this year, it is recommended that calls be developed with DWP over the Summer for release in September 2017.

#### Recommendation

The committee are asked to:

1. Note the progress report in relation to procurement activity and the release of the 2.2 call.
2. Support the recommendation that calls are not developed for the £13.7m until further clarity is received in relation to national policy; if policy remains unclear by the June meeting of the committee, recommendations will be brought with view to developing calls for projects over the summer for release in September 2017.



## **Background and Advice**

### **1.0 Background**

At the last committee meeting, Sean McGrath (External Funding and Investment Manager, Lancashire County Council and LEP ESIF programme lead) attended the meeting to discuss the latest position in regard to the ESIF programme, and in particular ESF.

This paper provides an up-date on progress since the last meeting, and as agreed at the last meeting, recommendations in relation to the funding released from the Skills Funding Agency opt-in.

### **2.0 Progress since the last Committee Meeting**

It was highlighted at the last committee meeting that there had been no ESF calls issued since the EU referendum result in Lancashire, although calls had been released in other sub-regions. The dissatisfaction of the Skills and Employment Board was raised at the ESIF Committee on the 12<sup>th</sup> January with DWP representatives. It was reiterated that the two proposed calls developed in June 2016 were aligned with the Skills and Employment Strategic Framework and priorities in Lancashire (and not reactions to the EU referendum result; a number of other areas developed calls quickly to attempt to allocate funding prior to the autumn statement).

The discussion at the ESIF Committee led to DWP prioritising Lancashire in its current planning, and a call was issued on Monday 30<sup>th</sup> January against investment priority 2.2; this was justified as DWP had not procured any funding against investment priority 2.2 to-date in Lancashire. It is unknown, at present, when further calls will be issued, including the 2.1 call which was also planned in June 2016 (focusing on leadership and management).

The 2.2 call was circulated via email to committee members:

<https://www.gov.uk/european-structural-investment-funds/skills-for-growth-project-call-in-lancashire-lep-area-oc19s17p0576>. The call, developed in June 2016 in accordance with the priorities identified by the Skills and Employment Board, focuses on improving the labour market relevance of provision and the engagement of small to medium enterprises. The process is a two stage process and the deadline for expressions of interest is the 10<sup>th</sup> March 2017. As this is directly matched locally (as opposed to being part of an opt-in), the ESIF Committee (non-conflicted members) will be asked to comment on the strategic fit of submissions. The Skills Hub and the ESIF Team at County have been raising awareness of the call with providers and employers across Lancashire.

### **3.0 Unallocated ESF funding**

As discussed at the last committee meeting, £13.7m has been released from the SFA opt-in across investment priorities 1.1, 1.2 and 2.1. As per the ESF Operational Programme, the investment priorities are described as follows:



**1.1: Access to employment for jobseekers and inactive people (£3.7m)** – to help those who are disadvantaged but still relatively close to the labour market to tackle their barriers to work, and enter and sustain employment.

**1.2: Sustainable integration of young people (£2.2m)** – to focus on helping young people, particularly those who are NEET or at risk of NEET to participate in the labour market and learning in areas.

**2.1: Enhancing equal access to lifelong learning (£7.8m)** – for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences.

At present there are 3 projects delivering against the 3 investment priorities through the SFA opt-in (and 1 project against 1.1 through the DWP opt-in) – see the diagram in Appendix 1. The benefit of this approach is that the SFA provides the match funding, which enables the ESF funds to be drawn into Lancashire. Access to Employment (1.1) supports inactive and unemployed to access employment through upskilling in-line with the needs of Lancashire employers who are recruiting (with a focus on the priority sectors); the NEET programme (1.2) provides a range of support to young people who are at risk of or NEET, to support them into work or full-time learning (with a focus on geographical cold spots in Lancashire and a range of priority groups e.g. looked after children); and the Employee Skills Support (2.1) upskills individuals in the workplace, in-line with the needs of their business, to boost workplace competence and to progress people up the skills escalator – the programme is skewed towards businesses in the priority sectors and towards progression to Level 3 and beyond to close the gap in Lancashire.

As the investment priorities are quite closely defined, it is likely that similar activity would be requested; the flexibility that the LEP can define is the prioritisation of the funding towards certain priority groups, geographies and sectors – at present these are defined in accordance with the priorities identified in the evidence base that underpins the Skills and Employment Strategic Framework.

As discussed at the previous committee meeting match funding locally may be problematic. A devolved Adult Education Budget could be used to match at a local level in the future, but it is unlikely that AEB will be devolved within the timescales to ensure that activity continues beyond July 2018 (to avoid a gap in activity); potentially if the SFA was no longer co-financing, then funding received by local providers could be matched provider-by-provider.

Since the last meeting, at which it was agreed that thoughts in regard to timescales for procurement should be recommended, indications are that policy remains unclear and that there may be potential for extensions. The contracts issued by the SFA for the 3 existing projects contained a clause which enabled them to be extended for a further 3 years. At present, it is still unclear whether projects will be terminated in July 2018 or whether there will be an option to extend activity utilising match from Government Departments. It has been indicated that a decision is likely to be made over the next couple of months. As activity is likely to be of a similar nature, with



similar priorities, it would make sense to extend contracts if this was an option, as opposed to procure new activity that would require locally sourced match. It is therefore recommended that a timeline for new procurement activity is not recommended to the ESIF Committee, but that the committee pause to see whether national policy in this area becomes clearer over the next couple of months.

If policy remains unclear, specifications should be developed in the summer, for release in September, with view to contracts being in place in April 2018, so that activity starts to be delivered as the current projects end in the July. It is recommended that this decision is made at the June meeting of the committee, pending clarity on national policy.

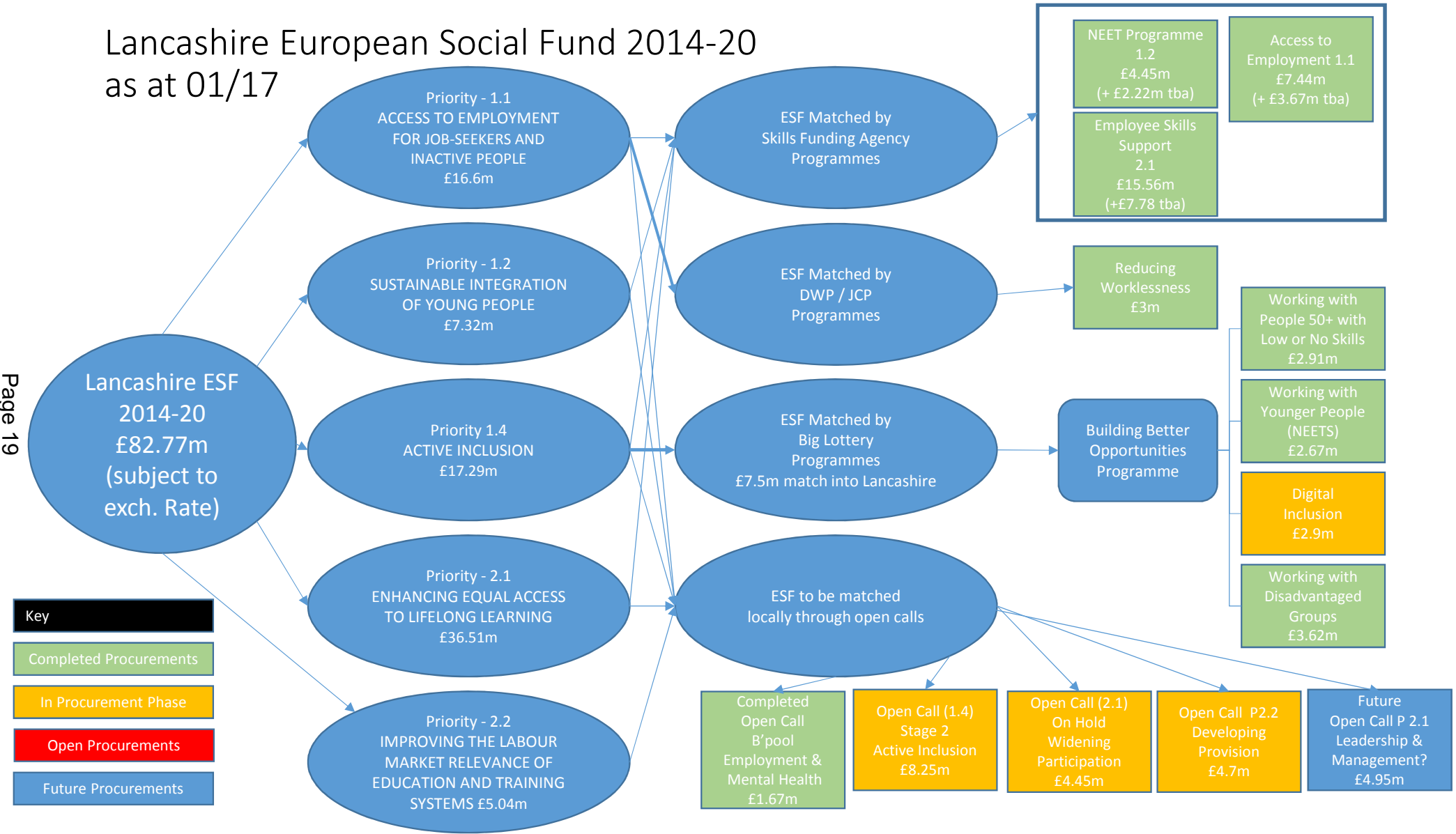
#### **4.0 Recommendation**

The committee are asked to:

1. Note the progress report in relation to procurement activity and the release of the 2.2 call.
2. Support the recommendation that calls are not developed for the £13.7m until further clarity is received in relation to national policy; if policy remains unclear by the June meeting of the committee, recommendations will be brought with view to developing calls for projects over the summer for release in September 2017.

Lancashire European Social Fund 2014-20  
as at 01/17

Page 19







## LEP – Sub Committee

### LEP - Lancashire Skills and Employment Board

**Private and Confidential: No**

Wednesday, 22 February 2017

### Green Paper: Building our Industrial Strategy

**Report Author:** Dr Michele Lawty-Jones, Director of the Lancashire Skills and Employment Hub, [michele.lawty-jones@lancashirelep.co.uk](mailto:michele.lawty-jones@lancashirelep.co.uk)

#### Executive Summary

The Green Paper 'Building our Industrial Strategy' was published by the Government in January for consultation. The deadline for responses is 17<sup>th</sup> April 2017. One of the ten pillars of the strategy is focused on 'Developing skills' and driving up basic skills; building a new system of technical education to benefit the half of young people who do not go to university; boosting science, engineering, technology and maths (STEM) skills; and raising skills levels in lagging areas.

#### Recommendation

The committee is asked to:

- 1) Note the publication of the Industrial Strategy and the contents.
- 2) Contribute to a discussion at the committee meeting, particularly in relation to the 'Developing skills' pillar, with view to feeding comments into the wider LEP response to the consultation.

## Background and Advice

### Building our Industrial Strategy

#### 1. Background

The Green Paper 'Building our Industrial Strategy' was published by the Government in January for consultation. The deadline for responses is 17<sup>th</sup> April 2017. The Government have posed a number of questions for the consultation against each of the ten pillars of the strategy.

The plan is aimed to shape a new modern industrial strategy for a post-Brexit Britain. The objective of the strategy is to improve living standards and economic growth by increasing productivity and driving growth across the whole country; this includes spreading wealth and developing a fairer society and helping young people to



develop the skills that they need to do the high-paid, high-skilled jobs of the future. The strategy includes reference to tackling regional disparities in productivity, average income and unemployment. The plan will build on strengths and extend excellence into the future. The full document can be accessed via [https://beisgovuk.citizenspace.com/strategy/industrial-strategy/supporting\\_documents/buildingourindustrialstrategygreenpaper.pdf](https://beisgovuk.citizenspace.com/strategy/industrial-strategy/supporting_documents/buildingourindustrialstrategygreenpaper.pdf). The summary can be found on pages 9-23.

## **2. Ten Pillars of the Industrial Strategy**

The strategy is structured against ten pillars. These are listed overleaf, with the aim of each pillar. Pillar 2 is focused on 'Developing skills' and driving up basic skills; building a new system of technical education to benefit the half of young people who do not go to university; boosting science, engineering, technology and maths (STEM) skills; and raising skills levels in lagging areas. Pillar 9 'Driving growth across the whole country' also includes reference to closing the gap in relation to disparities in skills levels and working with local areas to test new approaches to closing the skills gap e.g. through improved pre-school education; retention and attraction of graduates; and measures to increase the take-up of apprentices. An improved skills base (particularly in STEM) will also feed into success in other areas e.g. science, research and innovation, business start-up and growth, and cultivating world-leading sectors.



## The pillars

- 1. Investing in science, research and innovation** – we must become a more innovative economy and do more to commercialise our world leading science base to drive growth across the UK.
- 2. Developing skills** – we must help people and businesses to thrive by: ensuring everyone has the basic skills needed in a modern economy; building a new system of technical education to benefit the half of young people who do not go to university; boosting STEM (science, technology, engineering and maths) skills, digital skills and numeracy; and by raising skill levels in lagging areas.
- 3. Upgrading infrastructure** – we must upgrade our standards of performance on digital, energy, transport, water and flood defence infrastructure, and better align central government infrastructure investment with local growth priorities.
- 4. Supporting businesses to start and grow** – we must ensure that businesses across the UK can access the finance and management skills they need to grow; and we must create the right conditions for companies to invest for the long term.
- 5. Improving procurement** – we must use strategic government procurement to drive innovation and enable the development of UK supply chains.
- 6. Encouraging trade and inward investment** – government policy can help boost productivity and growth across our economy, including by increasing competition and helping to bring new ways of doing things to the UK.
- 7. Delivering affordable energy and clean growth** – we need to keep costs down for businesses, and secure the economic benefits of the transition to a low-carbon economy.
- 8. Cultivating world-leading sectors** – we must build on our areas of competitive advantage, and help new sectors to flourish, in many cases challenging existing institutions and incumbents.
- 9. Driving growth across the whole country** – we will create a framework to build on the particular strengths of different places and address factors that hold places back – whether it is investing in key infrastructure projects to encourage growth, increasing skill levels, or backing local innovation strengths.
- 10. Creating the right institutions to bring together sectors and places** – we will consider the best structures to support people, industries and places. In some places and sectors there may be missing institutions which we could create, or existing ones we could strengthen, be they local civic or educational institutions, trade associations or financial networks.

### **3. Pillar 2: Developing Skills**

The section outlines the opportunity that the apprenticeship reforms bring (growth from 2.4m in the last Parliament to 3m in this Parliament), and the increase in percentage of young people now entering higher education (it is now estimated that around half of all 17 year olds will participate in higher education by the age of 30). The Government's Higher Education and Research Bill, currently before Parliament, will build on the strengths of the UK's universities by putting in place a teaching excellence framework (as outlined and discussed at previous committee meetings). It is stated that a modern industrial strategy can also help create the right framework to incentivise businesses to invest in skills alongside public investment.

The strategy outlines the current challenges: including poor performance in basic and technical skills; the shortage of high skilled technicians below graduate level; shortages of skills in sectors that are dependent upon technical skills and STEM skills; the poor quality of careers advice; and the pace of technological change and thus the necessity of lifelong learning. It should be noted that the strategy refers to significant regional variations in progression to A-level mathematics – there is a marked difference in the percentage progressing when comparing London and the South East with other parts of the Country. Blackburn with Darwen is listed as one of the Local Authority areas with the lowest percentage progression (14%).

The strategy then goes on to outline a number of actions. This includes those that are underway such as the schools reforms, the apprenticeship reforms and the Sainsbury Review and the Skills Plan (as summarised and discussed at the July 2016 committee meeting) and a number of new commitments. The new commitments refer to: the implementation of the Skills Plan and the creation of a small number of high quality technical education routes post-16, taught by industry specialists; college centres of excellence for teaching maths and English; a system which enables clearer progression at 16 (similar to the UCAS process); actions to address the imbalance of progression in maths including the spread of the specialist maths school model pioneered by Exeter and King's College London; stimulating uptake of STEM subjects; publication of a comprehensive careers strategy later in the year; a review of approaches to lifelong learning; and addressing differences in skills levels between different areas of the country.

#### **4.0 Consultation Questions**

A total of 38 questions are posed within the consultation, including 5 against the 'Developing skills' pillar. The questions posed against 'Developing skills' are:



### Questions for consultation

1. What more can we do to improve basic skills? How can we make a success of the new transition year? Should we change the way that those resitting basic qualifications study, to focus more on basic skills excellence?
2. Do you agree with the different elements of the vision for the new technical education system set out here? Are there further lessons from other countries' systems?
3. How can we make the application process for further education colleges and apprenticeships clearer and simpler, drawing lessons from the higher education sector?
4. What skills shortages do we have or expect to have, in particular sectors or local areas, and how can we link the skills needs of industry to skills provision by educational institutions in local areas?
5. How can we enable and encourage people to retrain and upskill throughout their working lives, particularly in places where industries are changing or declining? Are there particular sectors where this could be appropriate?

## 5.0 Recommendation

The committee are asked to consider the 'Developing skills' Pillar of the Industrial Strategy and contribute to a discussion in relation to the questions posed. The discussion will then be summarised and a response compiled to feed into the broader LEP response to the strategy. Due to the timing of meetings, it is recommended that the input from the committee be approved via written procedure.





## LEP – Sub Committee

## LEP - Lancashire Skills and Employment Board

**Private and Confidential: No**

Wednesday, 22 February 2017

## Apprenticeship Growth Plan

**Report Author:** Lisa Moizer, Co-ordinator of the Lancashire Skills & Employment Hub [lisa.moizer@lancashire.gov.uk](mailto:lisa.moizer@lancashire.gov.uk)

### Executive Summary

The draft Apprenticeship Growth Plan has been consulted on with key stakeholders. Those who responded to the Apprenticeship Growth Plan consultation agreed that planned growth needs to focus on the socio economic benefits for Lancashire. It was also agreed that the focus of activities should continue to be informed by intelligence which seeks to identify issues of the balance of supply and demand in the apprenticeship market. There is a plan in place to collate and analyse data to allow for an informed plan with allied targets.

### Recommendation

The Board are asked to sign off the Apprenticeship Growth Plan which includes the way forward in regards to activities around collecting intelligence and conducting analysis which will in turn inform updates of the plan.

## Background and Advice

### 1. Background

In the first instance the Apprenticeship Growth Plan has been informed by the Lancashire Skills and Employment evidence base and as such the action plan (see pages 6-9 of Appendix A) outlines a wide range of activity that is taking place which is addressing issues and opportunities in regards to apprenticeship growth across Lancashire.

The draft Apprenticeship Growth Plan has been consulted upon with key partners including the Lancashire WBL Forum and The Lancashire Colleges.

Both members of the Board and consultation responses raised the need for an informed and nuanced approach to determining local apprenticeship growth priorities that would focus on the socio economic benefits for Lancashire.



## **2. Update**

The Lancashire Skills and Employment Hub have successfully sought funding of £5k from the Skills Funding Agency to commission a piece of research analysing Lancashire employers to determine the expected number of potential apprenticeships for Lancashire that will be generated through the larger levy paying businesses. This research is planned to be completed in April 17.

The Hub are planning to trial a process of collating data from apprenticeship providers which will identify planned apprenticeship growth by priority sector and level. The data requested will be for the next two years 2017-18 and 2018-19 and at all apprenticeship levels up to level 8. Once trialled it is hoped that the major apprenticeship providers in Lancashire will participate and the data will only be shared with participants at an amalgamated level so that the data is not commercially sensitive. The data will highlight opportunities to develop provision to those in the partnership to act upon.

The two pieces of research/data looking at the demand and supply of apprenticeship provision will come together to support the plan and allied targets including informing the apprenticeship activity and targets across ESF projects, in particular SFA opt-in activity.

## **3. Recommendations**

The Board are asked to sign off the Apprenticeship Growth Plan which includes the way forward in regards to activities around collecting intelligence and conducting analysis which will in turn inform updates of the plan.



## **Appendix A**

# **Lancashire Apprenticeship Growth Plan**

## **Introduction**

The purpose of the Apprenticeship Growth Plan is to make the apprenticeship system work for Lancashire, encompassing the areas supported by Lancashire County Council, Blackpool Borough Council and Blackburn with Darwen Borough Council.

The Apprenticeship Growth Plan has been informed by a robust evidence base including comprehensive review of skills and employment issues in Lancashire and seven sector studies focusing on high replacement demand and growth potential. The evidence base continues to be maintained and evolve to ensure that Apprenticeship Growth Plan focusses on meeting the socio economic needs for the area by directing resources and activities in an informed way.

The Apprenticeship Growth Plan provides a strategic plan for investment and collaboration in apprenticeship activities and initiatives in Lancashire to achieve Lancashire's aims of apprenticeship growth by utilising apprenticeship reforms to the advantage of individuals, employers, apprenticeship providers and all other relevant stakeholders across Lancashire.

The Apprenticeship Growth Plan identifies key priorities and actions that should be addressed to help deliver apprenticeships to meet our growth target, local needs and opportunities. The Apprenticeship Growth Plan It covers issues of traineeships and low level apprenticeships; technical skills gaps and skills shortages; and high level apprenticeships, including degree apprenticeships.

## **Nationally**

In the last parliament 2010/11 to 2014/15 there were 2.4 million apprenticeships starts. The Government has set itself an ambition growth target to increase the number of starts from 2.4 million to 3 million, which is 25% growth in apprenticeships in this parliament (2015-2020).

To achieve this target the Government have set out a number of substantial reforms which are fundamentally transforming the Apprenticeship system. In December 2015 the Government published: English apprenticeships: our 2020 vision<sup>1</sup>, with the aim of implementing reforms to 'boost the benefits of apprenticeships even further'.

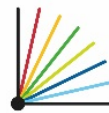
In spring of 2017 they are introducing the Apprenticeship Levy for all employers with a pay bill over £3 million. The reforms also include: employer-designed standards, expansion of higher level and degree apprenticeships, a new funding model, a digital apprenticeship service and a public sector apprenticeship growth target of 2.3% of their workforce.

## **Lancashire**

Over the last parliament Lancashire delivered 81,010 apprenticeships starts, which on average was a 3.37 per cent contribution to the 2.4 million national apprenticeship starts over these 5 years.

---

<sup>1</sup> <https://www.gov.uk/government/publications/apprenticeships-in-england-vision-for-2020>

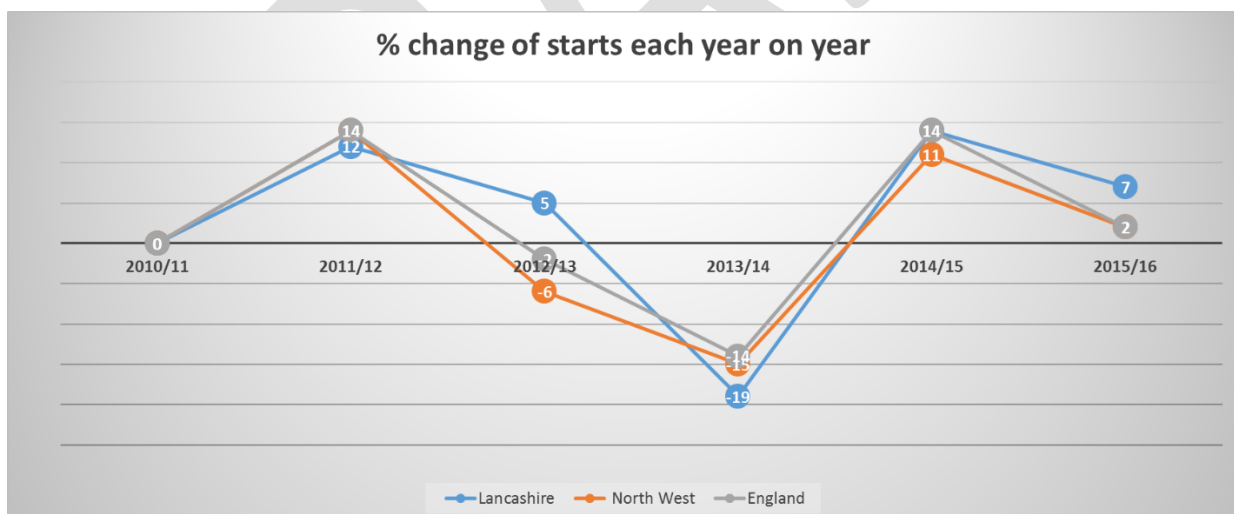


In 2015/16 Lancashire contributed 3.52 per cent to national starts and delivered a further 1,130 apprenticeship starts than the previous year 2014/15. So far in this academic year (Aug-Oct 2017) we have delivered 5,560 which is 3.63% of the 153,300 national starts. Our percentage contribution exceeds our relative size, in 2015 The Lancashire LEP area's population was 2.27% of the population of England.

	2010/11	2011/12	2012/13	2013/14	2014/15	Total in last parliament 2010-15	2015/16
<b>Lancashire LEP</b>	<b>15,270</b>	<b>17,070</b>	<b>17,860</b>	<b>14,390</b>	<b>16,420</b>	<b>81,010</b>	<b>17,550</b>
North West	78,660	89,310	84,180	71,670	79,310	403,130	80,820
England	453,000	515,000	504,200	434,600	494,200	2,401,000	503,900
<b>% Contribution to National Starts</b>	<b>3.37</b>	<b>3.31</b>	<b>3.54</b>	<b>3.31</b>	<b>3.32</b>	<b>3.37</b>	<b>3.48</b>

Source: <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships>

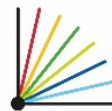
The year on year percentage change in apprenticeship starts below shows that the growth of apprenticeships since 2010/11 has been significantly impacted. Between 2014/15 and 2015/16 Lancashire has grown its apprenticeship starts by 7 per cent compare to the North West and England's 2 per cent growth.



Source: <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships>

While Lancashire is in a stronger position than others, the governments 3 million target for England is unrealistic. To meet their target of 2.4 million additional starts in this parliament, year on year there would need be a further 120,000 apprenticeship starts per annum. Between 2014/15 and 2015/16 there were only 9,700 more starts.

Our ambition is therefore is to incrementally grow our apprenticeships focussing on meeting the needs of Lancashire while continue the growth of our percentage contribution to the overall national starts year on year.



The table below shows a two year comparison of Lancashire's apprenticeship starts by priority sector and apprenticeship level. The majority of provision is growing across the board, with those which have declined or aren't delivered highlighted in bold. Data even at this macro level illustrates the opportunities availability, for example, with the introduction of the levy and standards in higher and degree apprenticeships. To note, the higher level data is mainly Level 4.

Priority Sector	Intermediate		Advanced		Higher	
	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
Advanced Manufacturing and Engineering	1072	1080	862	878	18	21
Construction	503	579	153	173	2	6
Creative and Digital	108	115	262	330	26	54
Energy and Environmental Technology	13	22	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Financial and Professional Services	2931	3089	1692	1747	383	558
Health and Social Care	1405	<b>1395</b>	1426	1437	393	425
Logistics	293	343	48	<b>36</b>	1	<b>0</b>
Science	<b>0</b>	<b>0</b>	7	11	0	3
Visitor Economy	1152	1192	480	550	7	26

Source: SFA Data Cube (2017)

## Lancashire's Skills and Employment Priorities

Creating sustainable skills and employment to drive prosperity is key to Lancashire's future.

The Skills and Employment Board was created to consider skills and employment priorities and make recommendations within Lancashire. The board supports the work of the Lancashire Enterprise Partnership and the evolving Lancashire Combined Authority.

The Board in turn discharges its duties through the Skills and Employment Hub. Both the Board and the Hub aim to facilitate/enable a balanced, skilled and inclusive labour market which underpins and contributes to economic well-being and growth across the County.

### **Skills and Employment Strategic Framework**

The Board commissioned an evidence-base which enabled an understanding of the key skills and employment demands in Lancashire. This evidence-base underpins the Lancashire Skills and Employment Strategic Framework<sup>2</sup> which draws together the key priorities, common themes and issues. The draft framework was consulted upon prior to finalisation with a wide variety of stakeholders including young people, employers, partners, providers and local authorities. The framework:

- Identifies the key priorities and actions required to drive up skills and employment in Lancashire.
- Aligns our pipeline of skills with the needs of businesses – now and into the future.
- Informs and underpins local investment decisions.
- Influences the use of the mainstream funding and help define our future asks of Government
- Channels energy of businesses, providers and partners at areas of priority.

<sup>2</sup> <http://www.lancashirelep.co.uk/lep-priorities/skills-employment/skills-and-employment-strategic-framework-2016-2021.aspx>



## Key skills and employment issues

- An ageing workforce / reducing working age population.
- Slower employment recovery post-recession.
- Varying school attainment levels.
- 29% of residents qualified to Level 4+ compared to 32% nationally.
- Fragmented Careers Advice and Guidance / engagement with the world of work.
- Graduate attraction and retention.
- Employer engagement with workforce planning / learning and development.
- Work programme performance.

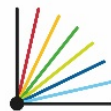
## Apprenticeships

Apprenticeships have been identified as a priority and one of the solutions to address Lancashire's key issues throughout the evidence base and in consultation with stakeholders. Embedded throughout the Strategic Framework are the following objectives that have now come together in this Apprenticeship Growth Plan:

- Increase the number, range and quality of apprenticeships.
- Encourage greater levels of provision at higher and degree level.
- Reach more employers in sectors with high replacement demand and growth.
- Ensure that young people and adults are aware of apprenticeships and enthused.

An overview of the framework, where Apprenticeship activity is embedded is provided below, by its 4 themes: Future Workforce, Skilled & Productive Workforce, Inclusive Workforce and An Informed Approach.

<b>FUTURE WORKFORCE</b>	<b>SKILLED &amp; PRODUCTIVE WORKFORCE</b>
<ul style="list-style-type: none"><li>• Inspiring young people and improving Careers Education, Information, Advice and Guidance.</li><li>• Improving employability skills and aligning curriculum.</li><li>• Investing in our learning infrastructure.</li></ul>	<ul style="list-style-type: none"><li>• Apprenticeship growth – routes to higher levels of professional and technical skills.</li><li>• Professional / Graduate attraction &amp; retention.</li><li>• Workforce planning.</li><li>• Leadership and Management / Innovation capacity in SMEs.</li></ul>
<b>INCLUSIVE WORKFORCE</b>	<b>INFORMED APPROACH</b>
<ul style="list-style-type: none"><li>• Enabling an inclusive workforce; supporting unemployed &amp; inactive into work.</li><li>• Digital inclusion.</li><li>• Incorporating social value into public procurement processes.</li></ul>	<ul style="list-style-type: none"><li>• Employer engagement to inform our approach.</li><li>• Maintain our evidence base and insight.</li><li>• Influence, prioritise and direct the use of funding – maximise impact.</li><li>• Connect with other LEPs.</li></ul>



## **Meeting Lancashire's needs**

By focussing on the three key ways of working we will meet the needs of Lancashire.

### **1. Collaborating and working in partnership**

The Apprenticeship Growth Plan can only be achieved in partnership with all stakeholders. A collaborative approach is required to ensure that the plan meets the needs of Lancashire, for example:

- Collaborating to create a granular plan which targets priority growth areas in particular sectors, occupational areas and levels. To forecast demand from employers and match that against what apprenticeships providers are planning to deliver.
- Collectively identify and work together to address areas of concern where the market on its own may not deliver the apprenticeships provisions needed by Lancashire businesses and where there are gaps in provision needed by employers.
- Encourage and support apprenticeship providers to collaborate on apprenticeship standard development to create complete provision pathways from level 2 to degree for employers in Lancashire's priority sectors.
- Apprenticeships providers working on a collaborative marketing campaigns.

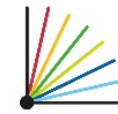
### **2. Informing, engaging and supporting key stakeholders**

Key stakeholders must not only understand apprenticeships and the reforms but find it easy to engage with apprenticeships whether that is as an individual, an employer or a provider of apprenticeships, for example:

- Supporting SME's to take on apprenticeships, through pre-apprenticeship provision, apprenticeship supervisor development and the development of apprenticeship standards.
- Supporting the public sector to meet its 2.3% target.
- Engaging with schools and teaching staff so that they can inspire young people to consider an apprenticeship.

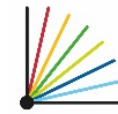
### **3. Directing funding and resources to support the plan**

Working in partnership to deliver this Apprenticeship Growth Plan which focusses on growth in specific key sectors, occupations and levels to meet Lancashire's needs will allow us to direct and focus limited funding and resources to areas which have greatest impact on Lancashire residents and the economy.



### Action Plan 2016-2017

Informed Approach			
<b>ACTION: Stakeholder engagement to inform our approach and maintain our evidence base and insight</b>			
Activity	Owner	Success metric	Planned Impact
A pilot approach to conduct research into the planned growth and scope of supply of apprenticeships collated from Lancashire based apprenticeship providers.	The Lancashire Skills and Employment Hub The Lancashire Colleges WBL Forum	An informed Lancashire growth plan in regard to supply.	Understanding the growth of the supply of apprenticeships will allow involved partners to consider gaps and duplication in the market.
Research into the employers in Lancashire, using SFA funding and data to identify who is engaged with apprenticeships, in what sector and at what level.	The Hub SFA	An informed Lancashire growth plan in regard to demand.	Highlight strengths and weakness of demand by sector, level etc. Cross referenced with the supply data above to identify under and over supply.
Regular meetings with representatives of the WBL Executive Forum.	WBL Forum The Hub	Outcomes of the meetings feed into the development of the growth plan. Evidence of collaborating on activities and shared ownership of the growth plan.	The plan reflects the needs of stakeholders and activities are successfully delivered in partnership.
<b>ACTION: Influence, prioritise and direct the use of funding</b>			
Activity	Owner	Success metric	Planned Impact
Funding from ESF, Careers Enterprise Company etc. to be directed to support the apprenticeship growth plan.	The Hub	Clear overview of funding and contribution to the Apprenticeship Growth Plan.	Achievement of apprenticeship growth targets.
<b>ACTION: Connect with other LEPs</b>			
Activity	Owner	Success metric	Planned Impact
Regular meetings with the North West, national network of LEPs and collaborating with other LEPs where appropriate.	The Hub	Cross boundary working is established to grow apprenticeships. E.g. collaborating in negotiating access to key data.	To consider where working across LEP boundaries can effectively grow traineeships and apprenticeships.



## Future Workforce

### ACTION: Inspiring young people

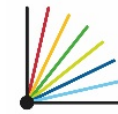
Activity	Owner	Success metric	Planned Impact
Growing the Employer and Young Apprenticeship Ambassador Network. This activity is supported by ESF activity funds.	The Hub WBL Forum LESEP Learndirect	Expand the network to 100 by summer 2017. Network to engage in a min of 150 activities by summer 2017.	Ambassadors break down misconceptions young people, teachers, parents and employers may have about apprenticeships and inspire people to engage with apprenticeships or traineeships.
The ASK project aim is to support schools to meet their statutory duties regarding apprenticeships and traineeships and inspire people to engage with apprenticeships or traineeships.	WBL Forum	Visit 80 schools Inform 4000 students about Apprenticeships. Work with 4000 students to register on Find an Apprenticeship with 120 applying for vacancies.	The ASK programme breaks down misconceptions young people, teachers and parents may have about apprenticeships and it inspires people to engage with apprenticeships or traineeships.
LMI Workshops inform adults that influence young people's choices about traineeships and apprenticeships.	The Hub NCS	Deliver LMI workshops to 150 individuals by summer 2017.	The workshops to break down misconceptions or misunderstandings teachers and school governors may have about apprenticeships and they inspire people to engage with apprenticeships or traineeships.
Lancashire Enterprise Advisor Network (LEAN) – embeds apprenticeship inspiration into the employer engagement strategies of each school in the network.	LEAN Inspira The Hub	Expand the network from 20 schools to 60 schools by end of January 2017 and 72 by June 17.	The enterprise advisors will embed traineeships and apprenticeships inspiration in each school's employer engagement strategy.

### ACTION: Improving employability skills and aligning curriculum

Activity	Owner	Success metric	Planned Impact
Digital Advantage Pilot being delivered in 10 institutions. Engage digital companies with apprenticeship providers to identify apprenticeships for young people.	The White Room Digital Lancashire WBL Forum	10 schools and colleges engaged in 2016/17. 150 young people engaged. 50% minimum progress into an apprenticeship.	Inspire young people to take up an apprenticeship in a digital company. Inspire Lancashire's digital employers to take on an apprentice. Address skills shortages in Lancashire's digital sector.



Skilled and Productive Workforce			
<b>ACTION: Apprenticeship growth</b>			
Activity	Owner	Success metric	Planned Impact
A series of apprenticeship levy events conducted in partnership.	WBL Forum The Hub	Good attendance and positive feedback.	Employers are informed of the apprenticeship driven reforms. Relationships between employers and apprenticeship providers strengthened.
Members of the WBL Forum producing a collective marketing campaign.	WBL Forum	Campaign is launched and results in additional apprentices.	Employers find it easy to engage with the WBL Forum and get an apprenticeship solution that meets their needs.
ESF funding for sector specific interventions to support Lancashire's priority sector SMEs to engage with the development and delivery of new apprenticeship standards, especially at higher levels.	TBC	Increase of employers especially SMEs delivering and being involved new apprenticeship standards in priority sectors.	Employers are supported to engage with the new standards and this leads to more standards being offered in Lancashire.
<b>ACTION: Capacity in employers to engage with apprenticeship reforms</b>			
Activity	Owner	Success metric	Planned Impact
ESF Employer Skills Support (ESS) - Mentoring training for supervisors. Supporting existing employees into apprenticeships.	Learndirect and subcontractors	Increased number of businesses offering apprenticeship standards.	Greater number of opportunities for Lancashire's people. Impact on productivity and growth for Lancashire's businesses.
ESF Access to Employment (A2E) - supporting unemployed candidates into apprenticeships.	LESEP	Increased number of businesses offering apprenticeships	Greater number of opportunities for Lancashire's people. Impact on productivity and growth for Lancashire's businesses.
<b>ACTION: Workforce planning</b>			
Activity	Owner	Success metric	Planned Impact
Strengthen relationship with BOOST Gateway Service, so they are fully informed of reforms, providers and how to link employers with them.	BOOST The Hub WBL Forum	Appropriate referrals from the Gateway Advisers to ESS programme and apprenticeship providers.	Making it easy for employers to take on an apprentice and therefore increase the number of apprenticeships.
Embedding apprenticeships support into sectors across organisations such as, NAA, Construction Hub, Digital Lancashire and the Health and Social Care Skills Partnership.	As per activity box	Increase the number of apprenticeships in Lancashire's priority sectors.	Inform employers about the routes, levy and reforms during interactions and linking up to apprenticeship providers to meet the needs identified.



TNA's undertaken by the ESF funded 'Employer Skills Support' programme embeds discussions regarding apprenticeship into the TNA.	Learndirect and subcontractors	Increase the number of apprenticeships in Lancashire.	Inform employers about the routes, levy and reforms during and refer to Lancashire based providers.
--	--------------------------------	---	---

Inclusive Workforce			
<b>ACTION: Enabling an inclusive workforce; supporting unemployment &amp; inactive into work</b>			
Activity	Owner	Success metric	Planned Impact
Traineeship and Apprenticeship outcomes supported and incentivised in the ESF funded project 'Moving On' which supports young people not engaged in education, employment or training or at risk of disengaging.	Lancashire Employment and Skills Partnership (LESEP)	Target numbers of young people progressing into traineeships and apprenticeships are exceeded.	More young people will understand the routes from traineeships to apprenticeships and they will successfully take up a traineeship or apprenticeship opportunity.
Apprenticeship outcomes supported and incentivised in the ESF funded project 'Access to Employment' which supports unemployed adults into work.	Lancashire Employment and Skills Partnership (LESEP)	Target numbers of adults progressing into apprenticeships are exceeded.	More adults will understand the routes from level 2 to apprenticeships and they will successfully take up an apprenticeship opportunity.
<b>ACTION: Incorporating social value into public procurement processes</b>			
Activity	Owner	Success metric	Planned Impact
Traineeships and apprenticeships are social value outcomes in the Growth Deal and City Deal programme's projects. Disseminate the social value toolkit to support employers to meet their social value requirements.	The Hub	Social Value outcomes are achieved using local education providers.	Employers find it easy to find a provider that meets their skills needs and helps them achieve their social value requirements.





## LEP – Sub Committee

## LEP - Lancashire Skills and Employment Board

**Private and Confidential: No**

Wednesday, 22 February 2017

## DWP Fuller Working Lives Strategy and Lancashire 'The Value of Experience' Conference

**Report Author:** Tracy Heyes, Strategic Partnership Manager - Employers,  
[tracy.heyas@learnirect.com](mailto:tracy.heyas@learnirect.com)

### Executive Summary

The Department of Work and Pensions (DWP) published “Fuller Working Lives – a partnership approach” setting out its approach relating to “retaining, retraining and recruiting older workers” on 2<sup>nd</sup> February 2017. This report provides an overview of the document and also examines the issues and opportunities for Lancashire.

### Recommendation

The committee are asked to:

1. Note the approach as defined in the publication 'Fuller Working Lives – A partnership approach', summarised in this report.
2. Provide feedback on the proposed conference in Lancashire.

## Background and Advice

### 1.0 Fuller Working Lives – a partnership approach

- 1.1 The Department of Work and Pensions (DWP) published 'Fuller Working Lives – a partnership approach' setting out its approach relating to older workers on 2<sup>nd</sup> February 2017. The document sets out a case for action for employers in leading a national strategy for older workers focusing on the 3 strands of 'Retain, Recruit, Retrain'.
- 1.2 A group of employers was established to follow up the recommendations of the previous Business Champion for Older Workers report published in March 2015 'A New Vision for Older Workers: Retain, Retrain, Recruit'. A business strategy group was established and the outputs from this group are detailed in the Fuller Lives report including guides and products to help other employers and individuals.



- 1.3 The report sets out an evidence base in making a case for action focusing on:
- The ageing demographic. The report makes the case that 'as the population and workforce continue to age to avoid a loss of labour employers will need to increasingly draw on the skills of older workers'.
  - The proportion of older workers in the workforce.
  - Retaining the valuable skills of older workers and gaining the benefits of a multigenerational workforce.
- 1.4 The report puts Employers at the heart of the partnership approach and in terms of action puts this into 3 categories:
1. Employers taking the lead.
  2. Supporting individuals in making the right choices: 'Rethink, Refresh, Reinvent'.
  3. 5 actions the government is taking to support older workers:
    - a. Legislation to support fuller working lives: removal of the default retirement age, reform of state pension, extending the right to request flexible working, review of state pension age.
    - b. Empowering change through others:
      - Developing an evidenced base case for action
      - Business in the Community Age at Work leadership team
      - Influencing employers and individuals
    - c. Supporting those who need more help:
      - Women
      - Carers
      - People with long term health conditions and disabilities
      - BME groups
    - d. Reforming the adult skills system:
      - Building the industrial strategy – technical education
      - Lifelong learning
      - Apprenticeships
    - e. Improving the job centre plus offer for older workers
      - Older claimant champions
      - Increasing awareness of barriers to older workers and how to address them
      - Central hub for resources
- 1.5 Fuller Working Lives is an ongoing initiative and there will be regular updates of new Fuller Working Lives Research and Policies including the publication of the annual OS: Economic labour market status of individuals aged 50 and over since 1984 which will be used by DWP to monitor changes.
- 2.0 Fuller Working Lives - A Lancashire perspective**
- 2.1 The publication of Fuller Working Lives is particularly pertinent to Lancashire. The Lancashire Skills and Employment Strategic Framework describes a Lancashire workforce that is ageing. Combined with modest population



growth, this is a significant challenge to the LEP in meeting its economic targets.

- 2.2 It is anticipated that growth sectors in the Lancashire economy will create 45,000 jobs over the next 10 years and this is anticipated to increase to over 55,000 if the LEP's ambitions for economic growth are met. There will be significant challenges for companies recruiting to new jobs and this will be exacerbated by the need to replace existing workers as they retire, change jobs or leave the labour market. The Lancashire skills and employment evidence base (October 2015) reports a replacement demand of 4% per annum.
- 2.3 The loss of experienced personnel does present a particular challenge in the sectors where growth is expected in Lancashire including Advanced Manufacturing where 45% of the workforce is aged 45 to 64<sup>1</sup> and the Social Care sector where half of the workforce is over 45<sup>2</sup>. The energy and environment sector also has an above average proportion of employees aged 40-59<sup>3</sup>.
- 2.4 The evidence base also highlighted the number of people in the age group 50-64 that are economically inactive 27% compared to the regional average of 25% and England (minus London) average of 22%.
- 2.5 The Strategic Framework also recognises that whilst the workforce in Lancashire is ageing many people will need to remain in employment for longer due to changes in pension arrangements.

### **3.0 Opportunities for Lancashire**

- 3.1 Through its comprehensive evidence base and understanding of the local labour market and the national context the LEP through the Lancashire Skills and Employment Hub has ensured that key projects relating to skills and training will seek to address the projected skills gaps and the key issues of an ageing population and workforce. These include the ESF/SFA funded Project Employee Support in Skills being delivered by Learndirect and Age of Opportunity the ESF/Big Lottery funded project being delivered by Selnet Working with People 50+ who are currently unemployed or economically inactive helping to improve their skills and employability.
- 3.2 Provision has been made within the engagement activity/capacity building plans for the ESF/SFA funded project to undertake further research to ensure the evidence base is updated. This evidence base will continue to inform the future strategic approach to the ageing workforce and actions to support the strategy.
- 3.3 The Skills Hub, with support from the chair, has worked with the DWP Fuller Working Lives unit to put together a proposal for a Lancashire Conference titled 'The Value of Experience Retaining, Retraining and Recruiting Older Workers' to be held Tuesday 25<sup>th</sup> April 12:30 – 16:30 at the University of Central Lancashire, Preston. As highlighted above research undertaken by



the LEP has highlighted the ageing workforce in Lancashire and the need for employers to value the experience that older workers can bring to a business. The proposed conference will highlight the DWP Fuller Working Lives strategy, give an insight into some of the underpinning research and enable employers to access and share best practice in retaining, retraining and recruiting older workers. A draft agenda for the conference is attached as Appendix A to this report. Committee are asked to provide feedback on the proposed conference and agenda.

#### **4.0 Recommendations**

- 4.1 The board are asked to note the approach as defined in the publication Fuller Working Lives – A partnership approach and summarised in this report.
- 4.2 The board are asked to provide feedback on the proposed conference in Lancashire.

1. Sector Skills Baseline Study and Action Plan for Advanced Manufacturing Regeneris Consulting 2015
2. Sector Skills Baseline Study and Action Plan Health and Social Care New Economy 2015
3. A Skills Action Plan for Lancashire's Energy and Environmental Technologies Sector, Proposed Action Plan and State of the Sector Report, SQW 2015

**The Value of Experience  
Retaining, Retraining and Recruiting Older Workers**

**Tuesday 25<sup>th</sup> April**

**12:30 – 16:30**

**University of Central Lancashire, Preston**

**Draft Agenda**

*Research undertaken by the Lancashire Enterprise Partnership (LEP) has highlighted the ageing workforce in Lancashire and the need for employers to value the experience that older workers can bring to a business. The conference will highlight the newly published DWP Fuller Working Lives strategy, give an insight into some of the underpinning research and enable employers to access and share best practice in retaining, retraining and recruiting older workers.*

- (12:30) Lunch
- (13:15) Welcome from TBC Lancashire Enterprise Partnership (Edwin Booth or David Taylor)
- (13:25) Key Note – 'Value of Experience' TBC – Minister or Andy Briggs, Business Champion for Older Workers
- (13:40) The Lancashire skills and employment landscape – Dr Michele Lawty-Jones, Director, Lancashire Skills Hub
- Fuller Working Lives Strategy – Lis Robinson, Head of Work and Wellbeing in Later Life, DWP
- (14:10) Retaining, Retraining and Recruiting Older Workers – what the research tells us? (IFF)
- (14:40) Breakout One (delegates can attend 2 of the 3 breakout sessions)
- (15:10) Tea and Coffee
- (15:30) Breakout Two
- (16:00) Panel Q&A (panel to be made up from speakers from main inputs and one speaker from each of the breakout sessions. Speakers from breakouts to give headline feedback from breakouts to begin the session, and then Q&A from the floor).
- (16:30) Closing Comments

**Breakout One: Retaining**

**Aim:** to highlight and share best practise in retaining older workers.

**Breakout Two: Retraining**

**Aim:** a focus on the apprenticeship reforms, including the levy, and the retraining of older workers through apprenticeship provision.

**Breakout Three: Recruiting**

**Aim:** to share best practice in recruiting older workers and to understand support available through European Social Funds to support recruitment.



# Agenda Item 11

Document is Restricted



Document is Restricted



# Agenda Item 12

Document is Restricted



Document is Restricted

