

Lancashire Health & Social Care Sector: Phase 3 Action Plan

Final

**A report for
Lancashire LEP**

**new
economy** 

 part of MGC

Background and Purpose

- 1.1 The purpose of this report is to set out a proposed action plan for the Lancashire Enterprise Partnership's Skills Board, working with its partners, to address labour market challenges and opportunities in the health and social care sector. The action plan builds on two earlier phases of this project:
- Phase one: A desk-based data and literature review, developing a baseline report containing a list of the identified skills and employment issues
 - Phase two: A succession of interviews, 1-2-1s and roundtables with employers and skills providers to review, discuss and validate the issues identified in the baseline report. This activity also sought to uncover the drivers of the identified issues, thus establishing a solid evidence base for the stage three action plan
- 1.2 A further consequence of the phase two engagement has been to build a consensus amongst key employers and skills providers in Lancashire. This provides the LEP's Skills Board with a ready cohort of partners to progress action plan implementation and other skills-related LEP activity.
- 1.3 Actions are built around a limited number of priorities which respond directly to the issues and drivers identified in the first two phases of this project. Responsibility for taking forward actions sits with a mix of stakeholders, timescales added are indicative and for review.

Consultation and review

- 1.4 In preparation for this final phase three report, a workshop was held in early June to which all participants who had contributed to the project to date were invited. In addition to providing an updated overview of the findings of phases one and two of this project, the workshop – attended by 15 delegates – helped to shape the draft action further in advance of this report. Key lines of enquiry at the workshop included understanding:
- Whether delegates concurred with our analysis of the phase one and two findings
 - The extent to which proposed actions were realistic and achievable
 - Who is best placed to take the lead on activity
 - Whether there is existing activity underway in Lancashire that we need to take account of in project action planning
 - Whether there are other actions that we should include, in light of the phase one and two findings

Structure and priorities

- 1.5 Actions are grouped by a limited number of strategic priorities, designed to provide a comprehensive response to the issues and drivers highlighted by employers and skills providers. For each priority, a short narrative will provide introductory commentary, followed by a summary table which will explain the proposed action, rationale, lead and timescale.
- 1.6 The actions contained in the following pages provide a blend of 'quick wins' and bold, ambitious proposals that will require significant collective action within Lancashire and strong relationships with those outside the county – such as within Whitehall departments. It is our belief that only via major steps that Lancashire can start to better equip itself with the workforce required to meet the challenges and opportunities faced by health and social care employers, now and in future.

- 1.7 In approaching this action plan, we are aware that the current picture of activity to address skills challenges is far from a blank canvas. Therefore we have focused upon the ways in which Lancashire LEP, working with its employer and skills provider partners, can address any gaps in this activity, add value and provide leadership where required. This must not be seen as an attempt to tiptoe around existing infrastructure – rather a recognition that in some areas, enhancement of existing approaches may be required, instead of starting afresh.

Considerations

Transformation Agenda

- 1.8 In approaching the task of developing this action plan, our analysis shows that it is difficult to understate the importance and likely impact of the transformation of health and social care on roles, recruitment and training.
- 1.9 While Lancashire is behind other localities in its plans for implementation of a new set of health and care delivery models, in time momentum will build, backed by ministers, to move increasing amounts of care out of hospital settings and in to the community. As outlined in the phase 2 report, this poses fundamental challenges to the existing infrastructure established to provide skills to health and social care employers.
- 1.10 With employers struggling to address their skills needs now, the transformation agenda risks further widening shortfalls of staff in key roles, as well as further stretching the gap between the skills of the workforce and the requirements of the job.

European Structural and Investment Funds

- 1.11 From 2015 to 2020, a new round of European Structural and Investment Funds (ESIF) will be deployed in Lancashire. This investment totals around £80m of European Social Fund (jobs, skills - ESF) with a slightly larger amount available in European Regional Development Fund (capital investment, business growth, infrastructure etc).
- 1.12 Previous ESIF rounds were prioritised and administered by regional bodies and/or Whitehall departments. Now it is the job of the LEP to prioritise this investment. Therefore this action plan will make specific recommendations for ESIF investment to address health and care labour market challenges
- 1.13 We recommend that the care sector is prioritised for ESF investment. This may help to start rebalancing the divergence in resources available to the care sector, compared with those available to health employers via HEE.

Dissemination

- 1.14 Following completion of the phase three report we proposed a number of actions to assist with the dissemination of this project's findings and recommendations. These include:
- Separate briefing sessions on the report and its findings for:
 - for key employer groups and networks
 - key skills provider networks and organisations
 - local authorities and LEP members
 - A launch event for all key contributors and stakeholders

Priority 1: Strengthen Employer Leadership in Skills

- 1.15 For Lancashire to take bigger steps towards addressing the skills challenges in the health and social care sector, a much-enhanced skills infrastructure is required, led by employers. Employer leadership of the skills system – for instance, via the planned ‘voucher’ system in apprenticeship, which places purchasing power in the hands of employers – is a key national policy theme. Feedback from our phase two discussions highlighted the absence of a Lancashire-wide mechanism that can demonstrate visible leadership to the health and social care sector and galvanise employers in to action.
- 1.16 We recommend **the creation of a health and social care Employer Skills Group (ESG)** for Lancashire. Its purpose will be to:
- Lead, own and drive the implementation of the key actions from this report
 - Facilitate coordinated employer engagement by skills providers, particularly amongst SMEs
 - Offer a route via which SME skills demand can be aggregated, helping smaller employers to drive a reformed curriculum offer from skills providers
 - Provide a platform via which health and care service innovators can interact with skills providers
 - Offer technical sector expertise to the LEP
 - Represent the whole sector, not just the employers on the group
- 1.17 In recommending this action we recognise that there are existing employer networks within the NHS and amongst care providers which provide leadership on key issues. However none span the whole health and social care sector, geographies are inconsistent and the degree of engagement with skills providers – particularly in further education – is generally lacking.
- 1.18 With this critical piece of infrastructure in place, a range of actions can flow to help address skills gaps and shortages in Lancashire, responding to the feedback gathered via this research. Details of these actions can be found in the table overleaf.

Priority 1: Strengthen Employer Leadership and Participation in Training

Ref	Action	Rationale	Lead	Timescale
1.1	Formation of a Lancashire Employer Skills Group for Health and Social Care	Provide highly visible employer leadership and drive to the task of addressing skills challenges and opportunities in the health and social care sector	LEP Skills Board	Summer 2015
1.2	Working with the LEP, Lancashire Colleges Group and Work Based Learning Providers, establish a mechanism whereby skills provider curriculum planning is influenced and validated by the ESG	Tailor the curriculum offer, especially in FE, to better meet employer needs Could form part of a broader process for employer influence over curriculum planning in all priority sectors, coordinated by the LEP	LEP Skills Board	Winter 2015-6
1.3	Via the ESG, set up a special taskforce to address lack of quality work placements for learners in FE and HE	Employer concerns about the quality of work placements affecting the ability to new recruits to meet requirements of various roles FE and HE providers report difficulties sourcing work placements	HSC Employer Skills Group	Autumn 2015
1.4	Transformation Programme briefings to be held for care sector employers and further education providers	TP engagement with NHS and HE appears good. However direct links to FE are yet to be established, along with any discussion of future implications for training	Transformation Programmes	Autumn 2015
1.5	Develop new models for improving the participation of employers in classroom-based training delivery	Skills providers highlighted difficulties recruiting staff with up-to-date knowledge. UCLAN/Lancs Care joint practitioner/tutor model is one option	HSC Employer Skills Group, working with Lancashire Colleges Group, Lancashire Work Based Learning Executive and Universities	Winter 2015-16
1.6	Care Certificate – develop a Lancashire policy for CC implementation, signed by all LCA and LWDP	Set a benchmark for Care Certificate	ESG, working with LCA and LWDP,	Summer

	members, along with training providers and colleges	implementation, minimise the risk of fraud	colleges and training providers	2015
1.7	<p>Bring together care employers and Jobcentre Plus to:</p> <ul style="list-style-type: none"> • Ensure employers are briefed on the impact of Universal Credit • Address concerns about the calibre of recruits to entry level posts • Aggregate employer demand and explore viability of sector-based work academy model 	<p>Employer recruiting candidates who are previously unemployed reported issues with the work readiness of many prospective employees.</p> <p>Employers were concerned about existing disincentives in the benefit system but had no information on the likely changes that Universal Credit will bring</p>	ESG, working with Lancashire Care Association and Jobcentre Plus	Autumn 2015
1.8	Concerted push to promote Lancashire to prospective employees, showcasing quality of life and career opportunities	Difficulties attracting talent, particularly in North of the county, risks viability of service delivery	ESG, working with CCGs and Marketing Lancashire	Spring 2016
1.9	Explore whether covenants and early-leaver penalties for candidates recruited via specific schemes to address skills shortages can be applied	Reduce poaching of staff, though experience from other sectors suggests that this is an inevitability and difficult to prevent	ESG, particularly larger employers	Spring 2016

Priority 2: Prioritise and coordinate state skills investment

- 1.19 Analysis presented in the phase two reports suggests that total state investment in training for new recruits and the existing health and social care workforce in Lancashire is likely to be in the region of £200 million annually. We recommend that the LEP, working with the Employer Skills Group and skills provider, takes on the task of better **brigading existing state skills investment in health and social care**.
- 1.20 This invest is split across multiple funding streams, administered by different Whitehall departments with little or no coordination. This includes:
- Adult skills, apprenticeship and community learning investment from the Department for Business, Innovation and Skills via its Skills Funding Agency. This also includes Lancashire's Community Learning budget
 - Post-16 classroom-based delivery supported by the Department for Education, through the Education Funding Agency
 - Mainstream HE investment through the Higher Education Funding Council for England, an executive agency of the Department for Business, Innovation and Skills
 - European Social Fund investment, prioritised by the LEP with procurement routed through the Skills Funding Agency, BIG Lottery and Department for Work and Pensions
 - Significant investment by the Department of Health, via Health Education England
 - Workforce development funding available via Skills for Care and Lancashire County Council
- 1.21 Most skills funding is channelled direct to the skills provider, with little role for the LEP or for employers in shaping allocations. This means that funding often remains in silos, limiting both the coordination of delivery (avoiding duplication) and limiting the degree to which resources are joined up to the benefit of learners and employers.
- 1.22 Recent years have seen a steady accrual of influence and responsibility for skills funding at the level of the LEP. In addition to responsibility for prioritising all European Structural and Investment Funding (including ESF), skills providers within Lancashire are required to respond to local economic priorities, determined by the LEP. An assessment of how a college or training provider responds to LEP priorities is now a theme of the current Ofsted inspection framework.
- 1.23 So while the LEP does not control the bulk of skills funding, it can exert influence. At a time of significant cut backs in state skills investment, this provides an opportunity for the LEP's skills board to enable improved marshalling of resources to better respond to employer needs. While this task should be led by the LEP, it must be informed throughout by the Employer Skills Group, under priority one of this action plan.
- 1.24 Our view is that this task should begin with the resources that are clearly within the scope of the LEP's existing role – eg influencing EFA, SFA, HEFCE spend while effectively prioritising future ESF. This should lead to a discussion with HEE, starting with the current £1m annual flexible fund allocated to the LWEG to prioritise in Lancashire, moving on to discuss ways in which much more substantial spend can be shaped to help the health and care system respond to the transformation challenge.

Priority 2: **Brigade state skills investment to better address employer needs**

Ref	Action	Rationale	Lead	Timescale
2.1	Detailed analysis of EFA, SFA and non-HEE higher education spend to understand existing delivery, performance and curriculum offer	Provide a detailed baseline assessment of FE delivery in Lancashire – going beyond the data presented in this report to understand the detail of the curriculum offer	ESG (supported by LEP) with Colleges, Training Providers, Universities, EFA, SFA	Autumn 2015
2.2	Agree a set of skills funding priorities for health and social care in Lancashire for each of the key skills funding streams	Give skills providers a set of priorities to respond to, addressing issues such as the need for multi-skilled/versatile practitioners, enhanced work placements, growth in learner volumes etc. Priorities to be fed in to curriculum planning as described under priority one, and shared with Ofsted	ESG	Autumn 2015, refreshed annually
2.3	Undertake detailed planning of ESF investment once mainstream skills delivery is understood	ESF can be used flexibly to address gaps in provision, based on employer feedback and understanding of performance of the mainstream	ESG, working with Lancashire CC (on behalf of the LEP)	Autumn 2015
2.4	Annually, undertake a review of available labour market data and employer feedback to assess adequacy of revised provider curriculum offer and review priorities	Review how successful HSC skills funding priorities have been in shaping the curriculum offer	ESG, supported by LEP and LCC (data)	Summer 2016
2.5	With gap analysis complete, work with HEE to develop proposals for shaping/influencing HEE investment to better align this investment with other skills resources (and vice-versa) in widening access, addressing skills shortages and gaps.	Most of skills spend is via HEE – an improved dialogue between HEE and the whole of the health and care infrastructure could create opportunities to positively influence HEE spend in conjunction with other funding sources. This may also allow HEIs in Lancashire to better respond to strong learner demand, lessening the chance that talent will be lost to the county	ESG, supported by senior LEP members	Autumn 2016

Priority 3: Widen Access to Careers in Health and Social Care

- 1.25 Throughout our research we were struck by the frequency with which employers would readily identify skills shortages as a major issue, particularly in roles that require higher level skills. While learner demand in Lancashire for entry-level posts was not felt to be strong, at higher levels the sector offers many roles that residents, particularly young people, aspire to.
- 1.26 Changes in the skills funding and policy landscape mean that now is a good moment for partners within Lancashire to **strengthen alternative career paths that enable vocational learners to progress on a par with those taking the traditional academic route** via A levels and medical school. Throughout employers highlighted their preference for new recruits to have ‘on the job’ skills, as opposed to training that is dominated by a classroom environment. We have seen good examples of links between further and higher education; trailblazer apprenticeships now offer the opportunity to create new standards and enable progression pathways right up to postgraduate-equivalent qualifications. For learners, this offers the opportunity to ‘earn as you learn’, gaining experience and skills on the job while avoiding the tuition fees applied to other HE courses.
- 1.27 This opportunity to expand routes to higher level technical skills has been recognised by Government. Last summer BIS released a ‘call to engagement’ inviting proposals for new sector-based National Colleges – centres of vocational excellence, led by employers, developing the curriculum and training that will equip our economy with the higher level technical skills required for the future. We recommend that the LEP should **develop a business case to create a National College for Health and Social Care** in Lancashire.
- 1.28 The Health and Social Care transformation agenda will create new roles and skill requirements at level 3, 4 and 5 that a National College can address. Developing a National College would not only bring the brightest and best learners and tutors to Lancashire. It would create world-class facilities and, more importantly, have a catalytic effect on the training of residents for Lancashire’s largest sector by employment – effectively putting the county at the cutting edge of practice in developing workforces that respond to the transformation agenda.
- 1.29 Through links to local colleges and training providers and universities, a model could be developed to feed learners into the national college, while progression and delivery partnerships with higher education in the area will facilitate access to further study and research. Employers would play a leading role, co-investing and defining the curriculum offer – all supported by the improved coordination of existing state skills investments, as described in priority 2, above.

Priority 3: **Widen Access to Careers in Health and Social Care**

Ref	Action	Rationale	Lead	Timescale
3.1	Develop the business case for a National College for Health and Social Care in Lancashire	<p>Make Lancashire the national centre for cutting edge skills delivery, responding to transformation agenda.</p> <p>Establish strong progression partnerships with existing FE and HE organisations</p> <p>Putting vocational routeways on a par with existing academic paths</p> <p>Attract learners and workers to Lancashire – stop any brain drain</p>	ESG to lead, working with LEP, Colleges, Training Providers, Universities and BIS	<p>Task scoped summer 2015</p> <p>Bid prepared for submission Spring 2016</p>
3.2	Develop traineeships and JCP sector based work academies as more effective routes to entry level positions for unemployed residents	Response to employer concerns about the preparedness and adequacy of skills of those recruited from JSA	ESG working with FE skills providers (traineeships) and JSA (sector based work academies)	Autumn 2015
3.3	Concerted drive by employers and SFA providers to develop, shape and implement trailblazer apprenticeships in Lancashire	Lancashire employers involved in defining new apprenticeship standards; skills providers equipped to delivery; learners able to access frameworks that better meet employer needs and enable progression to higher levels	ESG, working with colleges, training providers and universities	Autumn 2015
3.4	Improve advice and guidance to young people and adults to improve awareness of alternative routes to good jobs in health and social care	The limited career pathways available are not well known or recognised by learners	Colleges, training providers, universities working with National Careers Service, schools and LEP	Winter 2015-6
3.5	<p>European Social Fund: Prioritise investment in skills support for the workforce on:</p> <ul style="list-style-type: none"> HSC staff at 'band 2/3' (or equivalent) to 	Improve progression of lower paid staff to address skills shortages in higher paid role	LEP, working with ESG, LCA and LWDP to define roles and detail of support required	Summer 2015

	<p>improve access to level 3/4 training and roles, including English and Maths if required</p> <ul style="list-style-type: none"> • Extension of existing activity led by LWDP to provide existing staff with training on the fundamentals of different parts of the health and care system • Care and domiciliary care workers – developing mechanisms to upskill peripatetic and lone workers 	<p>Improve the inter-disciplinary knowledge and understanding of health and care professionals, to improve patients' journey through the health and care system</p> <p>Refresh and update skills, as well as mitigate against the significant drop in workforce development investment in the care sector in Lancs</p>		
3.6	European Social Fund: Prioritise projects to upskill health and social care volunteers, including creating pathways to jobs in the sector, supported by ESF BIG lottery investments	Volunteer workforce is important but under-supported. Upskilling will enable volunteers to contribute more effectively and stimulate demand to enter full time workforce	LEP, working with ESG	Summer 2015
3.7	European Social Fund: prioritise investment in skills support for the unemployed on providing skills required for entry-level care sector roles	<p>Response to employer concerns about the preparedness and adequacy of skills of those recruited from JSA</p> <p>Address retention issues in care workforce</p>	LEP, working with ESG and care employer networks	Summer 2015
3.8	European Social Fund: developing programmes to increase labour market participation by female bioscience graduates in Lancashire	Stimulate the supply of skilled labour via activity that re-engages this cohort in the health and care workforce, widening access to opportunities and helping to address skills shortages	LEP, working with ESG and employers in East Lancashire	Winter 2015-6
3.9	European Social Fund: to support the advice and guidance infrastructure in schools by delivering briefings, information and seminars for young people and staff	Stimulate learner demand for careers in health and social care in Lancashire, particularly if additional career pathways are developed	LEP, working with ESG and other employer networks	Spring 2016

Priority 4: A Strong, Competitive Skills Provider base

- 1.30 Lancashire benefits from an extensive further and higher education provider infrastructure, extending delivery to all parts of the county. Our work with these organisations has shown the high level of passion and commitment to delivering the best quality training to meet the needs of learners and employers. Colleges, training providers and universities recognise the strategic importance of health and social care and want to invest in improving delivery for the future.
- 1.31 Interviews and roundtables identified a number of issues and drivers for skills providers, many of which are implicit in the actions outlined under the previous three priorities. As with employers, we strongly believe that there is a value in colleges, training providers and universities collaborating more – allowing the exchange of information, innovation, sharing of resources and development of smoother career pathways. This can be difficult – FE and HE providers operate in a competitive marketplace - however there is scope to further develop relationships and links that will prove to benefit learners, employers and skills providers themselves.
- 1.32 Central to this is our recommendation that an active **network of health and care skills providers should be established in Lancashire**. This will allow skills providers to speak with one voice and ensure that their input is central to the tasks that this report assigns to the Employer Skills Group. No employer or group of employers can act alone on this. The knowledge, experience and resources of skills providers are critical to enabling our ambition - to reduce skills shortages, narrow skills gaps and equip Lancashire residents with the skills employer seek – can be achieved.
- 1.33 This will require leadership from skills providers and a degree of self-organisation that hitherto has not been present. However this is of critical importance if the function of the labour market in Lancashire is to benefit from an improved skills system.
- 1.34 As part of our work we also reviewed the training facilities managed by skills providers, to understand whether additional FE skills capital spend (now prioritised by the LEP) may be required. Aside from our proposal for the National College, we found no indication that additional facilities are required.

Priority 4: **A Strong, Competitive Skills Provider Base**

Ref	Action	Rationale	Lead	Timescale
4.1	Establish a Lancashire Health and Social Care skills provider group	Foster improved collaboration and career pathway development; speak with one voice in working with the ESG to implement actions	Begin with coalition of the 'willing'. Lancashire Colleges Group, Lancashire Work Based Learning Executive, Universities	Autumn 2015
4.2	Develop a Lancashire approach to implementing the Care Certificate	Care Certificate will be a missed opportunity for employers, commissioners and skills providers if implemented badly	HSC Provider Group, working with ESG	Summer 2015
4.3	Explore models of direct contracting with employers for apprenticeship delivery	Secure growth in apprenticeship delivery and skills funding; build capacity on the part of the employer to deliver training Get ahead of the anticipated launch of the 'voucher' scheme for apprenticeship funding and employer levy	HSC Provider Group, working with the ESG	
4.4	Set a target for progressing young people completing learner responsive, classroom-based vocational courses (16-19 study programmes) in to apprenticeships	Colleges have young people but indications are that many leave aged 18/19 without progressing into work-based learning which gives them a much better change of securing sustained employment	Lancashire Colleges Group, working with the ESG	Autumn 2015
4.5	Prioritise use of remaining ASB on short courses to engage employers, leading to improved employer engagement in other forms of training	Feedback suggests that ASB, while being cut sharply, is not used strategically to engage employers and develop an employer habit for training Create shared investment plans whereby employers and FE providers co-invest in training that employers want	Lancashire Colleges Group, Lancashire Work Based Learning Executive	
4.6	European Social Fund: prioritise capacity building investment on improving:	As state funding shrinks, need to secure improved employer investment in training – however many	LEP, working with HSC Skills Provider Group	Summer 2015

	<ul style="list-style-type: none"> • the quality of employer engagement by FE providers, including employer return on investment techniques • the ability of classroom-based tutors to deliver work-based learning • programme of curriculum planning and LMI masterclasses for skills providers 	<p>SMEs don't see the business case</p> <p>Many skills providers will seek to grow their employer-responsive training offer but lack staff with the right skills to do this effectively</p>		
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