



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

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Skills Policy and Careers Hub update

(Appendix 1 refers)

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Executive Summary

The paper provides an update on skills policy, relating to:

- The launch of the Skills Accelerator following the publication of the Skills for Jobs White Paper, and the securing of Local Skills Improvement Plan and Strategic Development Fund Trailblazers in Lancashire
- 'Plan for Jobs' and ongoing activity to coordinate programmes and projects in Lancashire
- The European Social Fund (ESF) programme, which is worth c£117m to Lancashire, and risks associated with the move towards the UK Share Prosperity Fund.

The paper also provides an update, following the paper to the board in June 2021 on funds for the Careers Hub and Enterprise Adviser Network.

Recommendations

1. The board are asked to note the contents of the paper, the funds secured to support skills and employment activity across the LEP area, and efforts in place to coordinate activity.
2. The board are asked to approve the acceptance of an increased offer of £117k grant from the Blackpool Opportunity Area Twinning Funds to enable further joint activity between Blackpool and Lancashire to share good practice, and continue to build the approach with localised employer networks subject to review of the final grant offer and associated terms and conditions by the Chief Executive and Section 151 Officer.



1.0 Skills for Jobs White Paper and launch of the Skills Accelerator

1.1 Background

1.1.1 The Skills for Jobs White Paper was published in January 2021. As previously reported, the White Paper sets out a range of reforms aimed at tackling skills gaps, which in turn will contribute to improved productivity and international competitiveness. A key aspiration was to place employers at the heart of defining local skills needs.

1.1.2 In April 2021, the Department for Education (DfE) launched the Skills Accelerator prospectus, inviting applications for trailblazers under two new initiatives outlined in the White Paper: Local Skills Improvement Plans (LSIPs) and Strategic Development Funding (SDF). It is intended that the trailblazers will run from September 2021 to the end of March 2022 and inform future government policy regarding the roll out of the aspirations outlined in the White Paper.

1.2 Local Skills Improvement Plans (LSIPs) and Strategic Development Fund (SDF)

1.2.1 The LSIPs, which build on the work of LEP and MCA Skills Advisory Panels, were open to employer representative bodies, with specific reference to Chambers of Commerce, working in collaboration with local colleges and providers. The trailblazers aim to test approaches to working with employer members to understand technical skills training needs within a local economic geography, with the intention that a collaborative plan be developed with providers to meet employer needs. It is intended that LSIPs will play into the review of the accountability of providers, particularly colleges in ensuring that their offer meets the needs of the local economy.

1.2.2 The SDF trailblazers, which were open to colleges working collaboratively across an economic geography, provide capacity building funds, both capital and revenue, to enable colleges to better meet local skills needs identified through local skills analysis. Ideally the SDF projects would follow the LSIPs, however the two trailblazers are being run in tandem.

1.2.3 It was intended that both trailblazers would address reskilling and upskilling challenges within the current workforce, including those presented through industrial digitisation, green growth and recovery from the pandemic, as well as help inform the needs of our future workforce.

1.3 Lancashire Trailblazers

1.3.1 Collaborative proposals were submitted on behalf of the three Lancashire-based Chambers by the N&W Lancashire Chamber of Commerce for the LSIP and by Myerscough College on behalf of The Lancashire Colleges (TLC) for SDF. The Lancashire Skills and Employment Hub supported the development of the proposals and a letter of support for each was provided by the LEP. The LSIP proposal was cross-sector, whilst the SDF proposal was



specifically focused on the skills challenges associated with Low Carbon and net zero ambitions, referencing the collaborative research recently undertaken with the Work Foundation which has helped to identify employer skills needs.

1.3.2 The two submissions were collaborative and articulated a collegiate response to addressing the skills challenges across the LEP area. Both submissions were successful. Lancashire is one of eight areas across the country which secured both the LSIP and SDF trailblazers (see here for the full list: <https://www.gov.uk/government/publications/skills-accelerator-trailblazers-and-pilots/skills-accelerator-local-skills-improvement-plan-trailblazers-and-strategic-development-fund-pilots>).

1.3.3 At the time of writing the paper, both the Chambers and TLC were in discussion with DfE regarding the grant offers, eligibility of funds and the scope of the grant funding agreements. A presentation will be provided by both to the Lancashire Skills and Employment Advisory Panel on September 8th, to enable a partnership approach, with the Skills Hub working collaboratively with the LSIP and SDF partnerships to share local labour market intelligence and support the success of the trailblazers.

2.0 Plan for Jobs

2.1 The 'Plan for Jobs' announcement preceded the White Paper and outlined government's response to the pandemic to enable employers to retain employees and to move displaced individuals into employment. From the Coronavirus Job Retention Scheme – 'Furlough', to incentives to employers to recruit Apprentices, to investment in JobCentrePlus and swathes of new Work Coaches to Kickstart and Restart. The diagram in Appendix 1 provides an overview of the different programmes, by age range and by distance from the labour market.

2.2 It is fair to say that the complexity of the skills and employment policy environment, and the programmes available has become increasingly difficult to navigate – for providers and stakeholders, and most importantly employers and individuals.

2.3 The Skills Hub recognised this, and launched the microsite www.skillsforwork.info in July 2020 with partners. This built on the development of Escalate – a Lancashire search tool for programmes that support people into employment – including both ESF and mainstream provision. Since the launch, the Skills for Work website has received over 16,000 visits, with buttons dedicated to those on furlough, those facing redundancy, those seeking work and a button for 16-24 year olds recognising the specialist provision available. The website is a collaboration with over 50 partners.

2.4 The Adult and Employer Skills Forums have continued to meet virtually and have been pivotal in helping to coordinate and join the dots on existing provision and new programmes as they have gone live, working in partnership



with providers, stakeholders and DWP. Together Escalate has been updated and the microsite developed to the benefit of Lancashire residents. In addition, partners have worked together to develop proactive approaches to pivoting displaced people into new sectors and jobs – through, for example, Digital Bootcamps and Sector Skills Work Academy Programmes (SWAPs). At present there is a focus on hospitality, working in partnership with Marketing Lancashire, DWP and providers to provide SWAPs to support recruitment and fast track people into employment to help address the recruitment crisis.

- 2.5 A coordinated response through the Lancashire Redundancy Taskforce, chaired by the Skills Hub, has also enabled DWP, the National Careers Service and providers to come together to streamline communications with employers and to provide a joined-up service. This has tended to support larger redundancies; it has proved more difficult to get the message out to smaller organisations and to those businesses making smaller numbers of redundancies. In many cases HR1s have not resulted in the large-scale redundancies that were anticipated earlier on in the pandemic, which is positive.
- 2.6 As the furlough scheme ends there is a risk of increased demand, however data indicates that whilst furlough has decreased, the number of claimants has not increased, indicating that people are returning to work. Since February, the percentage of workers in Lancashire claiming Universal Credit due to unemployment has fallen consistently month on month, from 6.8% in February 2021, to 5.7% in July 2021. This has coincided with a consistent monthly reduction in the number of workers in Lancashire on furlough, from 97,000 in January to 37,700 in June (latest data) which is 6.1% of the employed population, with just over half of these furloughed full time.

3.0 European Social Funds (ESF)

- 3.1 ESF forms part of the programme of European Structural Investment Funds (ESIF), which is due to finish towards the end of 2023. A paper on the wider ESIF programme is a separate agenda item. The ESF programme has been significant in Lancashire and the Skills Hub has had a pivotal role in determining evidence-based priorities and having strategic oversight of delivery through the Adult and Employer Skills Forums, feeding into the Skills and Employment Advisory Panel and the ESIF Committee.
- 3.2 Three Strategic Partnership Managers have been funded through ESF projects (via the Education and Skills Funding Agency opt-in) and deployed to the Hub – one focused on Young People (and those who are at risk of or NEET – those not in education, employment and training), one on provision for unemployed Adults and one for Employers – working closely with the Growth Hub, Boost. Together they have brought together providers, partners and stakeholders to coordinate provision, ensure added value and to maximise impact.



- 3.3 The programme has grown to approximately £117m in Lancashire, with the Skills Hub securing an additional c£19m on top of the original allocation through the National Reserve Fund (unspent funds from other sub-regions). To the end of March 2021, 5,987 at risk of or NEET young people have been supported, and 20,717 unemployed and inactive adults. In addition, over 3,000 employers and more than 15,300 employees have benefited from provision aimed at reskilling and upskilling in line with business need. A number of new programmes have recently launched which aim to engage employers with technical education, and a programme aimed at boosting healthy workforces, recognising above average sickness absence rates which are impacting productivity.
- 3.4 Clearly there is a risk that provision for employers and residents will be lost as the programme winds down. The government are developing the 'replacement' domestic programme – the UK Shared Prosperity Fund (UKSPF) – which will aim to build on good practice and lessons learnt from the ESIF programme, whilst also contributing to the levelling up agenda, industrial digitisation, green growth and recovery from the pandemic. The Community Renewal Fund (CRF) was launched earlier in the year, with a focus on priority places – including 5 in wider Lancashire – and is positioned as a short programme that will help to inform the development of the approach to UKSPF. Feedback on applications from the three lead Authorities in Lancashire was imminent at the time of writing the paper.
- 3.5 There has been limited consultation from government on the proposed UKSPF, however it is anticipated that an allocation will be made in the spending review and a framework launched. The Skills Hub is working with a variety of partners to seek to influence the fund, both in terms of priorities and governance mechanisms.

4.0 Careers Hub and Enterprise Adviser Network

4.1 Background

- 4.1.1. A paper was presented to the board meeting in June 2021, outlining the grant offer from the Careers and Enterprise Company (CEC) to Lancashire for the coming academic year. The grant funding offer was reviewed and accepted, as per the approved recommendation in the paper and the contract extended with Lancashire's delivery partner, Inspira. The final 2 schools not previously engaged with the network have agreed to join, taking the Careers Hub and EAN to full coverage – all 156 secondary schools, including special schools and Alternative Providers, and colleges across Lancashire. A campaign is underway to recruit further business volunteers, Enterprise Advisers to support the new schools and to address churn resulting from the pandemic. Board members are asked to support and to make enquiries within their own business networks to encourage engagement through the Lancashire Skills Pledge: <https://www.lancashireskillshub.co.uk/lancashire-skills-pledge/> .



4.2 Research and Evaluation Projects

- 4.2.1 The paper also referenced applications to the CEC for two research and evaluation projects and approval was granted to accept funds subject to review of the grant offers and associated terms and conditions by the Chief Executive and Section 151 officer, including any related procurement considerations.
- 4.2.2 Both applications have been successful, with Lancashire being one of only two areas securing funds for both projects.
- 4.2.3 An incubation phase with the CEC is underway with view to launching the projects in the new academic year. This will include reviewing the grant offers, which will be variations to the main agreement referenced in 4.1.1.
- 4.2.3 As reported in the June paper, the first project is focused on testing approaches to supporting the effective transition of disadvantaged young people in Year 10 through to their post 16 destination in Year 12, to boost attainment, aspirations and reduce the risk of NEET (not in education, employment and training). The three models to be tested involve trained engagement coaches and extended work experience, and a combination of the two, with the project running for 2.5 years with a 'theory of change' evaluation model running alongside. The project will be steered by the Post 16 Officers Group, chaired by the Skills Hub, working collaboratively with Lancashire County Council and the two Unitary Authorities, the Lancashire Colleges, and the Lancashire Work Based Learning Forum, and updates provided to the Lancashire Skills and Employment Advisor Panel. The project evaluation will inform future strategy and policy regarding NEET prevention locally and nationally through joint dissemination with CEC.
- 4.2.4 The second project aims to trial and test activities that boost the interest of females in digital careers in Year 8 and engagement in Computer Science at GCSE and STEM subjects more widely, as a first step towards a digital career – recognising that Lancashire has an ageing digital workforce, and that only one in six are female. The project will run for one year and evaluate different approaches to engaging young people through a range of career oriented digital programmes and activities. The project will feed into the Lancashire Digital Skills Partnership Steering Group and updates provided to the Lancashire Skills and Employment Advisor Panel. The project will inform our future strategy in Lancashire and the work of the Digital Skills Partnership, Careers Hub and STEM Learning, as well as feed into a national dissemination programme to inform future DfE careers policy.

4.3 Blackpool Opportunity Area Twinning Fund

- 4.3.1 As reported in the June paper, negotiations were underway with the Blackpool Opportunity Area and the DfE in relation to Twinning Funds to support good practice regarding careers provision across Blackpool and wider Lancashire. Funds will enable the future development of the digital platform 'Start in Lancashire' and build engagement with business networks across the area.



- 4.3.2 An estimate of £55k was provided in the paper, however, the final figure is £117,000. The additional funds will enable targeted careers activities with young people who are at risk of NEET in secondary schools.
- 4.3.3 The board are asked to approve the acceptance of the grant from the Blackpool Opportunity Area Twinning Funds to enable further joint activity between Blackpool and Lancashire to share good practice, and continue to build the approach with localised employer networks subject to review of the final grant offer and associated terms and conditions by the Chief Executive and Section 151 Officer.

List of Background Papers

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A