

6. LOCAL SKILLS REPORT

WLEP BOARD RECOMMENDATION

The WLEP Board is asked to review the Local Skills Report and the priorities produced under the work of this strategy and the Economic Plan by the Employment and Skills Board. The board is asked to approve the document content ready for publication.

6.1. Skills Advisory Panel : Worcestershire

- 6.1.1. The Skills Advisory Panel (SAP) known as the Employment & Skills Board for Worcestershire is chaired by Carl Arntzen and acts as the designated body to set strategy for employment and skills in Worcestershire.
- 6.1.2. The Board is employer led group of 17 members, with the majority of members including the Chair drawn from the private sector, representative from secondary schools, FE Colleges, University of Worcester, Cabinet Member for Education and Skills from County Council, Senior representatives from funding bodies such as Education Skills Funding Agency and Department for Work and Pensions & a representative from the Training Providers Association. The board includes cross over with the North Worcestershire Skills Board and a number of members sit on both boards as well as our own Director of Skills.
- 6.1.3. In 2020/21 Local Enterprise Partnerships as part of the conditions from the Department for Education were asked to bring together their skills strategy under the Local Skills report. The DfE required a set format and the attached document responds to this outlined requirement.
- 6.1.4. The Local Skills report had to assess the current supply of skills and demands of employers, provide a review of work to date and outline the potential actions that the Skills Advisory Panel would take moving forward to move skills forward within the county.

6.2 Overview of the Local Skills Report

Analysis of the Worcestershire Skills Supply

Worcestershire's qualification levels are similar to national figures, although much variation between districts when comparing residents with a Level 4+ qualifications.

2.1 Qualification levels

6.2.2. Education and training

There are high rates of positive destinations from education and training, particularly into sustained employment. This may reflect high employment levels in the local labour market as well as good achievements of the Gatsby Benchmarks for Good Career Guidance by schools and colleges.

COVID-19 has impacted on the local delivery of education and training. Post-16 providers are reporting a dip in education levels following lockdown, which could leave some young people unable to successfully achieve with courses and Apprenticeships.

Achievement of qualifications from Further and Higher Education align with the priority sector of Health whilst Apprenticeship achievements align with the needs of Advanced Manufacturing and Business Administration & Professional Services.

6.2.3. Apprenticeships

The Apprenticeship levy has led to a shortage of providers funded to support SMEs who are non-levy payers. Larger employers have generally been slower to respond to the all-age Apprenticeships funded by the levy, meaning the supply of placements has been challenged. In addition, changes to Apprenticeship standards have led to a decline in the number of Care Apprenticeships and in areas where the standards have been challenging to apply in smaller employers.

There is a need to continue to promote the routeways to young people and to encourage businesses to use apprenticeships as succession planning tools. We support a continuing focus on sectors such as digital and wider STEM related where the data shows the continued need within workforces and employers for example, roles such as Software Development Technicians and Mechanical Manufacturing Engineering as a way of developing talent into businesses.

Apprenticeship starts this year are lower than last due to the challenges of social distancing and home working, particularly in Engineering and Manufacturing due to economic conditions. If the economy recovers, it is likely that numbers will return, but how businesses recover financially will be key to this assumption.

6.2.4 Higher education

There is only one university in the county and, whilst this does offer a range of courses relevant to some of our priority sectors, it does not offer any Engineering, Manufacturing, or Construction courses. Therefore, anyone wishing to study one of these must attend a higher education institution in a different locality.

Although most graduates from local institutions remain in the region, fewer than half the Worcestershire residents, who leave for higher education, return to the county after graduating.

6.2.5 In-company training

Most of the county's employers say they provide a level of training for their staff, with the most frequently mentioned topics cited as: job specific, health and safety/first aid, and basic induction training. The most frequently cited barriers to providing this training are time and appropriate and flexible funding, either through government sources or within the employer's budget.

6.2.6 Existing workforce

The proportion of staff who are not fully proficient is slightly lower than nationally, whilst the proportion of employers with under-utilised staff is above the national average, with a similar difference in over-qualified staff. This suggests that there is a local oversupply of some skills which are not relevant to the employment of those individuals.

Worcestershire's population is older than the national picture, and is ageing more rapidly, making it a priority to help people extend their working lives. This is not an unusual picture in similar urban/rural shire functioning economic geographies.

6.3. Analysis of the Worcestershire Skills Demand

6.3.1 Skills shortages: overview

Businesses have identified a shortage of available skilled staff as a barrier to innovation and growth. The availability of a skilled workforce is one of the major worries for local employers, citing the availability of skilled labour as the biggest negative attribute of the Worcestershire market (30%), with Brexit uncertainty mentioned by 16% of the companies.

Data shows a higher proportion than England of hard-to-fill vacancies: these are highest amongst middle-skill roles, particularly Skilled Trades.

The most frequently cited skills deficits within employers being IT, job-specific/vocational and technical skills.

6.3.2 Skills shortages: digital skills

Digital skills remain in the highest demand from the county's employers, whether for new entrants, replacements, or when reskilling existing staff.

These digital skills do not tend to vary with the workforce demographic, although companies with a younger workforce are more likely to mention a need the more technical networking skill and those with older workforce more focused around digital marketing skills.

Digital skills gaps are not prioritised by a number of employers who buy in skills when required as opposed to train their own within the organisation.

These skills gaps are driven by the widespread use of e-commerce within the county, although this is anticipated to grow and almost 50% of companies are using or expect to use. Alongside this was the need and usage of data analytics as customer relationship management tools within sectors which presented a need for skills in this area.

The development of business support schemes would further encourage the uptake of technology adoption; which would further the need for skills but also the potential to improve business productivity.

Demand for support around cyber security is also prevalent in county, with most companies having not undertaken any analysis of their cyber security training needs, or any cyber security training, over the past year. The increase in cyber-attacks during the COVID-19 pandemic – combined with user error being a common cause of cyber breaches - suggest an urgent need to increase employees' cyber security awareness and skills levels.

There are concerns around availability and relevance of training available to the ICT sector in Worcestershire reported by the ICT sector.

6.3.3 Skills shortages: specific roles and sectors

Employers reported that a lack of specialist skills, or the knowledge needed to perform a role, are the most frequently mentioned difficulties in recruiting. Worcestershire has high proportions of vacancies where basic skills, or management and leadership skills, have been hard to find.

The Engineering and Manufacturing sector has a higher percentage of hard-to-fill vacancies than other industries, with skills shortages reported for a range of roles including: Project Engineers; Design Engineers; IT Specialists; Welders; CNC Machinists; Fabricators; and specialist/niche positions, such as Combustion Engineering.

Projected growth within the county's construction sector suggests that an additional 350 workers will be required by 2022 as well as replacement demand to meet the 13500 employees needed (compared to 2018). Further escalated by a low availability of training in county to enter the sector.

6.3.4 Decreasing employment opportunities

The largest percentage falls in employment within the county are likely to be in Manufacturing and in Agriculture, with employment levels forecast to decline in Wholesale & Retail, Secretarial & Related Occupations, and Education.

Automation is likely to lead to a continued fall in demand for Process, Plant & Machine Operatives, although this may be offset to some extent by replacement demand and a need for roles with a greater degree of programming and technical ICT skills.

COVID-19 is likely to have a short-term negative impact on demand in the Arts & Entertainment and Accommodation & Food Services sectors, although these are predicted to rebound quickly once pandemic restrictions are lifted.

6.3.5 Increasing employment opportunities

COVID-19 is likely to accelerate growth in Transport & Storage, which predictions suggest maybe continued beyond the pandemic as buyer behaviour is revocably changed.

Our older and more rapidly ageing local population is likely to lead to a continued growth in caring-related personal service occupations.

The ageing workforce dynamic of the county is more prevalent in certain industry sectors such as public sector, education, and healthcare as well as Engineering and Manufacturing - this suggests that workforce planning strategies need to be adopted to consider replacement demand.

6.3.6 Automation

The impact of automation will likely be significant, with 10% of low-skilled jobs likely to be affected. Worcestershire faces significant risk due to the presence of routine/ lower-skilled jobs and industry processes, such as Process Manufacturing. However, some higher skilled roles (such as those within Finance and Business Services) are also susceptible to automation.

6.4. Skills Strategy Priorities

- a) To reduce levels of claimants and improve individual health and well-being whilst impacting positively on economic activity, recognising the need for interventions post Covid 19.
- b) Aim for all educational establishments to continually meet all 8 Careers education benchmarks annually, with a particular focus on the Worcestershire economy.
- c) Create an education and training provision eco-system that meets local needs and future trends of Worcestershire's economy i.e. ensuring FE and HE are responsive.
- d) To increase the number of graduates and skilled young people in Worcestershire to spend more of their economic life in Worcestershire.
- e) To improve the economic activity rates in our older workforce by creating a culture of flexible work environments and upskilling/reskilling opportunities

6.5 What have we done ? A summary of projects over the last few years.

6.5.1 Worcestershire CC / WLEP **acting as a Gateway organisation for the Govts. Kickstart Scheme** with a focus on supporting District Councils, small to medium size businesses, the Voluntary and Community sector. The Gateway's across Worcestershire currently have recruited over 800 placements combined.

6.5.2 Covid 19 caused young people to leave education establishments in March 2020 and many of those young people in years 11 and 13 were faced with important decisions. We have **set up Careers Worcestershire**, designed to support 16-24-year olds to gain careers advice and talk to experts about what next in the Covid 19 climate.

6.5.3 **Worcestershire Apprenticeships created** in 2015 has seen over 2500 employers and 30000 young people to promote the benefits and opportunities of Apprenticeships. The brand works throughout schools offering workshops, resources, advice and guidance and 1:1 support. Annually the brand runs a number of key events from a large-scale apprenticeship awareness event with over 1000 attendees and a awards night to recognise the achievements of Worcestershire apprentices and its employers.

6.5.4 **Skills4Worcestershire launched in 2017 offers a one stop shop for careers support for education.** The site was designed to support young people to understand the labour market and job opportunities within Worcestershire, linking young people to resources from other organisations and highlighting education pathways for careers.

6.5.5 Worcestershire LEP delivered a number of positive capital investments such as **The Duckworth Centre, Heart of Worcestershire College launched** phase 1 of its new Centre of Engineering following investment from the LEP. This new facility will deliver automotive, engineering, plumbing and heating qualifications to address local skills needs with a phase 2 to follow in 2021.

6.5.6 **Worcestershire Skills Show in 2020 was visited by over 5000 young people** from 43 schools and colleges, exploring over 100 of Worcestershire employers. The event offers young people the opportunity to get to explore the employment sectors of Worcestershire , getting to know its employers and their work and the skills they look for and entry points to careers with them.

6.5.7 **Inspiring Worcestershire Campaign** specifically targeted employers across Worcestershire to pledge their support to participate in supporting careers related activities taking place across our network of education establishments. In the Closing the Gap report from the Careers and Enterprise Company in 2019, **Worcestershire was leading the way with 83% of young people receiving encounters with employers.**

6.5.8 **Worcestershire launched its Employment Excellence Charter** in October 2020 , guiding employers through a range of workshops and resources to raise standards and support the health, safety and development of their staff but also to ensure they are fairly treated and rewarded .The Charter supports employers to explore flexible working options and how to effectively implement.

6.5.9 **Worcestershire Jobs website** is live today and this provides a job search tool based on keyword search. It then searches all online jobs portals and provides results of Jobs, local courses and application details. This will be formally launched in the coming day.

Judy Chadwick
Director of Skills

ACTION PLAN

Priority 1 - To reduce levels of claimants and improve individual health and well-being whilst impacting positively on economic activity, recognising the need for interventions post Covid 19.

Actions	Activities	Timescales Short Term – 0-1 year Medium Term – 1- 2 years
Support the messaging and promotion to employers through Worcestershire Growth hub to maximise interventions in the HM Governments Plan for Jobs, including working with Local Authority partners to act as an intermediary Gateway for Worcestershire’s SMEs with focus on long term outcomes for both young people and employers.	<ul style="list-style-type: none"> - Act as intermediary for HM Governments Kickstart programme - Deliver Communications Plan to promote employer interventions across county - Implement Placement Strategy for County for engaging employers 	Short/Medium Term Short Term Medium Term
Demystify and signpost to careers services which help the unemployed understand the transferable aspects of their career experience, existing skills and general know-how for jobs and employment opportunities (E.g. National Careers Service and local provision)	<ul style="list-style-type: none"> - Annual mapping exercise of employability programmes across county - Launch Unemployment offer on Skills4Worcestershire - Improved working and targeting of National Careers Service in county - Focus towards an all age careers service for Worcestershire 	Short Term Medium Term Medium Term Long term
Work with Department of Work and Pensions to embed national and create local programmes for the Worcestershire geography whilst enabling better relevance of local training provision to claimants and employer’s needs.	<ul style="list-style-type: none"> - Create Sector Work based Academy Programme for Worcestershire with DWP - Support CAEHRS framework providers to implement and embed provision in county - Implement Youth Hub within Worcester City - Embed Youth Hub Spokes into all districts - Embed role with DWP locally to create appropriate programmes and support interventions for the county 	Medium Term Medium Term Short Term Long term
Explore working with Health Providers and programmes across Worcestershire to ensure health	<ul style="list-style-type: none"> - Build Relationships with Public Health England in Worcestershire 	Medium Term

interventions are embedded within employment support programmes , reducing health inequality within the county.	<ul style="list-style-type: none"> - Align County’s Health and Wellbeing strategy and Skills Action Plan priorities - Develop and bid for appropriate funding to develop priority - Create Health and Wellbeing hubs with employability focus across all districts in Worcestershire 	<p>Medium Term</p> <p>Medium Term</p> <p>Long Term</p>
Support the identified drive to meet recruitment needs of key cornerstone sectors within the county and promote opportunities to claimants and new entrants	<ul style="list-style-type: none"> - Improved focus of ESF programmes to support workless residents - Develop Action Plan/s for growth and cornerstone sectors to support recruitment aligning with Government initiatives such as Digital Bootcamps and careers pathway programmes - Work with WCC to develop Careers into Care programme - Develop Skills4Worcestershire to market growth and cornerstone sectors 	<p>Medium Term</p> <p>Short Term</p> <p>Short Term</p> <p>Long term</p>
Focused effort on marketing and communicating to residents within social mobility hotspots around employment interventions including launch of new Worcestershire jobsite.	<ul style="list-style-type: none"> - Launch Worcestershire Jobs in 2021/22 - Target communication plan for site including focus around social mobility hotspots - Work with DWP to create employability hubs within social mobility hotspots 	<p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>

Priority 2 - Aim for all educational establishments to continually meet all 8 Careers education benchmarks annually, with a particular focus on the Worcestershire economy.

Actions	Activities	Timescales
		<p>Short Term – 0-1 year</p> <p>Medium Term – 1- 2 years</p>
Support the Careers and Enterprise Company programme and deliver careers planning and education support in 65 education establishments across the county.	<ul style="list-style-type: none"> - Continue to deliver the Careers Hub programme for Worcestershire embedding programme into Middle Schools - Lead on annual Worcestershire Skills Show - Roll Employer encounters out into Primary Education to support the 	<p>Short/Medium Term</p> <p>Medium Term</p>

	exploration of careers at an earlier age.	Long term
Annually collate labour market intelligence and insights from partners and stakeholders to build a resource library for young people and Worcestershire's education establishments to access.	<ul style="list-style-type: none"> - Build resource library on Skills4Worcestershire - Engage employers in Virtual Work encounters - Develop new LMI tool for Worcestershire 	Short/Medium Term Short Term Medium Term
Continue to build and extend the work of Worcestershire Apprenticeships, ensuring young people understand all post 16 choices including Apprenticeships , academic and vocational routeways .	<ul style="list-style-type: none"> - Review Strategy and approach of Worcestershire Apprenticeships including gapping exercise of standards - Work with delivery providers to further embed WA into their organisations - Continue to fund the work of Worcestershire Apprenticeships - Celebrate Apprenticeship success through annual awards - Run annual Apprenticeship recruitment event - Lead on communications plan for Apprenticeships for county targeting employers and young people - Continue to source sustainable funding to maintain the Worcestershire Apprenticeships programme 	Short Term Medium Term Short Term Short Term Short Term Short Term Long Term
Lead on exploring, coordinating and promoting options for employers to maximise engagement with education including work experience, graduate internships, T Level placements, apprenticeships etc.	<ul style="list-style-type: none"> - Create placement Strategy for Worcestershire - Create skills hub within Growth hub - Lead on promotion of education encounters to employers - Work with FE to develop College Business Centres - Build Countywide database for Employers around engagement to support activity moving forwards 	Short Term Medium term Short Term Medium Term Long Term

Priority 3 - Create an education and training provision eco-system that meets local needs and future trends of Worcestershire's economy i.e. ensuring FE and HE are responsive.

Actions	Activities	Timescales
Explore diverse ways of addressing skills gaps in the Worcestershire economy such as Digital utilising Government schemes such as T Levels, Apprenticeships and Digital Bootcamps as well as local initiatives.	<ul style="list-style-type: none"> - Work with FE Providers to explore Government initiatives and ways of working cross county - Create skills hub within Growth hub - Secure funds to support employers with workforce planning/engagement strategies 	<p>Short Term – 0-1 year</p> <p>Medium Term – 1- 2 years</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>
Engage closely with Training Providers, Further and Higher Education in the LEP area to help promote their education and employability offers, their areas of research excellence and innovation and support to enhance their engagement with business.	<ul style="list-style-type: none"> - Continued and ongoing promotion of Government initiatives such as T Levels to wider community through schools and directly to employers using stakeholders in county - Termly meetings with FE, HE and Training Providers exploring opportunities - Ongoing engagement with SAP from HE, FE and Training Providers 	<p>Short Term</p> <p>Short/Medium Term</p> <p>Short/Medium Term</p>
Consider the needs of new technologies impacting employers and support to address the future skills needs brought by innovation for existing workforces and new entrants.	<ul style="list-style-type: none"> - Complete research into Automation in County - Work with skills providers to map current provision and explore gaps using government initiatives - Create skills focus on the specific technologies of importance to Worcestershire employers such as low carbon and 5G technologies - Develop Digital Skills strategy for county, map current offer within county and consider investment needs - Explore need for facilities to expand provision in digital within county 	<p>Short Term</p> <p>Medium Term</p> <p>Medium Term</p> <p>Medium Term</p> <p>Long Term</p>

Work with Worcestershire's employers in cornerstone sectors such as care and construction to understand the impact of digitalisation on their employment and to meet the skills needs.	<ul style="list-style-type: none"> - Develop Action Plan/s for cornerstone sectors to support recruitment aligning with Government initiatives such as Digital Bootcamps and careers pathway programmes 	Short Term
To lead review on capital needs of Education establishments (post 16) and create project pipeline for Government future investment.	<ul style="list-style-type: none"> - Review Capital Needs in county and establish project pipeline for future funding - Work with Further Education to review sites needs - Support University to expand Healthcare Provision 	Medium Term Long Term
Position the LEP and SAP as an established partner with Government to contribute and pilot national skills policy developments.	<ul style="list-style-type: none"> - Continue to embed the Skills Advisory Panel into the LEP and HM Government infrastructure and challenge and create policy locally and nationally 	Short /Medium Term

Priority 4 - To increase the number of graduates and skilled young people in Worcestershire to spend more of their economic life in Worcestershire.

Actions	Activities	Timescales
		Short Term – 0-1 year Medium Term – 1- 2 years
Support the Work of Worcestershire Apprenticeships to help to stabilise following Covid 19 and grow apprenticeships, considering the use of levy funds and the opportunities of higher-level apprenticeships with employers.	<ul style="list-style-type: none"> - Map Levy employers and facilitate ways to transfer levy to SMEs in Worcestershire - Support employers to access incentive schemes for Apprenticeships - Lobby Government to increase incentives and link to other schemes 	Medium Term Short Term Short/Medium Term
Continue to build on the levels of employer encounters for young people within educational establishments including the continued development of the Worcestershire Skills Show to highlight the opportunities of Worcestershire to its young people.	<ul style="list-style-type: none"> - Increase levels of employer engagement in education across county through increased focus in Skills and Growth Hub - Support providers across county to access appropriate employer interventions to young people - Lead on annual Worcestershire Skills Show 	Short/Medium Term Short/Medium Term

		Medium Term
Work with the University of Worcester to build a Public Sector Centre of Excellence, which offers increased opportunity for Worcestershire communities to access Higher Education and maximise the potential to attract and employ university graduates directly into Worcestershire's public services.	<ul style="list-style-type: none"> - Explore with both Local Authorities , Health and Education partners the concept of a Public Sector Centre of Excellence training working with University of Worcestershire 	Medium Term
Explore the development of the "One Worcestershire" inward investment brand, hosted by Worcestershire County Council and how it can highlight the opportunities of employment in county to young people outside of the county.	<ul style="list-style-type: none"> - Create communications strategy with One Worcestershire to target young people and highlight careers opportunities in Worcestershire 	Medium Term

Priority 5 - To improve the economic activity rates in our older workforce by creating a culture of flexible work environments and upskilling/reskilling opportunities.

Actions	Activities	Timescales
		Short Term – 0-1 year Medium Term – 1- 2 years
Work with the Worcestershire LEP growth Hub to continue to encourage and enable business to consider alternative employment models and upskilling/reskilling of staff.	<ul style="list-style-type: none"> - Seek resource to implement the Employer Excellence Charter supporting employers to implement different contract models and employ diverse workforces - Map the reskilling offer for Cornerstone sectors as part of the Action Plan/s development to support recruitment and upskilling aligning with Government initiatives and including European Social Fund programmes locally. - Seek funding to implement county wide business support programme around workforce planning and succession 	Medium Term Medium Term Long Term

<p>Explore opportunities to introduce programmes and initiatives into the county that offer local employers upskilling and reskilling such as Digital Bootcamps.</p>	<ul style="list-style-type: none"> - Support the implementation/ introduce opportunities locally that respond to Worcestershire’s economic priorities such as Digital Boot camps , Lifetime Skills Fund etc. - Create Skills hub within Growth hub 	<p>Medium Term</p> <p>Medium Term</p>
<p>Work with the National Careers Service and Public Health England to explore implementing the Midlife MOT DWP Initiative in Worcestershire recognising and building on existing local interventions .</p>	<ul style="list-style-type: none"> - Develop the Midlife MOT pilot and extend beyond the pilot seeking alternative funding sources - Work with Public Health to extend work of Worcestershire Works well to support workforce retention 	<p>Short/Medium Term</p> <p>Long Term</p>