Worcestershire
Local Enterprise Partnership

Local Skills Report: 2021

FOREWORD FROM CHAIR OF THE EMPLOYMENT AND SKILLS BOARD

As Chair of the Employment and Skills Board for the Worcestershire Local Enterprise Partnership, I am delighted to present the Local Skills Report 2021-2025.

The Report has been prepared by our Employment and Skills Board, one of the LEPs key policy boards, and aligns with our work on the wider refresh of Worcestershire's economic strategy, which has been undertaken over the last year. The priorities and actions contained within this Local Skills Report will be embedded in our People strategy and will contribute to the economic recovery post-Covid and the continued sustainable growth of Worcestershire's economy.

This Local Skills Report provides a timely opportunity to drive change and improve the skills of both our existing and future workforce – Covid 19 has impacted our county by increasing the number of benefit claimants in the county and accelerating the demand of employers for a number of skills. We critically need, skilled individuals to meet the demands of our employment moving forward and support our recovery. We also need to focus on those individuals who have been adversely affected by the pandemic to respond positively, to re-engage with the labour market and continue to reskill or upskill to place themselves firmly back on a platform to success.

We critically need, skilled individuals to meet the demands of our employment moving forward and support our recovery.

We recognise the need to understand the growing industries and sectors within Worcestershire and how skills development supports the growth as well as the need for replacement labour. We also acknowledge the growing barriers in certain industries to growth through a lack of skilled professionals and this report aims to address these challenges.

Over the last few years, the Employment and Skills Board has recognised the growing challenges within the county around the ageing workforce and has prioritised its resources to support the future workforce from the implementation of the Careers and Enterprise Company Programme, focused on careers planning interventions in education adopted as part of the Governments wider Careers strategy and creating a strong brand for Apprenticeships in the County.

The Local Skills Report will not only set out how we will work towards our priorities over the next 4 years but how partners from businesses, from public sector agencies and from employment and skills providers can work with us to support the strategy moving forward.

The successful delivery of this strategy will require commitments from all partners and should be seen as a call to arms. Specifically, we ask:

For all **Employers**,private, public and third sector, to engage with this Strategy, increasing their commitment to investing in the skills development of the current and future workforce;

For the **Government**, and its delivery agencies, to maintain an open and responsive dialogue, to work jointly with us and allow us to shape policy and programmes in order to ensure they address Worcestershire needs;

For **Individuals** to use the support available to them, to assist them to make positive employment and skills choices; and

For **'Providers'**, to more closely respond to the changing needs of the Worcestershire economy and its businesses.

I am confident that this report has identified the key challenges and opportunities across the local skills landscape and that by delivering on the priorities outlined here we can deliver on the Worcestershire LEP vision of creating a connected, creative and dynamic economy for all.

Carl Arntzen, Managing Director, Bosch Thermotechnology.

Chair of the Employment and Skills Board

WORCESTERSHIRE LEP

OUR AREA

Worcestershire benefits from a diverse economy with no dominant single employer or sector driving the local economy. In fact, Worcestershire can be described as having five distinct geographical areas:

- **North Worcestershire is a hub for advanced manufacturing and business services;**
- **Worcester City has a strong manufacturing base and strengths in the health and care, and business and professional services sectors;**
- **Malvern Hills is home to the Malvern Hills Science Park and a cluster of cyber and technology-led businesses;**
- **The Vale of Evesham has a rich history and thriving present in the horticultural sector; and**
- **The Rural Heartlands are home to many small and micro businesses that are a significant asset to the county's economy.**

Worcestershire is an incredible county. We boast a Cathedral city, beautiful market towns and industrial centres. We have natural assets such as the River Severn, the Clent Hills and the Malvern Hills.

We have cultural assets including Worcester Cathedral and Malvern Theatres, sporting assets such as Worcestershire County Cricket Club and Worcester Warriors Rugby Football Cluband visitor attractions such as the Severn Valley Railway and West Midland Safari Park. At the same time, we are well connected and strategically located within the UK.

Our Economy

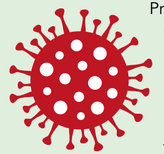
Worcestershire has relatively high employment, but faces challenges including low wages and productivity, with high levels of out-commuting to higher wage areas.

Located in the centre of the country, Worcestershire has good links to the major centres and is home to one of the UK's first 5G testbeds, successfully deploying the first live factory 5G trials in the country, placing the county at the forefront in developing digital connectivity.

WORCESTERSHIRE 5G testbed

Worcestershire has a high rate of business creation and the number of businesses now exceeds 30,000[1]. Sector strengths include health & care, business administration & professional services and construction, with opportunities for growth in advanced manufacturing, cyber security, IT and defence and horti/agricultural technology.

The Impact of COVID-19…



Prior to the pandemic Worcestershire's economy was worth £13.5 billion[2]. We had seen annual average growth at 3.7% with an increase in GVA from £11.0 billion to £13.5 billion between 2012 and 2018. The number of jobs in the county was also growing with an increase of 35,000 since 2012[3]. House building performance was also positive with a 77% increase in housing starts between 2012 and 2019 compared with 50% nationally. Completions increased by 67% compared with 54% for England overall[4].

The diversity of the Worcestershire economy is a key strength helping to make it more resilient to economic shocks. The impacts of COVID-19 have been similar in magnitude or slightly less than those seen nationally.

…on our sectors

The Accommodation and food services sector has been hardest hit, with the largest number of employees furloughed at 8,560[5] and an estimated fall in GVA in Worcestershire of over £200m since the start of the pandemic.

Restrictions have also significantly affected the wholesale and retail sector where 7,780 employees are furloughed[6], accelerating the challenges faced by high streets by the shift to online. City and towns investment plans that seek to transform these places to ensure they continue to meet the needs of the local communities they serve will be critical in supporting adaption.

Sectors of high employment such as health and manufacturing have generally been less adversely impacted by COVID-19. The manufacturing sector has remained far more resilient in later lockdowns, in part because of the health and safety measures put in place to allow businesses to continue trading, although 3,790 employees are currently furloughed[7].

…on our employment

There have been significant impacts on the labour market in Worcestershire. 15% of those eligible are in receipt of the Coronavirus Job Retention Scheme[8], and 63% of individuals eligible have been supported through the third Self-Employment Income Support Scheme (SEISS)[9]. Claimant count unemployment has more than doubled, increasing by 132% over the last year[10]. The impact has been greatest on young people with 8.7% of those aged 18-24 now claiming unemployment related benefits.

15% of those eligible are in receipt of the Coronavirus Job Retention Scheme

63% of individuals eligible have been supported through the third Self-Employment Income Support Scheme

…on our businesses

Business surveys[11] indicate that over 80% of businesses in Worcestershire are currently trading. However, around half are experiencing decreased turnover compared with normal expectations for the time of year and around 40% had three months of cash reserves or less.

[1] *UK business: activity, size and location - Office for National Statistics (ons.gov.uk)*

[2] *Regional gross value added (balanced) by industry: city and enterprise regions - Office for National Statistics*

[3] *Local Authority county - Business Register and Employment Survey (BRES): Table 5 - Office for National Statistics (ons.gov.uk)*

[4] *Live tables on housing supply: indicators of new supply - GOV.UK (www.gov.uk)*

[5] *Coronavirus Job Retention Scheme statistics: March 2021 - GOV.UK (www.gov.uk)*

[6] *Coronavirus Job Retention Scheme statistics: March 2021 - GOV.UK (www.gov.uk)*

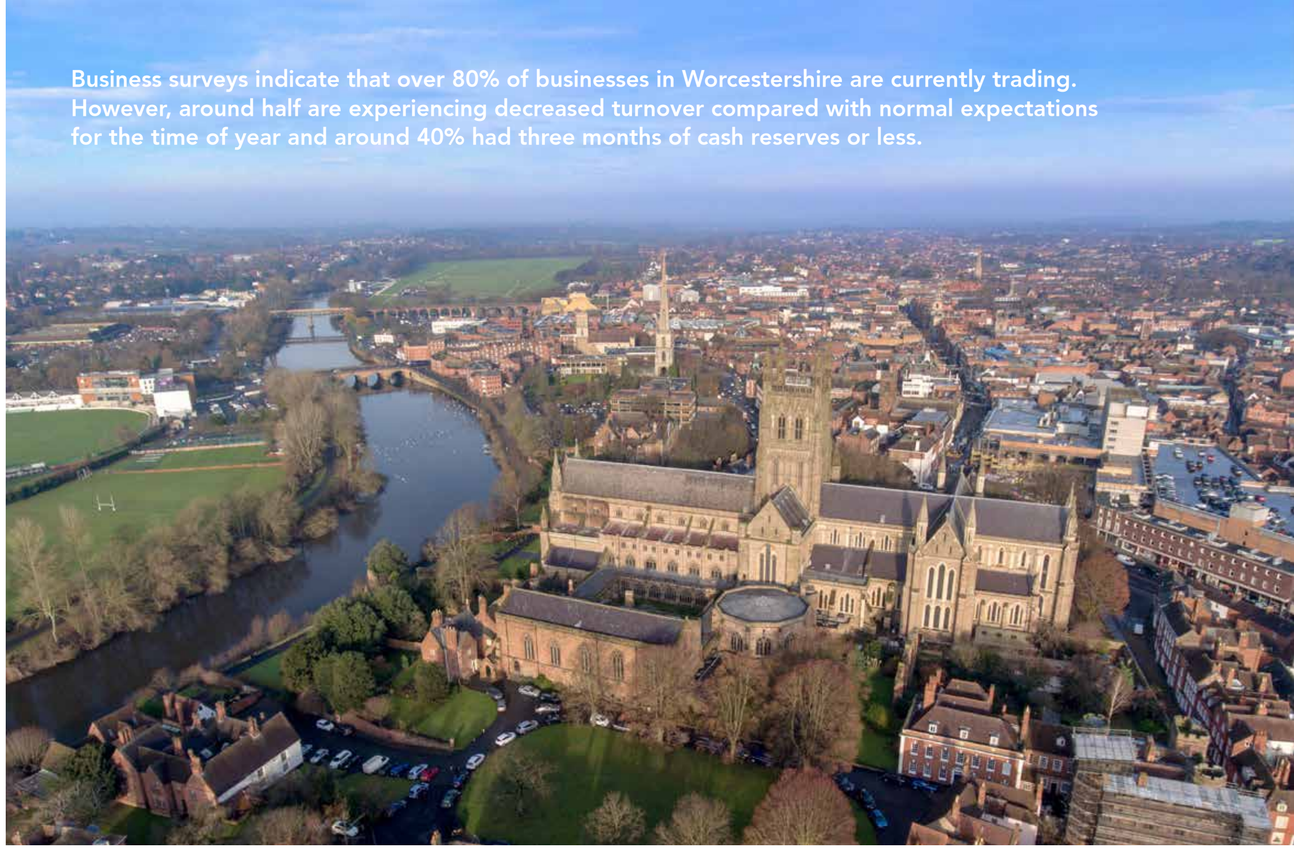
[7] *Coronavirus Job Retention Scheme statistics: March 2021 - GOV.UK (www.gov.uk)*

[8] *Coronavirus Job Retention Scheme statistics: March 2021 - GOV.UK (www.gov.uk)*

[9] *Self-Employment Income Support Scheme statistics: February 2021 - GOV.UK (www.gov.uk)*

[10] *Labour Market Profile - Nomis - Official Labour Market Statistics (nomisweb.co.uk)*

[11] *Business insights and impact on the subnational UK economy - Office for National Statistics (ons.gov.uk)*



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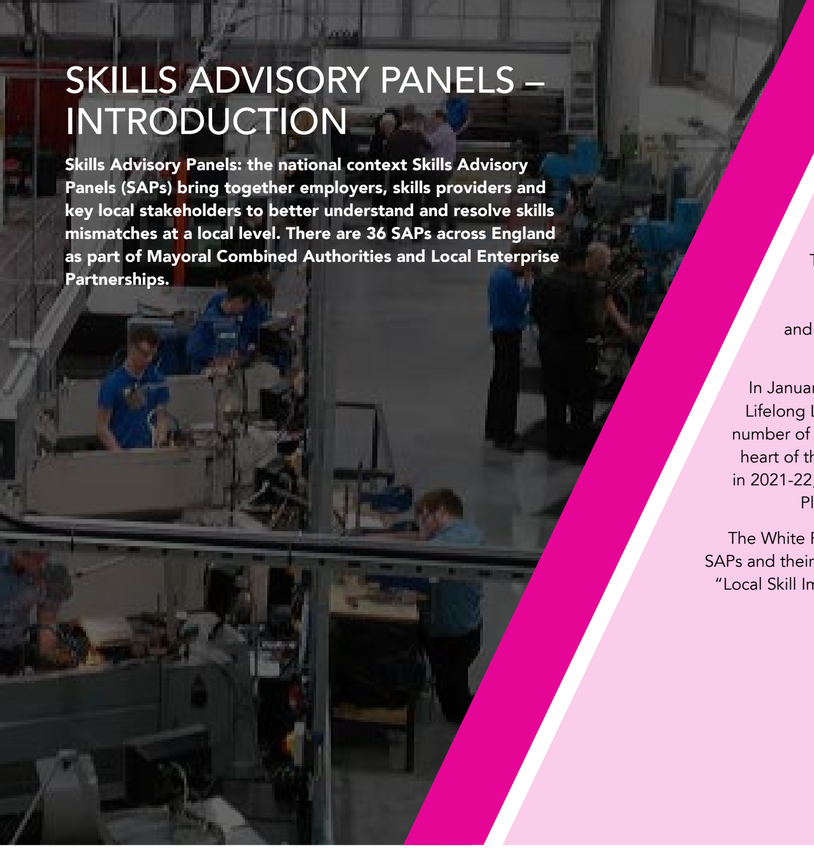

SKILLS ADVISORY PANELS – INTRODUCTION

Skills Advisory Panels: the national context Skills Advisory Panels (SAPs) bring together employers, skills providers and key local stakeholders to better understand and resolve skills mismatches at a local level. There are 36 SAPs across England as part of Mayoral Combined Authorities and Local Enterprise Partnerships.

The Department for Education (DfE) supports SAPs with grant funding primarily to produce high quality analysis of local labour markets and Local Skills Reports.

The Reports set out the local strengths and skills needs and how the SAP proposes its area addresses its key priorities. The Reports aim to influence local partners and feed intelligence to central government, including the national-level Skills and Productivity Board (SPB).

In January 2021, DfE published its White Paper "Skills for Jobs: Lifelong Learning for Opportunity and Growth," which set out a number of reforms aimed at putting employers more firmly at the heart of the skills system. The White Paper outlined plans to test in 2021-22, in a small number of areas, "Local Skills Improvement Plans" created by business representative organisations.

The White Paper committed to build on the work of SAPs to date. SAPs and their Local Skills Reports will continue as the DfE trailblazes "Local Skill Improvement Plans" and until any potential changes are made to a SAP's remit and responsibilities.

Skills Advisory Panel: Worcestershire

The Skills Advisory Panel (SAP), known as the Employment & Skills Board for Worcestershire, is one of Worcestershire Local Enterprise Partnership's four policy boards and acts as the designated body to set strategy for employment and skills in Worcestershire.

The Employment and Skills Board for Worcestershire was formed in 2012 and was refreshed in 2019 to undertake the role of Skills Advisory Panel for the county.

The Board reports to the main board of the Local Enterprise Partnership and meets four times each year.

Membership

The Worcestershire Employment and Skills Board is an employer-led group of between 12-15 members:

- the majority of members, including the Chair, are drawn from the private sector.
- representatives from secondary schools, nominated by the Worcestershire Association of Headteachers
- two Principals from FE Colleges, nominated by Worcestershire FE Principals
- a nominee, at Head of Faculty level, from the University of Worcester
- the Cabinet Member for Education and Skills from Worcestershire County Council
- senior representatives from funding bodies such as the Education Skills Funding Agency (ESFA) and Department for Work and Pensions (DWP)
- a representative from the Training Providers Association

The Employment and Skills Board terms of reference can be found, along with its membership, at: https://www.wlep.co.uk/about-wlep/people/employmentandskillsboard/

The Board plays a wider influencing role, responding to Government strategy and seeking to share analysis and best practice - as widely and transparently as possible - with central government and other Skills Advisory Panels to learn from each other and tackle wider skills challenges.

Locally, the Employment and Skills Board engages, consults and collaborates with local partners to deliver this Skills Action Plan and to identify and maximise the resources needed to do so.

SKILLS STRENGTHS AND NEEDS

SKILLS SUPPLY

Qualification levels

Worcestershire's qualification levels are similar to national figures, although there is variation between districts with some having a lower proportion of residents with a Level 4+ qualification. Malvern Hills has the highest density of Level 4 qualifications in England.

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 positive levels of engagement with, and achievement 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 their 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.

There are high rates of positive destinations from education and training, particularly into sustained employment.

Apprenticeships

Worcestershire Apprenticeship Award Winners

- The Apprenticeship levy has led to a shortage of providers funded to support SMEs who are non-levy payers. Larger employers have 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.
- We support a continuing focus on sectors that are appealing to both the workforce and employers and will serve the local business community well – for example, roles such as Software Development Technician and Mechanical Manufacturing Engineer.
- Apprenticeship starts are lower than last year, 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.

Further education

- Worcestershire has three further education colleges with a presence in seven areas of the county, making the county well supplied with provision. The colleges offer a good distribution of full-time post 16 provision, higher education and a range of Apprenticeships.
- Technical Levels (T Levels) in Digital and Education will be offered by two of our colleges from September 2021.
- The county benefits from a specialist offer in Horticulture and Agritech, from the campus in Pershore, as well as excellent engineering facilities in several locations.
- Colleges offer a range of provision to support vulnerable learners and focus on supporting young people into employment beyond education.

Higher education

- There is only one university in the county: the University of Worcester's offer is focused on public services, supporting the county's 24% employment within this sector.
- The University is currently expanding its provision, moving further into the Health economy and supporting this LEP priority sector.
- Whilst the University does offer a range of courses relevant to some of our priority sectors, it does not offer any Engineering, Manufacturing, or Construction courses.
- However, local further education is recruiting learners into degree level courses within Engineering and other subjects, but with limited capacity. This means that many of those wishing to study these subjects 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.

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In-company training

- Most of the county's employers say they provide 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 an appropriate funding, either through government sources or within the employer's budget.

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.
- 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.

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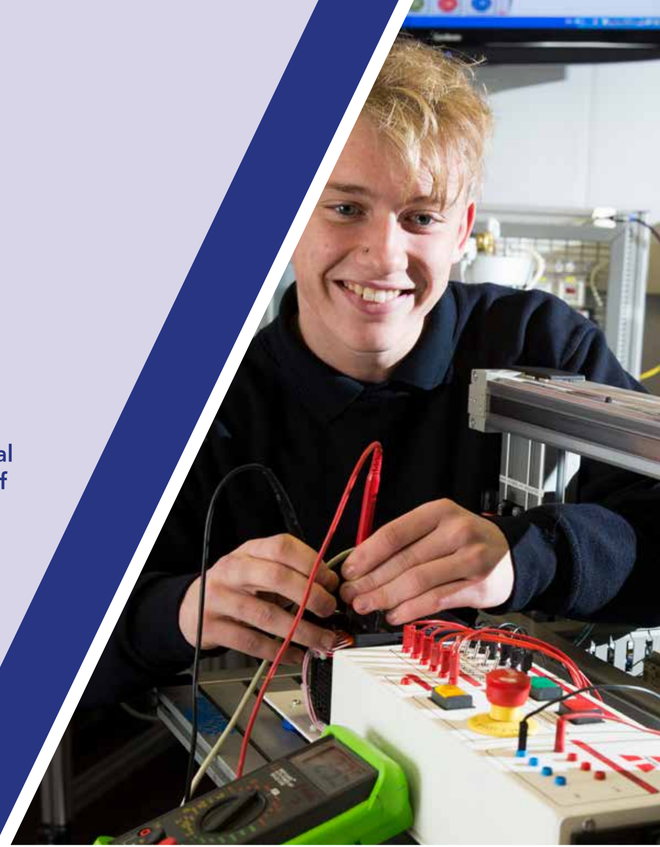

SKILLS DEMAND

SKILLS DEMAND

Employer demand

Businesses have identified a shortage of skilled staff as a barrier to innovation and growth within the county and is one of the major worries for local employers. A BDO survey (2019) of local employers cited the availability of skilled labour as the biggest negative attribute of the Worcestershire market (30%), with Brexit uncertainty mentioned by 16% of the companies.

The most frequently cited skills deficits are IT, job-specific, and technical skills.

We have 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 are IT, job-specific, and technical skills

Decreasing employment opportunities

- The largest percentage falls in employment 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.
- 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.

Increasing employment opportunities

- COVID-19 is likely to accelerate growth in Transport & Storage.

- 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 - this suggests that workforce strategies need to be adopted to consider replacement demand.

Automation

- The impact of automation will 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. Without action to change the local economy's structure, future growth may be driven to a disproportionate extent by low-skilled and public sector jobs.

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SKILLS SHORTAGES

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Digital Skills

Digital skills remain in the highest demand from the county's employers, whether for new entrants, replacements, or when reskilling existing staff. The skills most frequently mentioned relate to the use of online platforms, such as Zoom, and the use of social media. 30% of Worcestershire employers, in the Chamber of Commerce Employment Survey (2020), cited digital skills as the skills gap causing them the greatest recruitment difficulties.

- 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 for technical networking skills.
- Digital marketing and cloud-based computing have the greatest current and predicted use amongst Worcestershire employees, although a lower proportion of the smallest companies (0-4 employees) use cloud-based computing.
- Digital skills gaps are given a low priority by some organisations, and around 20% of employers report time and cost barriers to upskilling.

"The smallest businesses are least confident in their ability to perform cyber security tasks.

- There is widespread use of e-commerce, along with anticipated growth, and almost 50% of companies are using, or expect to use, CRM particularly within the Professional, Scientific, and Technical sectors. Business support schemes are in place to encourage the uptake of technology adoption; this will drive our skills needs and improve business productivity.
- The smallest businesses are least confident in their ability to perform cyber security tasks. National evidence shows that cyber security skills gaps are greatest amongst Construction, Retail, and Wholesale businesses.
- Most companies have 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.
- Employers in the IT sector are the most likely to cite insufficient availability of suitable training as a barrier, and to rate local digital skills training provision as poor.

Skills shortages: specific roles and sectors

- A lack of specialist skills, or the knowledge needed to perform a role, are the most frequently mentioned difficulties. 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 13,500 employees needed (compared to 2018).

Mapping and analysis have been carried out by Worcestershire County Council - using EMSI data - to assess the extent to which the supply of skills (FE course completions) meet future demand from employers (projected job openings) and where gaps in provision currently exist. Early-stage analysis of supply and demand in the key sectors, which may be subject to change, is summarised in the table opposite:

SUPPLY VS DEMAND

Worcestershire's key sectors	Undersupply – Potential to expand provision	Gaps in skills provision - Potential to create provision
Health & Social Care	Health & Social Care; Health & Safety; Counselling & Psychology	Care; Vocations Allied to Medicine; Nursing; Medicine and Dentistry; Pharmacy; Dentistry; Dental Nursing; Optical Services; Therapy
Agri-tech	Agriculture	Environmental Management and Conservation
Advanced Manufacturing	Engineering; Manufacturing	Metal Work; Packing; Food & Drink Manufacturing; Production & Manufacturing Engineering; Mechanical Engineering; Mining & Extraction; Computer Engineering; Printing; Plant Operations; Civil Engineering; Ceramics & Glass Manufacturing; Fashion, Textiles, Footwear & Leather Manufacturing; Upholstery
Construction	Construction (general); Electrical and Electronic Technology; Plumbing, Heating & Gas; Bricklaying; Stonemasonry	Architecture; Construction Management; Painting & Decorating; Roofing; Floor & Wall Covering Occupations; Plastering
Cyber-security, Defence and IT	ICT Practitioners	
Business & Professional Services	Marketing & Sales; Management; Administration; Accounting & Finance	Law and Legal Studies

A lack of specialist skills, or the knowledge needed to perform a role, are the most frequently mentioned difficulties.

SKILLS STRATEGY

Skills Strategy

Worcestershire LEP's skills vison is to work with employers and education providers to prioritise local needs, informed by stakeholder engagement and research into the challenges faced within our local geography. Through our draft Local Industrial Strategy, we have identified some key areas of focus based on evidence informed by data, consultation, and research.

We have identified our 'People' challenges as:

- **A growing number of claimants**, which is affecting economic activity with comparatively lower wealth-generating capacity. This leads to lower productivity in the county, currently exacerbated by a suppy and demand skills and employment challenge resulting from COVID-19 and its impact on employment.
- In addition to our **ageing demographic forecasts** until 2041, the economic effect driven by the working age of people within our economy has the potential to be compounded further: 1 in 3 of our current workforce is over 50 years of age, with a higher rate in some of our larger sectors i.e. Public Services, Engineering and Manufacturing.
- We have a relatively highly skilled resident population, with high levels of out-commuting due to **low awareness of high-value career opportunities within the county.**
- Residents with higher levels of income will have an impact on housing demand, therefore affecting the type, provision, and affordability of homes. This can act as a major barrier to **attracting younger highly skilled individuals** to work in the county.
- Worcestershire residents with low/no qualifications cannot always afford housing in the areas they live – leading to **systemic social mobility cold spots** in the county.
- Worcestershire demonstrates good educational attainment for under-16-year-olds, but further work is required to **improve post-16 performance,** including the promotion of technical education at an early stage in the career planning process.

To address these challenges, Worcestershire's Skills Action Plan aligns all interventions with the key aims of the People strategy; these aims are designed to positively impact the challenges faced by Worcestershire's employers and residents and, in turn, improve the county's economic prosperity. This is further reflected within the Worcestershire Economic Strategy 'People' strand and Logic Chain, which can be seen within the appendices.

The rationale behind our Skills Strategy prioritisation is to:

1. **Reduce the economic impact of high levels of claimants, and any future scarring caused by growing levels of youth unemployment due to COVID-19.**

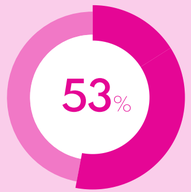
   In December 2020, youth unemployment reached 9% in the county, as a result of the COVID-19 pandemic which had adversely affected many of the job roles typically held by young people. A lack of opportunity to access employment - with many advertised roles requiring high levels of knowledge and specific technical skills - as well as low levels of Apprenticeships which could facilitate retraining, had a detrimental effect on young people. Many of the sectors which young people have typically worked in - including the Service and Retail sectors - may also suffer beyond the pandemic, through changed behaviours such as social distancing and online shopping, as well as business closures. This could result in greater competition for roles, pitching older/more experienced workers against young people.

2. Attract and retain a high-quality workforce in Worcestershire, focusing on our local population and selling Worcestershire to non residents as a place to work and live.

Availability of a skilled workforce is the top employer concern in Worcestershire, and has been consistently raised in employer surveys, the most recent of which being the Chamber of Commerce Employment Survey from Autumn 2020. This survey found that, during the pandemic - with higher levels of possible recruits available - 30% of employers reported challenges in recruiting the staff they needed; more than 50% of this number cited a lack of requisite skills. In 2018, more than 50% of Worcestershire jobs advertised online required a degree-level qualification, which demonstrates the demand for high-level skills in the county.

Although 75% of current residents live and work in the county, the impact of our ageing workforce is a significant concern for Worcestershire. We have an ageing workforce and a declining demographic of under 30s Worcestershire must therefore seek to influence students within its educational establishments, helping them to choose careers which will address skills shortages moving forward.

Worcestershire must attract people to live and work in the county to impact positively on productivity for the County. In Worcestershire, 53% of our young people aged 15-19 years old leave to study and don't return. Those who do stay are often employed in lower skilled work or choose to study locally where subject choice can be a limiting factor on their attainment of higher-level skills.



53% of our young people aged 15-19 years old leave to study and don't return

Worcestershire needs to market itself as a place to live and work. One of the challenges for young people within our county, and returning graduates, is the affordability ratio of housing, which makes it hard for them to find suitable accommodation *(Malvern and Bromsgrove have some of the highest affordability ratios in the West Midlands: 1:10 average salary).*

3. Support employers to invest in their brand, and the wider "Worcestershire" brand, to attract the county's future workforce.

Worcestershire's employers are showing signs of understanding the challenge they face. A growing number are starting to influence their future workforce and sell Worcestershire, as evidenced through the Careers and Enterprise Company report "Closing the Gap" (2020), which showed that Worcestershire's young people had the highest level of employer encounters in England.

"One of the challenges for young people within our county, and returning graduates, is the affordability ratio of housing, which makes it hard for them to find suitable accommodation

4. Focus our education settings, from schools through to higher education, on supporting education leavers to positively respond to the needs of Worcestershire's employers.

Worcestershire's education settings need to support their young people to actively participate in, and understand the opportunities within, the Worcestershire economy – this starts with a commitment to careers planning, understanding the opportunities, and improving their level of engagement with employers.

Whilst work in this area has been positive to date, and Worcestershire has shown some of the highest results in the country, the agenda needs to become even more embedded within education.

The Careers and Enterprise Company's work in schools needs to be the starting point for young people's learning about the Worcestershire employment landscape. There are positive levels of employer encounters across the county, with young people participating in work experience, visits to employers, and other interventions resulting in their improved understanding of employment in Worcestershire.

This work needs to continue and be further embedded within further and higher education settings. This will offer additional opportunities for young people to explore employment within the county and extend local and national initiatives – such as T levels and internships - aimed at bringing employers closer to education.

5. **Skills interventions need to focus on up-skilling and re-skilling in response to changing demographics, and technology impacting across sectors, to address replacement demand and meet the needs of growth and future sectors.**

Worcestershire's challenge is how best to represent its sectors in their entirety. Employers' current skill needs are predominately focused upon ICT and technical skills, especially for roles such as Network Engineers, Web Developers, Technical Architects, and enhanced Engineering Manufacturing skills.

> **Our education settings need to be able to consider their existing curriculum and refresh their offer in line with employer needs.**

The introduction of new concepts, and changes in technology - such as the development of Hydrogen in response to net zero, and 5G - highlight the process of big data analytics and are also beginning to feature in employers' skill needs. Our education settings need to be able to consider their existing curriculum and refresh their offer in line with employer needs.

Worcestershire's education settings must be ready and able to respond to employers' demands. This will require early interventions to explore infrastructure and capital needs to deliver the skills required, as well as education leaders working with employers to understand how to adapt/ expand their curriculum and qualifications offer. There is a continuing need to address the choices made by our young people to choose education that will be employment rich in future years, as well as supporting the need to meet replacement demand as older workers retire. These demands coupled with the need to introduce concepts through education that are of growing importance to employers in county and to influence education to allow innovation and creativity from young people. Qualifications have often been designed with, and influenced by, large corporate organisations and do not reflect the roles and skills required by SMEs.

This is a national issue, but Worcestershire must create its own future by seeking to influence national funding streams, as well as innovating and leading the way around agendas of importance to the county.

6. **Interventions need to focus on the health and wellbeing of residents, including those in work and those moving towards employment.**

Recognising the demographic of our county - and that 1 in 3 of our workforce is aged over 50, with an even greater prevalence in some sectors - Worcestershire must focus on the health of its workforce, helping them to stay healthier and more productive for longer. Alongside this, whilst people remain in work for longer, the culture of skills development must ensure that our older workers upskill and retrain so they can use new technologies, where necessary.

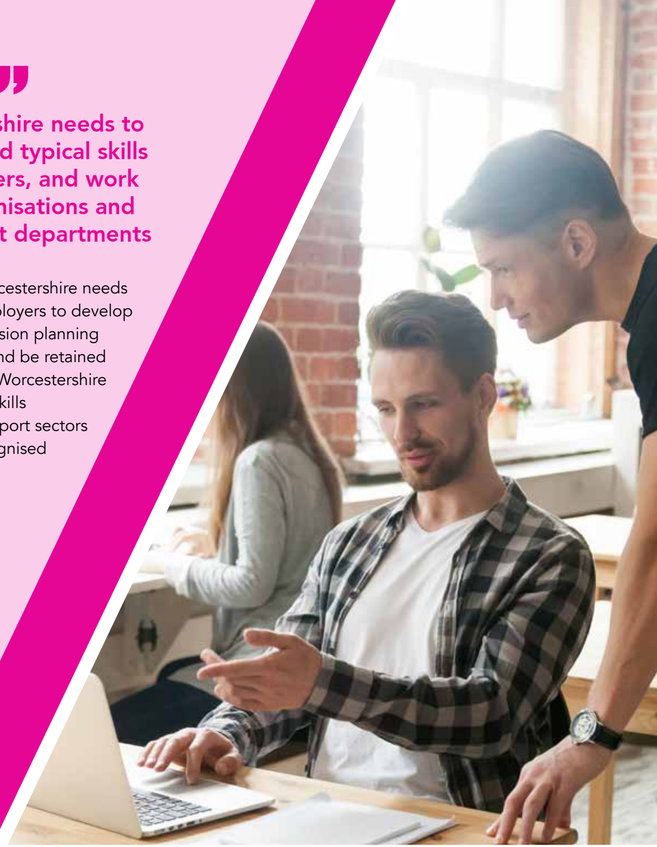
Worcestershire needs to look beyond typical skills stakeholders, and work with organisations and government departments - such as Public Health England - to implement support to help residents remain healthy in work. This focus should include the implementation of early interventions that recognise potential health challenges, with actions to address them at an early stage.

7. **Accepting our ageing workforce, and the declining demographic of young people, Worcestershire's employers need to offer more flexibility and working options that will attract and retain talent, encouraging people to extend their working lives.**

Worcestershire's employers need support to consider how to implement flexible working options which suit changing lifestyles and enable residents to work for longer. This will include those within the current workforce, and those currently out of work; for example, there has been a growth in claimants aged 50 years and above who have been affected by workforce restructuring resulting from COVID-19. Worcestershire needs to consider how interventions from government respond to this age group, helping them to make a quick and effective return to the workforce.

> **Worcestershire needs to look beyond typical skills stakeholders, and work with organisations and government departments**

Alongside this, Worcestershire needs to work with its employers to develop and improve succession planning for talent to enter and be retained into the workforce. Worcestershire must then provide skills interventions to support sectors where talent is recognised to be in deficit.



8. Consider national policy and how to both maximise potential and contextualise for local geography to make the most of opportunities for Worcestershire.

Worcestershire as a geography in procurement terms often sits within wider geographical patches for large contracts offered by the Department for Work such as recently the Pensions Restart programme. The challenge being that the demography is significantly different from either central Birmingham or rural Herefordshire and Worcestershire must ensure it is recognised within these opportunities and that provision is tailored. This can be done through improved partnership working both with our LEP colleagues, central government, and local contractors. Worcestershire must work with provision to deliver and respond to the needs of the County embracing appropriate opportunities to grow and further our economic future.

Worcestershire's Skills Action Plan develops these aims, and aligns potential interventions alongside them, recognising the need to explore national and local interventions.

The priorities are:

1. To reduce claimant levels and improve individual health and well-being whilst impacting positively on economic activity, recognising the need for interventions post COVID-19.
2. To aim for all educational establishments to annually meet all 8 Gatsby Benchmarks of Good Career Guidance, with a particular focus on the Worcestershire economy.
3. To create an education and training provision eco-system that meets local needs and the future trends of Worcestershire's economy i.e. ensuring further and higher education are responsive.
4. To increase the number of graduates and skilled young people who spend a significant part of their economic life in Worcestershire.
5. To improve the economic activity rates amongst our older workforce by creating a culture of flexible work environments and upskilling/reskilling opportunities.

SKILLS ACTION PLAN

Skills Action Plan

Priority 1:

To reduce claimant levels and improve individual health and well-being whilst impacting positively on economic activity, recognising the need for interventions post COVID-19.

This priority combines the need to reduce the number of claimants within Worcestershire, with a focus on addressing both short and long-term health and career planning. It recognises the need to focus on our high level of youth claimants, returning them to work and supporting employers to enable succession through Government and local initiatives.

The LEP recognises the need to ensure that employers are supported with accessing opportunities to create roles within their organisations. Furthermore, it recognises the need to build on these schemes and support employers to sustain these employees beyond the initiatives.

Actions:

1. Support the messaging and promotion to employers through the Worcestershire Growth Hub, to maximise interventions in the HM Government's Plan for Jobs. This includes working with local authority partners to act as an intermediary Gateway for Worcestershire's SMEs, with a focus on long-term outcomes for young people and employers.
2. Demystify and signpost to careers services which help our unemployed residents to understand the transferable aspects of their career experience, existing skills and general know-how for jobs and employment opportunities (e.g. the National Careers Service and local provision).
3. Work with the Department for Work and Pensions (DWP) to embed national, and create local, programmes for the Worcestershire geography whilst enabling better relevance of local training provision to claimant and employer needs.
4. Explore collaborative working with health providers and programmes across Worcestershire to ensure health interventions are embedded within employment support programmes, thereby reducing health inequality within the county.

5. Support the drive to meet the recruitment needs of key cornerstone sectors within the county and promote opportunities to claimants and new entrants i.e. Engineering/ Manufacturing, Digital, Care, and Construction.
6. Market and communicate employment interventions (including the launch of a new Worcestershire jobsite) to residents within social mobility hotspots.

Progress to date:

Since the onset of COVID-19, and with growing numbers of unemployed residents, the Skills Advisory Panel has monitored employment levels and focused its efforts on supporting the recovery, as well as seeking to minimise the challenges faced by young people transitioning from education settings. The LEP, working alongside its local authority partner - Worcestershire County Council - responded by setting up **Worcestershire Careers** at the height of the pandemic, to provide help and advice to young people via a helpline and a series of webinars which help young people to explore potential careers and pathways. In Summer 2020, 96.5% of Worcestershire's young people successfully transitioned to education, an Apprenticeship, or employment; Worcestershire Careers played a part in this, helping to ensure that there was minimal impact from COVID-19.

In Summer 2020, 96.5% of Worcestershire's young people successfully transitioned to education, an Apprenticeship, or employment

CASE STUDY: CAREERS WORCESTERSHIRE

COVID-19 meant that many young people left their education establishment in March 2020, with those in years 11 and 13 being faced with important decisions on their next steps. This took place in an environment where education was struggling under the weight of supporting pupils to learn from home. During this time, Worcestershire LEP and Worcestershire County Council set up Careers Worcestershire, designed to support 16-24-year-olds in accessing careers advice and talking to experts about what next in the COVID-19 climate.

The service offered webinars and resources for young people to help them to make informed decisions about their next steps.

Recognising the changing landscape, Worcestershire LEP set up the Worcestershire Jobs Match service to support employers who found themselves with significant recruitment needs because of the pandemic. Working alongside the National Careers Service, the service signposted vacancies directly to those residents seeking work. This service supported several employers in both care and food production who were directly affected by workforce shortages.

Worcestershire LEP also responded to the growing number of youth claimants by registering to become a Kickstart Intermediary Gateway. It leveraged its stakeholders and Growth Hub to provide vacancies and enable support to SMEs, helping them to recover from the onset of COVID-19 whilst moving young people into employment. The LEP is currently supporting more than 200 employers with around 400 vacancies. Working alongside the Chamber of Commerce, locally co ordinating the activity and support available to young people, Worcestershire LEP plans to challenge employers post-placement to transition placements into Apprenticeships; or, where succession is not an option, to find the young person alternative employment through its wider schemes.

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The LEP is currently supporting more than 200 employers with around 400 vacancies.

CASE STUDY: KICKSTART IN WORCESTERSHIRE

Worcestershire County Council, working with other gateways in Worcestershire, is committed to working with Worcestershire LEP as a Gateway organisation for the Kickstart Scheme; this has a focus on supporting District Councils, SMEs, and the Voluntary and Community sector. Between them, the Worcestershire Gateways have recruited more than 500 placements

In response to the pandemic, the Gateways have also focused educational partners and developed specific Kickstart training to accompany the programme ensuring that each employer and young person receives ongoing support throughout the placement, with a package of free wrap around employability training as well as support beyond their placement.

Although many of these sectors have maintained recruitment activity during the pandemic, the Kickstart Scheme offers an innovative, alternative strategy to benefit young people struggling to enter the labour market.

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The Kickstart Scheme offers an innovative, alternative strategy to benefit young people struggling to enter the labour market.

MOVING FORWARD 2021-2025

Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Support the messaging and promotion to employers, through the Worcestershire Growth Hub, to maximise interventions in the HM Government's Plan for Jobs. Includes working with Local Authority partners to act as an Intermediary Gateway for Worcestershire's SMEs, with a focus on long-term outcomes for young people and employers.	Act as intermediary for HM Government's Kickstart programme Deliver Communications Plan to promote employer interventions across the county. Implement the county Placement Strategy for engaging employers.	Short/Medium Term Short Term Medium Term
Demystify and signpost to careers services which help unemployed people to understand the transferable aspects of their career experience, existing skills and general know-how for jobs and employment opportunities (e.g. the National Careers Service and local provision)	Annual mapping exercise of employability programmes across the county Launch unemployment offer on Skills4Worcestershire. Improved working and targeting of the National Careers Service within the county Focus on an all-age careers service for Worcestershire.	Short Term Medium Term Medium Term Long term
Work with the Department for Work and Pensions (DWP) to embed national, and create local, programmes for the Worcestershire geography whilst enabling better relevance of local training provision to claimants' and employers' needs.	Create Sector Work-based Academy Programme for Worcestershire with DWP Support CAEHRS framework providers to implement and embed provision in the county. Implement a 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 Long term

Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Explore working with health providers and programmes across Worcestershire to ensure health interventions are embedded within employment support programmes, reducing health inequality.	Build relationships with Public Health England in Worcestershire Align the county's Health and Wellbeing Strategy and Skills Action Plan priorities Develop and bid for appropriate funding to develop support long term Create Health and Wellbeing Hubs with an employability focus across all districts in Worcestershire	Medium Term Medium Term Medium Term Long Term
Support the identified drive to meet the recruitment needs of key growth and cornerstone sectors within the county, and promote opportunities to claimants and new entrants	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 career pathway programmes. Work with WCC to develop a Careers into Care programme Develop Skills4Worcestershire to market growth and cornerstone sectors	Medium Term Short Term Short Term Long term
Focused effort on marketing and communicating to residents within social mobility hotspots around employment interventions, including launch of new Worcestershire jobsite.	Launch Worcestershire Jobs in 2021/22 Target communication plan for site, including a focus around social mobility hotspots. Work with DWP to create employability hubs within social mobility hotspots.	Short Term Medium Term Long term

SKILLS ACTION PLAN

Worcestershire LEP, through its work on vacancy supply, recognised the challenges faced in finding vacancies and the need to simplify the process. For this reason Worcestershire Jobs will be launched in April 2021, acting as a one stop jobs portal for the county; it intends to scrape 90% of online vacancies, courses and Apprenticeships and put the results in one place, making job searching simpler and more effective.

Priority 2:

To aim for all educational establishments to annually meet all 8 Gatsby Benchmarks of Good Career Guidance, with a particular focus on the Worcestershire economy.

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The Worcestershire Jobs will be launched in April 2021, acting as a one stop jobs portal for the county

Worcestershire’s demographic challenge can only be resolved through succession planning. It is essential that young people are given help and support to understand their future careers and, alongside this, the careers available in Worcestershire.

COVID-19’s impact will be felt disproportionately by our young people and it is essential that they are well informed about the labour market and its needs, so they are well placed to engage with it.

Worcestershire’s focus on employer engagement, over the past year, has had good levels of success and this must be continued to ensure that young people are aware of employment opportunities within the county. Attention must also be given to alternative post-16 pathways, ensuring that new and existing initiatives are effectively communicated to young people and their parents/carers.

This includes Worcestershire Apprenticeships which works with education and employers to promote Apprenticeships. This work must be celebrated and continued as a key route to succession planning in Worcestershire.

Actions:

1. Support the Careers and Enterprise Company (CEC) programme, and deliver careers planning and education support in 65 education establishments across the county.
2. Annually collate labour market intelligence (LMI) and insights from partners and stakeholders to build a resource library which can be accessed by young people and Worcestershire’s education establishments.
3. Continue to build and extend the work of Worcestershire Apprenticeships, ensuring young people understand all post-16 options including Apprenticeships, academic and vocational pathways.
4. Lead on exploring, co-ordinating and promoting options for employers to maximise their engagement with education such as work experience, graduate internships, T Level placements, and Apprenticeships.

Progress to date:

Recognising the challenges faced in Worcestershire, around both the ageing workforce and the need to retain young people to meet our skills needs, the Skills Advisory Panel has led a number of projects since 2012 focused on engaging education with local employers. From these programmes, the Inspiring Worcestershire initiative was launched in 2018, focused on connecting education to employers, highlighting future careers, meeting skills demand, and supporting/ addressing our ageing workforce through succession planning. The initiative brings together various Government initiatives and local programmes aimed at young people and career planning for Worcestershire.

> **The Skills Advisory Panel has led a number of projects since 2012 focused on engaging education with local employers.**

At the centre of this initiative is the work of the Careers and Enterprise Company (CEC). In 2015, Worcestershire was identified as a cold spot for career planning support. These indicators drew together data from education and the labour market to identify economic disadvantage, outcomes for young people, and employer engagement opportunities. The CEC report identified Worcestershire as being in the bottom third for employer engagement and work experience as well as being one of the "coldest" areas in the country for wider support.

Worcestershire embraced the work of the Careers and Enterprise Advisor programme and added work streams around employer engagement, labour market information (LMI), and events to further strengthen impact and outcomes. In 2016, the Careers and Enterprise Company (CEC) Initiative launched in Worcestershire, enabling support for education establishments to engage with employers, enabling more employer encounters and work experience for young people. Worcestershire, at the early stages of this programme, identified the need to ensure its programme was predominately focused on its own geography, thereby supporting a drive to engage more young people into the local workforce and enable succession planning within local companies.

Worcestershire exceeded its own targets in 2016 and 17, engaging all secondary, special educational needs, pupil referral units (PRUs) and further education institutions with the programme. Education and employer relationships improved significantly, with Worcestershire becoming the first area to involve all its education establishments and engage each of them with a business volunteer. By 2018, the programme had evolved, and the team were supporting schools with the wider Gatsby Benchmarks of Good Career Guidance i.e. supporting career planning, not just engaging more employers. This was further embedded by our gaining Careers Hub status in 2018, with over 45 education establishments involved.

	Worcestershire Benchmark set in 2018	Worcestershire: Summer 2020	National average: Summer 2020
Average number of Gatsby Benchmarks met per establishment	1.92	5.05	3.86

**Worcestershire LEP Summer 2020 Report – Careers and Enterprise Company (CEC)*

In 2019, Worcestershire was highly commended for this work and recognised by the Careers and Enterprise Company (CEC) as having the highest level of employer encounters in the country.

The 3-tier schooling system, in three Worcestershire districts, create a differing landscape within schools that means that young people receive a varying level of career planning support; for this reason, we commenced a pilot in 2018 to integrate our middle schools into the programme to aid consistency for students in years 7 and 8. This has been enhanced by the creation of a Transitions Middle School Hub from September 2020.

To support the Careers and Enterprise Company's work, **Skills4 Worcestershire** was created in 2016 as a one stop shop for careers support for Worcestershire. The site provides links to careers sites and resources available elsewhere, as well as containing specific resources about working in Worcestershire, thereby providing in-depth LMI for the county. The website has around 16,000 visitors a month looking for resources to support their own career, their child's career pathway, or as an educator to support their learning. To support educators to meet the Gatsby Benchmarks, the site hosts around **150 resources** with a local employer or employment at the heart of the messaging to enable young people to understand the county's economic needs.

CASE STUDY: SKILLS4WORCESTERSHIRE

Skills4Worcestershire, launched in 2017, offers a one stop shop for careers support. The site was designed to help young people understand the local labour market and job opportunities within Worcestershire, linking young people to resources from other organisations and highlighting education pathways for specific careers. Since March 2020 , the site has been developed to hold more than 150 Worcestershire-specific resources for education establishments, designed to support them in promoting and enabling careers support. The website is being developed to hold a 'live' jobs and Apprenticeships search facility, enabling residents who are out of work to find appropriate programmes within the county that can support them back into employment.

Alongside the work of Inspiring Worcestershire, Worcestershire has worked to expand and highlight its Apprenticeship programme, creating the Worcestershire Apprenticeship brand in 2017. Worcestershire LEP and the Skills Advisory Panel steer its work through the SAP board subgroup. The board members consist of employers from across the county , the chair of the West Midlands Worcestershire Apprentice Ambassador Network, plus representatives from Apprenticeship training providers.

The board is focused on expanding the number of employer opportunities in the county, promoting Apprenticeships to employers and young people, and co ordinating messaging within the county through its websites, school engagement programme, campaigns such as National Apprenticeship Week, and local events. Annually, the Worcestershire Apprenticeship initiative runs an award ceremony hosting 350 people: it celebrates Apprenticeships and recognises talent and exemplar employers. It is a large-scale event, aimed at students in years 10 and 11 (and their parents/ carers) and encourages them to be the next Apprentice cohort. Alongside this, Worcestershire LEP commissioned a £1.47 Million European Social Fund Programme to act as an Apprenticeship Hub for the county, supporting more than 900 young people into sustainable Apprenticeships, and monitored through the Skills Advisory Panel.

CASE STUDY: WORCESTERSHIRE APPRENTICESHIPS

Worcestershire Apprenticeships, created in 2015, has engaged with more than 2,500 employers and 30,000 young people to promote the benefits and opportunities of Apprenticeships. The brand works through 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 more than 1,000 attendees - and an awards night to recognise the achievements of Worcestershire Apprentices and their employers.

MOVING FORWARD 2021-2025

Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Support the Careers and Enterprise Company (CEC) programme and deliver career planning and careers education support in 65 education establishments across the county.	Continue to deliver the Careers Hub programme for Worcestershire, embedding the programme into middle schools. Deliver the annual Worcestershire Skills Show Roll out employer encounters into primary schools, to support the exploration of careers at an earlier age.	Short/Medium Term Medium Term Long Term
Annually collate labour market intelligence (LMI) and insights from partners and stakeholders to build a resource library that can be accessed by young people and Worcestershire's education establishments.	Build a resource library within Skills4Worcestershire. Engage employers in virtual work encounters. Develop a 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 their post-16 options including Apprenticeships, academic, and vocational pathways.	Review Strategy and approach of Worcestershire Apprenticeships, including standards gapping exercise. Work with delivery providers to further embed WA into their organisations. Continue to fund the work of Worcestershire Apprenticeships. Celebrate Apprenticeship success through an annual awards ceremony. Run an annual Apprenticeship recruitment event. Lead on a county Apprenticeships communications plan, 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

Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Lead on exploring, coordinating, and promoting options for employers to maximise their engagement with education e.g. work experience, graduate internships, T Level placements, Apprenticeships etc.	Create a Placement Strategy for Worcestershire Create a skills hub within the Growth Hub. Lead on the promotion of education encounters to employers Work with FE to develop College Business Centres Build a countywide database for employers around engagement, to support further activity	Short Term Medium Term Short Term Medium Term Long Term

SKILLS ACTION PLAN

Priority 3:

To create an education and training provision eco-system that meets local needs and the future trends of Worcestershire's economy.

This priority acknowledges the Department for Education's desire for local skills provision to align with local employer needs and labour market trends. It recognises that the Skills Advisory Panel has a role to play in consulting with stakeholders and employers, offering local leadership of the skills agenda and creating the conditions where education can work successfully to meet the county's employment needs. It recognises the need to promote our key sectors and their skills needs, recognising the challenges of replacement demand in key industries.

Worcestershire recognised the need to expand its Engineering and Manufacturing provision to meet the demand of local employers. Over the past 4 years, it has created 400 student placements through investment of 10% of the Local Growth Fund in further education and training provider capital programmes across the county.

Worcestershire LEP recognises the need to improve digital skills in all areas of the working population. The aim is to support a move to greater flexible working and the expansion of digital marketing, accelerated by COVID-19, alongside skills gaps and the impacts of increased automation and digitalisation within our employers.

> **Worcestershire LEP recognises the need to improve digital skills in all areas of the working population.**

Actions:

1. Explore diverse ways of addressing skills gaps, such as digital, in the Worcestershire economy, by utilising Government schemes such as T Levels, Apprenticeships and Digital Bootcamps as well as local initiatives.
2. Engage closely with training providers, further, and higher education in the LEP area to help promote their education and employability offer, their areas of research excellence and innovation, and to support them with their enhanced engagement with business.
3. Consider the needs of new technologies, and support employers to address their future skills needs - resulting from innovation – within the existing workforce and for new entrants.
4. Establish a digital skills strategy for the county, for those reskilling and for new entrants, which maps the county's digital skills provision and considers capital and revenue investment needs.
5. Work with Worcestershire's employers in cornerstone sectors, such as Care and Construction, to understand the impact of digitalisation and meet their skills needs.
6. Lead a review on the capital needs of post-16 education establishments and create a project pipeline for future Government investment.
7. Position the LEP, including the SAP, as an established partner with Government to contribute and pilot national skills policy developments.

Progress to date:

Worcestershire's Skills Advisory Panel understands the county's skills deficits and regularly seeks to influence provision that meets labour market needs. The board is aware of the growing deficit in skills around Engineering and Maths. Through the work of Worcestershire Apprenticeships, the board identified that Apprenticeship capacity was preventing an increase in young people's skills; Worcestershire LEP therefore committed **£7.26 million investment of Local Growth Funding** into skills capital schemes to support the expansion of facilities in Engineering and Manufacturing education. This investment increased local capacity to 900 placements per year within Worcestershire companies.

CASE STUDY: HEART OF WORCESTERSHIRE FURTHER EDUCATION COLLEGE, DUCKWORTH CENTRE OF ENGINEERING.

The centre, named after Cecil Duckworth - entrepreneur and creator of the Worcester Bosch Boiler - opened in Autumn 2019, and launched phase 1 of its new Centre of Engineering following investment from Worcestershire LEP and its Local Growth Fund. This new facility delivers Automotive, Engineering, Plumbing and Heating qualifications to address local skills needs, with phase 2 starting in 2021. This centre has expanded the college's offer to enable 73 learners per year to study in these sectors.

The SAP has worked to increase the levels of young people choosing to study through the **Junior Internship Programme**, a test bed to introduce employers to the concept of increased length work experience and to act as a precursor to T Levels. Between 2018 and 2020, 100 young people studying A Levels or vocational qualifications - at two education establishments - were offered the opportunity to complete a period of work experience, with mentoring, over the year-long programme. This introduced them to their employer as well as other STEM employers, to highlight the importance of this sector within Worcestershire. A number of these young people have gone onto either an Apprenticeship or continued mentoring with their host employer.

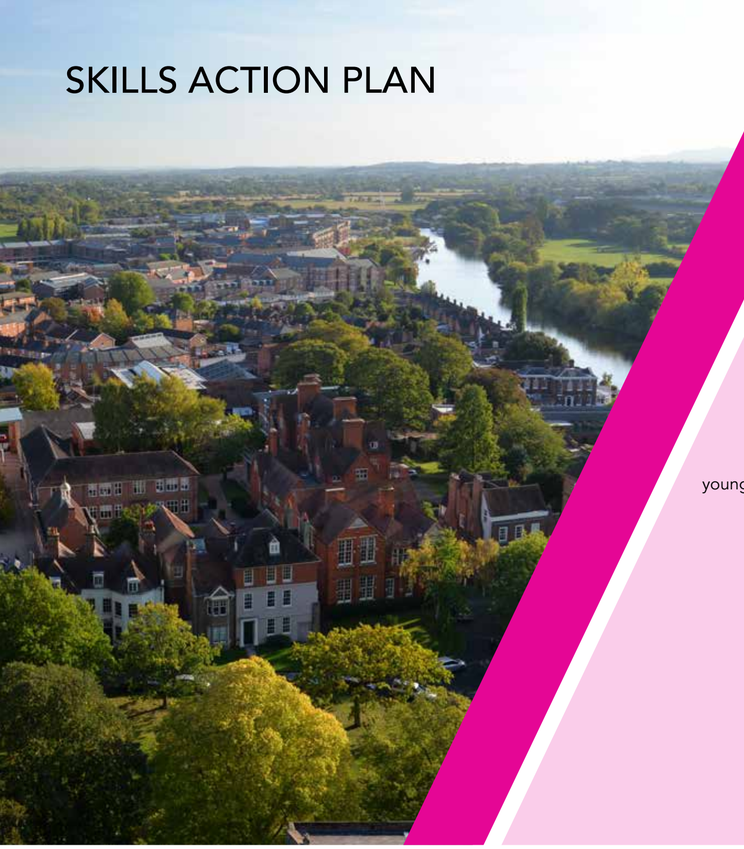
Worcestershire LEP, through its SAP, has also commissioned a **STEM based Primary School Competition** over the past three years, highlighting the STEM agenda by setting challenges to be solved in small teams. Each school's winner moves into the county final. The challenges are localised and have included STEM challenges such as: building the Worcester City river bridge, designing train platforms for Parkway Station, autonomous vehicles with 5g technologies, and Agritech production techniques in Evesham farms. More than 50 schools take part each year, involving around 1,500 pupils.

This new facility delivers Automotive, Engineering, Plumbing and Heating qualifications to address local skills needs, with phase 2 starting in 2021.

MOVING FORWARD 2021-2025

Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Explore diverse ways of addressing skills gaps in the Worcestershire economy, such as Digital, by utilising Government schemes including T Levels, Apprenticeships and Digital Bootcamps as well as local initiatives.	Work with FE providers to explore Government initiatives and ways of working cross- county. Create a skills hub within the Growth Hub. Secure funding to support employers with workforce planning/ engagement strategies	Short Term Medium Term Long Term
Engage 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, enhance their engagement with businesses.	Continued and ongoing promotion of Government initiatives, such as T Levels, to the wider community through schools and directly to employers using stakeholders in county. Termly meetings with FE, HE and training providers to explore opportunities. Ongoing engagement with SAP from HE, FE and training providers	Short Term Short/Medium Term Short/Medium Term
Consider the new technologies impacting employers and support them to address their future skills needs through their existing workforce and new entrants.	Complete research into Automation in county Work with skills providers to map current provision and explore provision gaps using government initiatives Create a skills focus on the specific technologies of importance to Worcestershire employers, such as low carbon and 5G technologies. Develop a Digital Skills strategy for the county, mapping the current offer in county and consider investment needs. Explore need for facilities to expand digital provision within the county	Short Term Medium Term Medium Term Medium Term Long term
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 their skills needs.	Develop action plan(s) for cornerstone sectors to support recruitment, aligned with Government initiatives such as Digital Bootcamps and career pathway programmes.	Short/Medium Term
Lead review on the capital needs of post-16 education establishment and create a project pipeline for future Government investment.	Review capital needs in county and establish a project pipeline for future funding. Work with further education to review site needs. Support the University to expand its Healthcare provision	Medium Term Long Term Long Term
Position the LEP (including the SAP) as an established partner with Government to contribute and pilot national skills policy developments.	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

SKILLS ACTION PLAN



Priority 4:

To increase the number of graduates and skilled young people who spend a significant part of their economic life in Worcestershire.

We want young people to view Worcestershire as a place to work and live, as this will help to support the high skills needs of our economy both now and in future years. The challenge of encouraging graduates to return to Worcestershire can be solved by informing young people about local opportunities throughout their careers education, enabling them to leave for study – if they wish - but to plan to return for graduate employment. Continuing to increase the number of employer encounters, to support this messaging to young people, is essential for the marketing of Worcestershire and its labour market opportunities.

> **We want young people to view Worcestershire as a place to work and live, as this will help to support the high skills needs of our economy both now and in future years.**

Twenty-four per cent of jobs in Worcestershire are within the key sectors – Health, Education, and Public Services - supplied by the University of Worcester. This opportunity to recruit from a local university should be further explored to benefit our local services and build the workforce to support our local residents' health and education needs.

Worcestershire Apprenticeships must expand its exploration of the Apprenticeship levy with employers, and the opportunities to develop higher level Apprenticeships to enable more organisations to access them through levy transfer.

Actions:

1. Support the work of Worcestershire Apprenticeships following COVID-19, helping them to grow Apprenticeships, consider the use of levy funds and the opportunities offered to employers by higher-level Apprenticeships.
2. Continue to build on the high level of employer encounters with young people in educational establishments, including the continued development of the Worcestershire Skills Show to highlight Worcestershire's opportunities for young people.
3. Work with the University of Worcester to build a Public Sector Centre of Excellence, to offer increased opportunities for Worcestershire communities to access higher education and maximise its potential to attract and employ university graduates directly into Worcestershire's public services.
4. Build on the existing initiative of "One Worcestershire" - the inward investment brand hosted by Worcestershire County Council - and explore how it can highlight employment opportunities and growth employment sectors to young people outside the county.

Progress to date:

The 'Inspiring Worcestershire' programme - with the Careers and Enterprise Company (CEC) work and the Worcestershire Apprenticeships brand embedded - has been designed to support the key messaging of Worcestershire's employment market and to help young people progress into positive destinations. All the resources developed within these programmes are tailored to market Worcestershire employers, and local employment opportunities, to our young people.

Alongside the Careers and Enterprise Company (CEC) programme, it has developed a number of other successful events and interventions to support the messaging around future economic needs:

Worcestershire Skills Show, developed in 2015, brings together employers and post-16 education providers to highlight local opportunities to young people over one day. The event, last held in March 2020, has been highlighted as a best practice event and is the largest single event in Worcestershire, hosting more than 120 employers and 6,000 young people. The 2020 event included an educator's careers zone, an advice and guidance area, a hands-on STEM zone, plus events for Head teachers and local stakeholders.

CASE STUDY: WORCESTERSHIRE SKILLS SHOW

In 2020, the Worcestershire Skills Show was visited by over 6000 young people from 43 schools and colleges, exploring over 120 of Worcestershire employers. The event offers young people an opportunity to explore Worcestershire's employment sectors, getting to know its employers and their work, the skills they are seeking, and career entry points. Young people report feeling more informed and recognising a greater number of Worcestershire employers and their industries.

CASE STUDY: THE INSPIRING WORCESTERSHIRE CAMPAIGN

At its 2019 conference, Worcestershire LEP launched the "Inspiring Worcestershire" pledge campaign. This campaign specifically targeted employers across Worcestershire to pledge their support to participate in careers-related activities taking place across our network of education establishments. These pledges covered traditional activities such as mock interviews and CV workshops, but also encouraged local employers to open their doors thereby enabling young people to gain workplace insights and have valuable workplace encounters. In the CEC's 2019 report - Closing the Gap - Worcestershire was leading the way with 83% of its young people having an employer encounter.

These programmes to engage employers with education are impacting upon the county's Gatsby Benchmarks of Good Career Guidance performance, with growing numbers engaged in employer encounters and within the workplace.

INSPIRING WORCESTERSHIRE

	Worcestershire Benchmark set in 2018	Worcestershire: Summer 2020	National average: Summer 2020
% of young people receiving encounters with employers	42%	83%	64%
% of young people receiving experiences of the workplace	44%	64%	53%

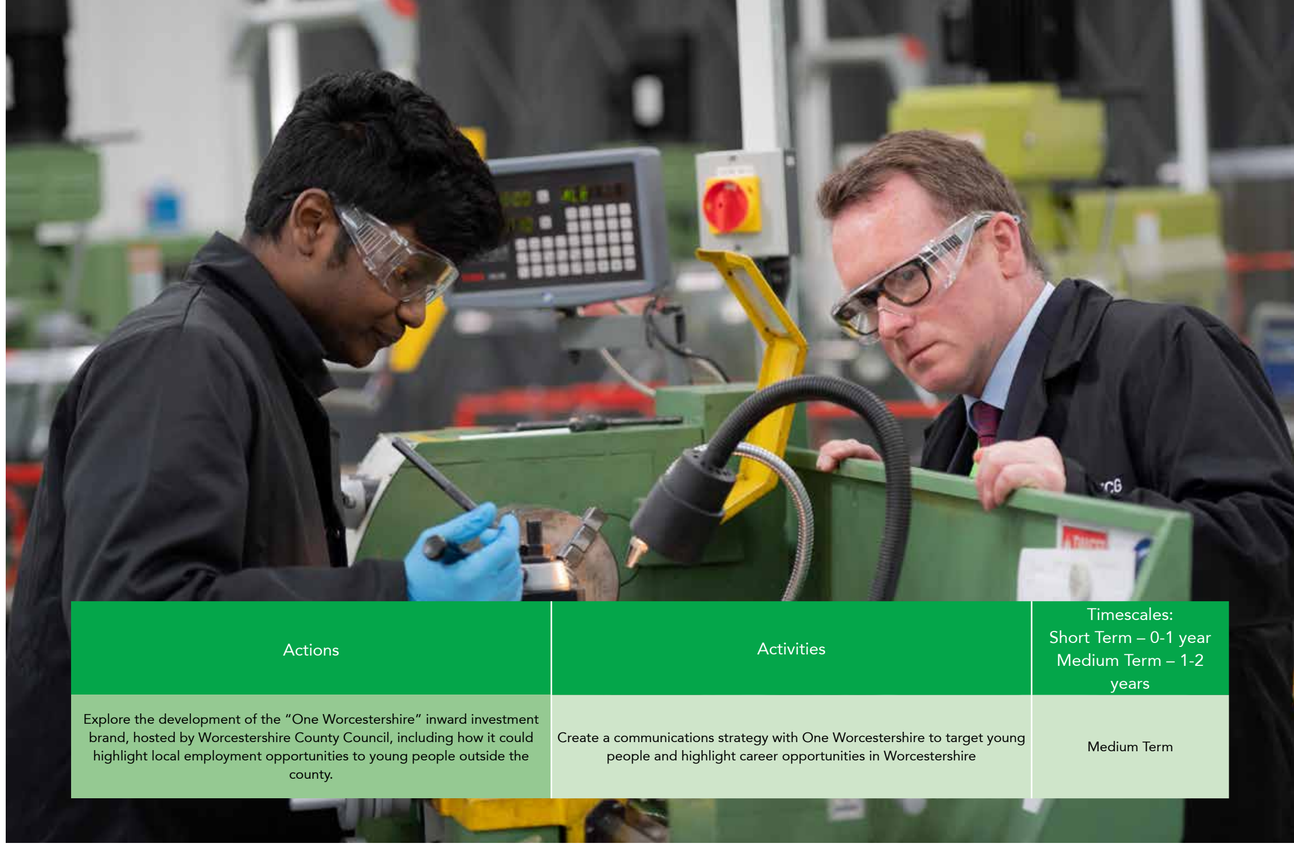
**Worcestershire LEP Summer 2020 LEP Report – Careers and Enterprise Company (CEC)*

MOVING FORWARD 2021-2025

Higher-level Apprenticeships have grown in line with national trends. Worcestershire LEP has sought an opportunity to increase these numbers and work with levy providers to redistribute the Apprenticeship levy to SMEs.

During 2019-2020, Worcestershire LEP worked with Worcestershire County Council to redistribute £250k of levy to SMEs as part of a levy transfer scheme for the county.

Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Support Worcestershire Apprenticeships to help stabilise the labour market, following COVID-19, and grow Apprenticeships. Consider the use of levy funds and the opportunities for higher-level Apprenticeships	Map levy employers and facilitate ways to transfer the levy to SMEs. 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 raise young people's awareness of local opportunities.	Increase levels of employer engagement in education through an increased focus on Skills and Growth Hub Support providers to access appropriate employer interventions for young people. Lead on the 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, offering an 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.	Explore the concept of a Public Sector Centre of Excellence, working with the University of Worcester, local authorities, Health and Education partners	Medium Term
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 their skills needs.	Develop action plan(s) for cornerstone sectors to support recruitment, aligned with Government initiatives such as Digital Bootcamps and career pathway programmes.	Short/Medium Term



Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Explore the development of the "One Worcestershire" inward investment brand, hosted by Worcestershire County Council, including how it could highlight local employment opportunities to young people outside the county.	Create a communications strategy with One Worcestershire to target young people and highlight career opportunities in Worcestershire	Medium Term

Priority 5:

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

One in three of Worcestershire's workforce is aged over 50, and we have an ageing demography through to 2041. People are working longer but there is also a demand for flexible working to meet lifestyle changes. Worcestershire LEP, through its Growth Hub, has started to work on this by encouraging employers to consider their workforce demographic, recognise the need for succession planning, and offer more flexibility to current employees.

> **One in three of Worcestershire's workforce is aged over 50, and we have an ageing demography through to 2041.**

This huge gap between the supply of flexible jobs, and the demand for flexible working, is the reason why so many people - particularly women, older workers and those with health and disability issues - are locked out of work in Worcestershire. Also, as flexible work is more prevalent in low-paid jobs (the proportion of jobs below £20,000 that are advertised with flexible options is 19% (2018)) others are stuck in low-paid part-time jobs that they are overqualified for and are unable to progress their careers. For all these people to both benefit from, and contribute to, economic growth in the region, there is a pressing need to drive structural change in the Worcestershire jobs market. Worcestershire needs to continue its efforts to reverse this picture and work with its employers to open flexible working for all.

The older workforce is also likely to be more affected by the impact of digitalisation and automation, often lacking the level of skills needed - males are particularly at risk. Worcestershire must ensure that its programmes/ education offer are designed to reskill and upskill and are aimed at those who need the offer most with a focus on the practical application of key skills.

Actions:

1. Work with the Worcestershire LEP Growth Hub continue encouraging and enabling businesses to consider alternative employment models and the upskilling/reskilling of staff.
2. Explore opportunities to introduce programmes and initiatives into the county that offer upskilling and reskilling to local employers e.g. Digital Bootcamps.
3. Develop a skills hub within the Growth Hub to support employers to access training options and gather intelligence on their skills needs.
4. Work with the National Careers Service and Public Health England to explore implementation of the Midlife MOT DWP Initiative in Worcestershire, recognising and building on existing interventions .

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> **…there is a pressing need to drive structural change in the Worcestershire jobs market.**

Progress to date:

CASE STUDY – EMPLOYMENT EXCELLENCE CHARTER

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 they can be effectively implemented.

Prior to COVID-19, employers received effective upskilling support through European Funding programmes, and there was a need to engage more employers in succession planning and reviewing workforce needs. Employers regularly articulated skills gaps, and a demand for STEM skills, as well as wider recruitment shortages.

In 2018, Worcestershire LEP worked with Timewise to identify the extent to which flexible hiring was part of the Worcestershire employment market; the report's recommendations highlighted that industries reporting recruitment challenges were not focused on flexible hiring and that this was an aspect for Worcestershire's employers to consider. Worcestershire LEP supported this message and introduced, with partners, the Employment Excellence Charter in late October 2020. The Skills Advisory Panel concluded more work was necessary, but resource limitations affected its ability to move this forward.

Since COVID-19, the Skills Advisory Panel recognises the pandemic's disproportionate effect on older workers and there is work to be done in supporting them to retrain or to realise that COVID-19 will change their roles through enhanced digitalisation. Most recently, the Skills Advisory Panel decided to pursue the **DWP Midlife MOT** pilot, to bring together health, careers, and finance interventions to support individuals and employers to succession plan and access advice and guidance to keep them in work for longer, where necessary. The pilot will provide Worcestershire with an opportunity to map interventions, and highlight gaps and needs, which will feed back into the SAP for further assessment.

MOVING FORWARD 2021-2025

Actions	Activities	Timescales: Short Term – 0-1 year Medium Term – 1-2 years
Work with the Worcestershire LEP Growth Hub to continue encouraging and enabling businesses to consider alternative employment models and the upskilling/reskilling of staff.	Seek resources to implement the Employer Excellence Charter, supporting employers to implement different contract models and employ a diverse workforce. Map the reskilling offer for Cornerstone sectors as part of the action plan(s) development to support recruitment and upskilling aligned with Government initiatives and including ESF programmes locally. Seek funding to implement a county-wide business support programme around workforce planning and succession	Medium Term Medium Term Long Term
Explore opportunities to introduce programmes and initiatives into the county that offer local employers upskilling and reskilling, such as Digital Bootcamps.	Support the implementation/ introduce opportunities locally that respond to Worcestershire's economic priorities, such as Digital Boot camps, Lifetime Skills Fund etc. Create a skills hub within the Growth Hub.	Medium Term Medium Term
Work with the National Careers Service and Public Health England to explore implementation of the Midlife MOT DWP Initiative in Worcestershire, recognising and building on existing local interventions.	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	Short/Medium Term Long Term

The Skills Action Plan, being defined by the SAP, recognises a number of unfulfilled areas of work and provides an opportunity to reset both strategy and workstreams. The Skills Action Plan also recognises the need to continue current work streams, further tailoring and embedding them into the LEP's strategy. The strategy addresses recognised needs, such as the enhancement of digital technologies. This presents the SAP with an opportunity to address its digital skills offer through current resourcing, as well as to look to new wider Government schemes such as Digital Bootcamps to the needs to consider the implications of the Skills for Jobs white paper.

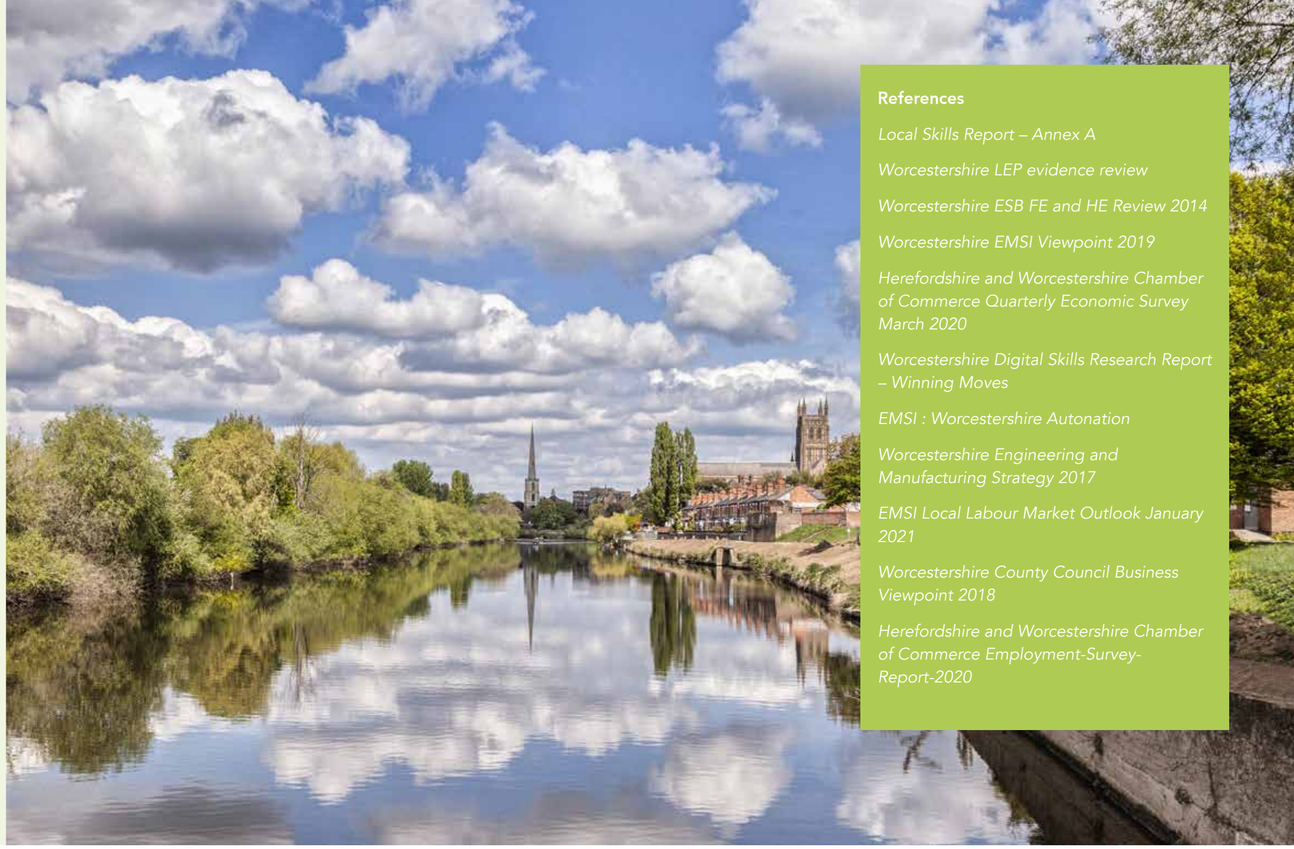
CALL TO ACTION - THE IMPORTANCE OF COLLABORATION

Now more than ever, Worcestershire LEP's skills action plan requires a collaborative approach to addressing the challenges in our skills and labour market. The Skills Advisory Panel encourages and supports an approach which sees our partners in schools, further and higher education, Apprenticeships and community education working together to provide our young people - and those out of work - with clear pathways to employment as well as supporting our employers with the skills they need for their existing and future workforces.

The Skills Advisory Panel supports the need to place the employer at the heart of skills development and, as such, encourage our businesses - large and small - to look beyond today and work with the LEP and its stakeholders for our joint future.

Supporting our education providers to develop greater levels of employer encounters for young people, innovative recruitment practices around new entrants, and support to develop a curriculum that is fit for their organisation and the future of employment in Worcestershire.

The Skills Advisory Panel supports the need to place the employer at the heart of skills development and, as such, encourage our businesses - large and small - to look beyond today and work with the LEP and its stakeholders for our joint future.



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