

Report of the Director of City Development

Report to Executive Board

Date: 20 September 2017

Subject: Leeds Talent and Skills Plan – Consultation Draft

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report builds on the “Growing the Leeds Economy” Executive Board report published in November 2016 and the “Leeds Inclusive Growth Strategy – Consultation draft” report of July 2017, by introducing the Leeds Talent and Skills Plan, subtitled New Skills for the New Economy, a draft of which is ready to be published for consultation in the autumn (see Appendix 1). This complements the aims in the Best Council Plan to encourage growth that is sustainable and inclusive.
2. The Leeds Talent and Skills Plan will cover the period 2017 – 2023, the same period as the Leeds Growth Strategy. The Plan is closely aligned to the Strategy, reflecting the critical importance of skills to economic growth, and similarly has been developed through collaboration between the Council, employers, residents, and education and skills providers. It provides a framework for improving the supply of skills that our residents need to play a full and more productive part in the labour market (whether through direct employment or self-employment), and that our businesses need to thrive, helping to create a more inclusive economy in a compassionate city. It sets out a series of actions for growth in the form of six city challenges, as well as putting forward interventions in support of specific sectors.
3. Building a Plan centred on inclusive growth means providing everyday jobs in everyday places. The people of Leeds will be at the heart of the Plan, from equipping our young people with the right skills and careers advice, to enabling in-work progression, retraining and lifelong learning in our ever changing labour market.

4. There is a need to raise our collective game on skills to ensure everyone in the city contributes to and benefits from the economy to their full potential. There is a need to do more to tackle poverty, which is driven not just by worklessness but by low pay and low productivity, and the Plan recognises the importance that low wage sectors have in our economy. Some sectors may not experience high levels of growth but they still provide jobs and incomes, and many have high job replacement requirements and support essential public services such as social care.
5. Informal soundings on the emerging shape of the draft Plan have already been held with employers, residents, and education and skills providers. The consultation will run from 21st September until November 2nd and provides an opportunity for further and more detailed comment. We are additionally looking to secure specific commitments from stakeholders that will help strengthen the Leeds skills base.
6. A final draft of the Plan will be launched in late autumn.

Recommendations

7. Executive Board is recommended to:
 - i) Approve the publication of the Leeds Talent and Skills Plan draft for consultation;
 - ii) Support the approach proposed by officers to engage with business and stakeholders, seeking specific commitments;
 - iii) Agree that the Plan will be published in the autumn;
 - iv) Note that the Head of Employment Access and Growth will be responsible for the implementation of this decision.

1 Purpose of this report

- 1.1 This paper sets out the recent work to develop the first Leeds Talent and Skills Plan 2017 – 2023. It outlines the work done so far in preparation of the draft and the approach to publication in the autumn. The Leeds Talent and Skills Plan – Consultation Draft is available as Appendix 1.

2 Background information

- 2.1 The Executive Board Paper “Growing the Leeds Economy” published in November, 2016 included a Leeds Growth Strategy – Issues Paper setting out the challenges and opportunities for Leeds. Following this, a Growth Strategy Summit was held in January 2017 with 100 guests attending from business, universities, social enterprise, and communities. The discussions were centred on people, productivity and place and the need for inclusive growth.
- 2.2 A key finding from the summit was the critical importance of skills within the local economy, and an ongoing need to raise the skills levels across the city to support inclusive economic growth. Consultation with stakeholders indicated a welcome for a Leeds Talent and Skills Plan, aligned to and complementing the Leeds Inclusive Growth Strategy (currently being consulted on), which would address this issue.
- 2.3 Following the summit and the publication of the Growth Strategy consultation paper, engagement on the emerging Talent and Skills Plan has taken place with a wide range of stakeholders including the business community (and business representative organisations such as the Leeds Chamber of Commerce and the Federation of Small Businesses), education and skills providers including the universities and our further education colleges, and third sector partners. These discussions have informed the draft for consultation
- 2.4 The Plan forms part of a wider series of strategies for inclusive growth across the council, including the draft Leeds Inclusive Growth Strategy, the Leeds Culture Strategy, the HS2 Growth Strategy, and the draft Leeds Transport Strategy. It also reflects the aims set out in the Core Strategy and Site Allocations Plan particularly with reference to the spatial patterns of employment. It builds on the approach and success of the Leeds Digital Skills Plan, written in partnership between the Council, employers, and education providers, and recognised as good practice in the Government’s Digital Skills Strategy.
- 2.5 The Plan is also aligned with a range of delivery programmes, not least activity funded through the European Social and Investment Fund. While this activity is time bound and has an uncertain future in terms of the UK’s exit from the European Union, it will be essential to avoid any duplication of existing work and funding, but to build on its success and identify how success can be complemented and sustained.
- 2.6 The Council has formed a unique partnership with the Joseph Rowntree Foundation and Leeds City Region Enterprise Partnership to create the “More Jobs, Better Jobs” research programme, to identify the action needed to create more and better jobs that help lift people and places out of poverty. This

partnership has also informed the Council's Breakthrough project of the same name. The outcomes of the Partnership and the Breakthrough project have significantly informed the development of the draft Plan.

3 Main Issues

Draft for consultation

3.1 Underpinning the Plan are three important principles:

1. Good growth is inclusive, equitable and sustainable. It is not detached from local people, and should not happen around people, rather it should directly enhance their opportunities and maximise the potential for them to benefit from a strong economy. This Plan seeks to enable all of our residents to contribute to inclusive economic growth, countering disadvantage and inequity
2. The interventions that are proposed in the Plan should be aligned to and complement existing provision where that is appropriate. Activity should not duplicate existing work, although challenge should be welcomed.
3. The Plan should be a living document which changes in both ambition and actions as time passes. It should not be static, or unchanging, as this would undermine the action focused principle. While we hope all actions will be achieved, circumstances and events will give rise to more needs which the living Plan should accommodate and address

3.2 The Plan opens by setting out the above, then summarising some of the national and local economic context, highlighting recent developments in the economy and the education and skills landscape.

3.3 The Plan then sets out a number of significant issues which the city needs to tackle in order to achieve the ambition to address skills gaps and shortages and enable our residents to achieve their full economic potential. These issues are framed as our city challenges to action, as achieving them will only happen through all stakeholders working together. Additionally, some of them can only be achieved through the support of Government in progressing devolution of powers, freedoms and flexibilities. In some cases this will require a collective voice greater than just Leeds, working through partners such as the Northern Powerhouse (where Leeds is the lead city on skills), or the Core Cities.

3.4 The first three calls are reflective of the same 'big ideas' set out in the Growth Strategy, but focus more on the skills and employment aspects of those ideas. The six calls are as follows:

1. Putting children at the heart of the growth strategy

- a) Strengthening the role of schools developing students to contribute to the economy to their full potential, including getting them ready for the world of work, raising educational attainment, improving careers advice and business engagement in schools
- b) Extending Early Years provision, linking this to getting people into jobs /

better jobs and supporting more women to get into work

2. Employers and people at the centre of the education and skills system

- a) Bringing employers and education providers together to develop and commission education and training to meet employers needs and economic priorities
- b) Supporting our current and future workforce to be resilient to economic change
- c) Tackling skills gap at all levels

3. Better jobs – tackling low pay and boosting productivity

- a) Encouraging employers to pay the Living Wage
- b) Initiatives to support firms and people to improve their skills and progress into better jobs

4. Increasing labour market activity and productivity through a more representative workforce

- a) Encouraging employers to employ older people, people with disabilities and health barriers, and people with responsibilities that need flexibility of employment
- b) Encouraging employers to employ care leavers, armed forces leavers and people with criminal convictions
- c) ensuring the workforce is more representative of the diversity of the city

5. Attracting and retaining talent in the city and widening participation in education and training

- a) Do more to keep talented people who study here working in Leeds businesses
- b) Increase the number of people participating in further and higher education

6. Improving connections between employment opportunities and residents

- a) Ensure no-one cannot work or does not work because of inadequate transport connections

3.5 The Plan then sets out potential interventions relating to specific sectors within the economy. These are not interventions that the Council is proposing to deliver, or fund, but which have been developed through consultation with industry and which should help education and skills providers better understand the city's needs, and bring forward solutions in response. In adopting this approach we have built on the good practice demonstrated by the Leeds Digital Skills Plan.

3.6 While the detail of the interventions is set out in the attached draft, the way in which they are characterised is as follows:

- Driving inclusive growth through creating and promoting entry points and progression pathways into and through sectors to local, national and international talent: all of our growth sectors are under pressure to recruit, retain and ideally progress employees. Some of this pressure is driven by policy such as the Apprenticeship Levy, but much of it is due to growth, changing workforce requirements, and changing workforce demographics. Ensuring pipelines of talent into our growth sectors, and progression through them, is key;
- Improving connections between employers and educators to ensure supply more effectively meets demand (volume, qualifications, capabilities): While creating and promoting entry routes to the sector, both to alleviate short term pressures and to develop a more robust supply of skilled individuals, is vital, we need to look beyond these entry points and work to improve the dialogue between employers and education providers to ensure supply more appropriately meets demand. This means creating targeted interventions to ensure that employers and education providers are better connected, giving employers the opportunity to inform the development of provider offers, and providers the opportunity to inform their offer with what employers really need. It also involves making better connections between employers and the education system to drive an increase in young people, especially women, entering the our growth sectors, with work experience and work placements a vehicle to enthusing them about the opportunities on offer.

Next steps

3.7 The consultation period will run from 21st September until November 2nd. This will allow for adequate time to further bolster the actions in the Plan through firm commitments from stakeholders, and provides alignment with the consultation period for the Inclusive Growth Strategy.

3.8 As well as publication of the draft Plan online and through direct email distribution, consultation will be undertaken which targets stakeholders in the city. Our intention is to seek further pledges from stakeholders to support the city and actions within the Plan.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Consultation for the draft Plan has included informal soundings from stakeholders in the business community, education and skills providers, as well as being informed by our extensive experience and understanding of employment and skills support. The draft Plan has also been informed by feedback received in response to the Growth Strategy consultation, much of which has related to skills matters.

4.1.2 We will take an inclusive approach to this consultation as reflected in the values of the Council. The latest draft once agreed by Executive Board will be made available through:

- Placed on the Leeds Growth Strategy Website;
- A link to the above will be sent to a targeted mailing list of stakeholders in the business community, education and skills providers, and other stakeholders;
- Hard copies will be made available in the Council's Community Hubs for residents to inspect;
- one to one consultations with specific stakeholders in order to encourage bespoke commitments to the Plan and our inclusive growth agenda

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The Council aims to improve the lives of all its citizens and foster good relations between different groups in the community. The Plan encourages inclusive employment and skills growth, aiming to ensure that the benefits of a prosperous economy are open to all Leeds citizens, and builds on the way in which equality and diversity underpin our inclusive growth agenda.

4.2.2 An Equality, Diversity, Cohesion and Integration screening has been undertaken to ensure that the ambitions of the Plan are reflective of the Council's equality and diversity principles. As the Plan does not involve specific policy changes there are no further and specific screening requirements.

4.3 Council Policies and Best Council Plan

4.3.1 The Plan is underpinned by Council policies and ambitions to be a caring and compassionate city where all our residents can benefit from and contribute to economic growth. The Plan will help the Council meet its Best Council Plan outcome for everyone in Leeds to earn enough to support themselves and their families and Best Council Plan good growth priority by providing skills programmes and employment support and supporting economic growth and access to economic opportunities. They also support our ambitions to be a NEET-free city and a city where children and young people can grow up to lead economically active and rewarding lives.

4.4 Resources and value for money

4.4.1 The measures in this report do not have a direct impact on funding, nor does it set out a budget.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no significant legal issues relating to the recommendations in this report.

4.5.2 This report is eligible for Call-In.

4.6 Risk Management

- 4.6.1 Specific financial risks, including fraud, and risks in relation to safeguarding, business continuity and information governance are not considered to be impacted by the recommendations in this report.

5 Conclusions

- 5.1 This paper updates Executive Board on the Leeds Talent and Skills Plan and includes the latest draft for consultation.
- 5.2 A period of consultation will take place over the next six weeks with a view to publication of a final document in late autumn.
- 5.3 As well as a wide circulation of the draft it is proposed to undertake targeted consultation with stakeholders with a view to increasing the specific pledges made in the Plan.

6 Recommendations

- 6.1 Executive Board is recommended to:
- i) Approve the publication of the Leeds Talent and Skills Plan draft for consultation;
 - ii) Support the approach proposed by officers to engage with business and stakeholders, seeking specific commitments;
 - iii) Agree that the Plan will be published in the autumn;
 - iv) Note that the Head of Employment Access and Growth will be responsible for the implementation of this decision.

7. Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.