

# Public Document Pack

**EXECUTIVE BOARD, 21 MARCH 2018**

**SUPPLEMENTARY INFORMATION:**

**Appendix 1 to Agenda Item 18 (Adoption of the Leeds Talent and Skills Plan)**

This page is intentionally left blank

To: Members of the Executive Board

**Resources & Housing Directorate**  
Governance Services  
Civic Hall  
Leeds LS1 1UR

Contact: Gerard Watson  
Tel: (0113) 37 88664  
Email: [gerard.watson@leeds.gov.uk](mailto:gerard.watson@leeds.gov.uk)  
Our Ref: A61/GWHG  
Your Ref:

14 March 2018

Dear Councillor

**EXECUTIVE BOARD – WEDNESDAY, 21 MARCH 2018 – FURTHER INFORMATION:  
APPENDIX 1 TO AGENDA ITEM 18, ‘ADOPTION OF THE LEEDS TALENT AND SKILLS  
PLAN’**

Further to the publication and despatch of the above agenda yesterday, please find enclosed Appendix 1 to Item 18 (Adoption of the Leeds Talent & Skills Plan) which was not included within the papers.

I would be very grateful if you could please include the enclosed in your agenda packs for the 21 March 2018 Executive Board meeting so that it can be considered as part of agenda item 18.

Yours sincerely

Gerard Watson  
Senior Governance Officer



# NEW SKILLS FOR THE NEW ECONOMY

THE LEEDS TALENT AND SKILLS PLAN 2018-2023



# CONTENT

---

1. CONTEXT	09
2. COLLECTIVE CALLS TO ACTION	21
3. SECTORS AND INTERVENTIONS	37
4. NEXT STEPS	53



## FOREWORD BY THE LEADER OF THE COUNCIL

The Leeds Talent and Skills Plan underlines our firm commitment to inclusive growth, enabling everyone to benefit from the growing strength of our economy, through the development of the skills and talent our businesses and our city need.

Skills and talent are fundamental to our continuing economic success. Increasingly it is skills, not just qualifications, that employers look for first – whether they be in the private sector, where Leeds is home to global as well as local businesses, many of them small and medium sized enterprises, or in our significant public sector bodies across health, government, and education.

The City's continuing economic growth creates both opportunities and challenges. The pace of growth is outstripping the supply of skilled labour in some key sectors and businesses invest where they can recruit the workforce they need. Brexit is already impacting the supply of skilled workers from abroad and we need to seize the opportunity now to invest in and grow the City's talent pool.

We recognise that we need to do more as a city to improve the skills of our people, creating a better match between what employers are looking for and the system provides. That includes making better links between industry and education, helping to bridge the gap between learning and the application of learning, and enabling everyone to better understand how the skills needs of the city are changing as our economy changes.

This plan sets out how as a city we can collectively improve the supply of skills that our residents need to play a full and more productive part in the labour market, and that our

businesses need to thrive, helping to create a more inclusive economy in a compassionate city. It draws on much existing good practice both within the council and the city, including our More Jobs, Better Jobs Breakthrough Project, but also in the wider city region and nationally, where we have led the way in calling for growth to be more inclusive and equitable.

As well as putting forward interventions in support of specific sectors, the plan sets out a series of actions for growth in the form of six challenges. Those challenges are, I believe, shared by stakeholders across the city – and I welcome their support in making our case to Government for real change in the education and skills system. We have already done a great deal to be proud of as a city, and are committed to doing more. In some cases that will require new and meaningful commitments from Government to help us build a truly inclusive economy, recognising that we as a city know our needs best.

The Plan has been shaped by discussion with key partners in the city across education and skills, including employers, our universities and further education colleges, and many others. Residents have also had the opportunity to inform the Plan and understand our commitment to enabling them to play a full and more productive part in the labour market. We are grateful for the many comments we have received and the pledges of action from partners.

The Plan will take its place alongside our Leeds Inclusive Growth Strategy as a key tool in delivering inclusive growth in the city, and I am delighted to endorse its ambitions and actions.



Councillor Judith Blake,  
Leader, Leeds City Council



## INTRODUCTION

This Plan 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 challenges, as well as putting forward interventions in support of specific sectors.

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.

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.





# 1. CONTEXT



*Leeds is an economically buoyant and thriving city, the key driver of the Leeds City Region, and a primary driver of the Northern Powerhouse.*

## THE STARTING POINT OF OUR JOURNEY

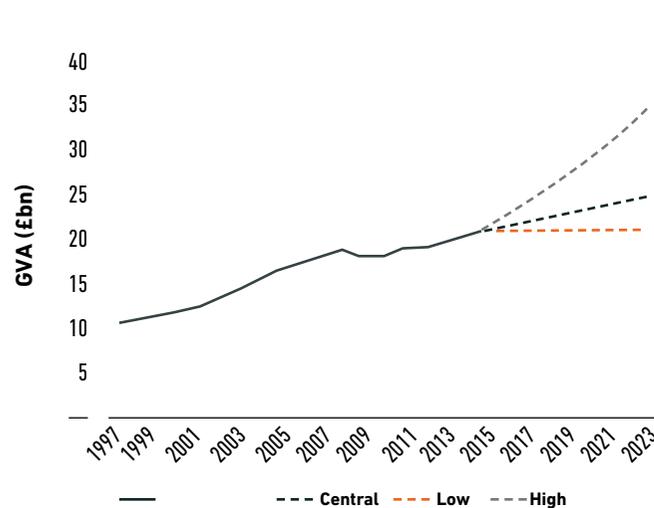
Leeds is an economically buoyant and thriving city, the primary economic driver of the Leeds City Region, and a key driver of the Northern Powerhouse economy.

The city's economy is performing well, with 8% growth since the end of June 2014 giving it a higher growth rate than London's since the launch of the Northern Powerhouse programme, and outperforming the capital and Manchester in terms of job creation rates (9.5%). The city is experiencing the fastest private sector jobs growth of any UK city. Leeds has one of the highest rates

of business start-ups and scale-ups amongst UK cities. We are a smart city: with a high proportion of knowledge intensive jobs; the University of Leeds spins out more AIM listed companies than any other UK university, and the city experiences a "brain gain" with more undergraduates and graduates moving into the city than leaving. Leeds is a top five UK retail and tourism destination.

And the future also looks healthy: Leeds' economy is set to grow by 12.8 per cent in the next 10 years.

GVA In Leeds (2009 To 2015 Actual; 2016 To 2023 forecast)



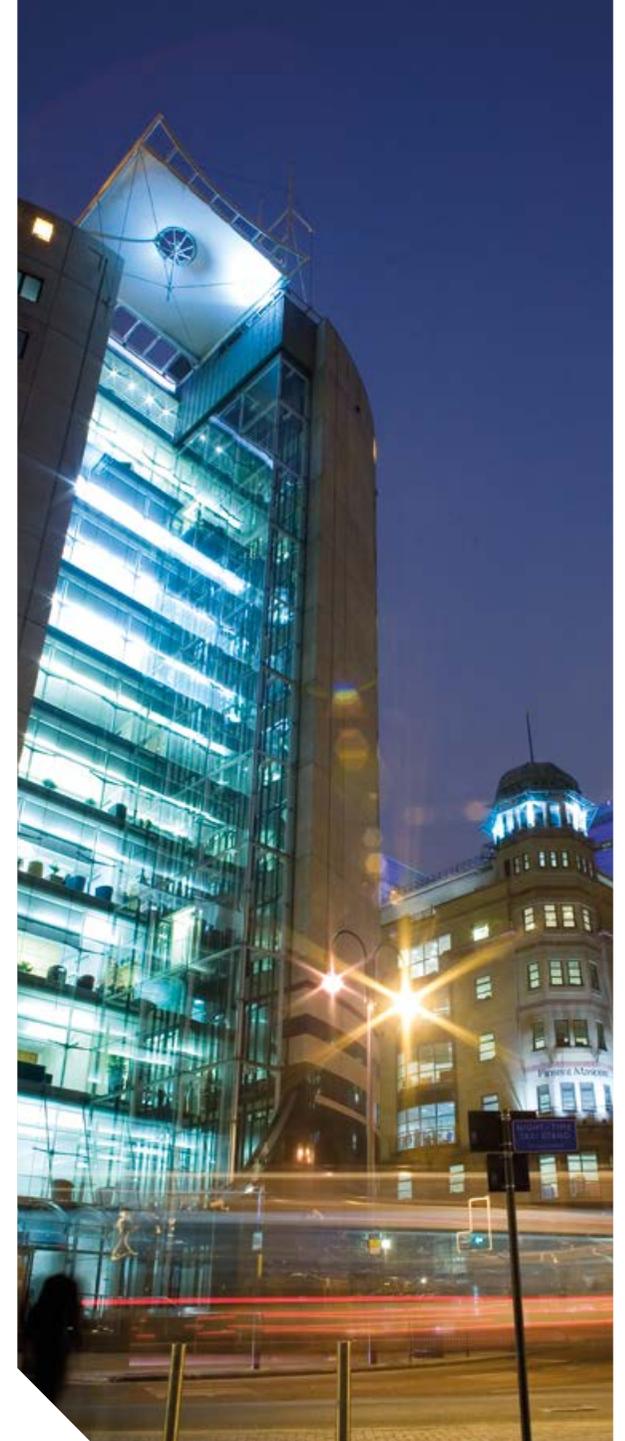
- High scenario**

Positive growth of 6.4% per annum results in £11 bn in additional GVA between 2017 and 2023.
- Central scenario**

GVA growth continues at trend rate of 2.0% per annum. This results in £3bn additional GVA over the plan period.
- Low scenario**

GVA stagnates and so there is no change from the 2015 level of GVA.

Source: Regional GVA, ONS (2016); Volterra forecast



While growth is positive, it is also a challenge. In some sectors, the pace of growth is outstripping the supply of skilled labour, leaving us dependent on in-migration or at risk of companies relocating elsewhere to be closer to supply. That risk is likely to be exacerbated by the process of leaving the European Union in 2019.

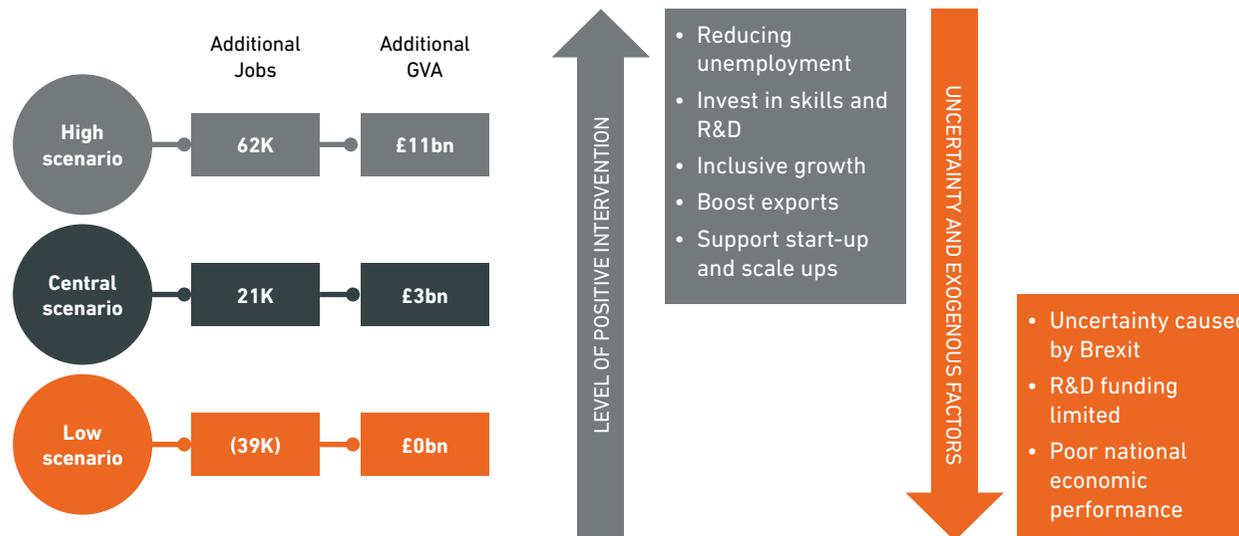
The other risk is that growth is not inclusive. The Council’s ambition is to see a strong economy in a city that is compassionate, and where all our residents can benefit from inclusive growth. We do not wish to just see jobs, but good jobs. Jobs that enable progression, that avoid the social and economic challenges of low pay, and in-work poverty.

We are not going to say that this is easy. Employers are already under strain from a range of policy interventions and legislative commitments that we touch on shortly. To have a labour market that is more inclusive and economically productive, we need more of our residents to be equipped with the skills that employers need. That means our education providers: our schools, colleges, universities, and training providers, need to do more to ensure the supply of labour is adequate and appropriately skilled.

This is not just a social ask: there are clear and sound economic and fiscal benefits too. The more residents we can move into economic activity, and good jobs, the less we will spend on employment welfare and other benefits.

The more income residents will have to spend locally. The lower the demands will be on our health and social care services, including mental health support. The benefits of a household with people in work, good work, and no longer in poverty, and the positive impact this has on children and other dependents, their school attendance and attainment, and their own ambitions for a working life, are profound and far-reaching.

**Growth forecasts – 2017 to 2023**



Through the Council’s partnership with the Joseph Rowntree Foundation (JRF) and Leeds City Region Enterprise Partnership (LCREP), the “More Jobs, Better Jobs” research programme was established in February 2013 to provide a 4 year programme of practice focused research to identify what can be done, by whom, at city and city-region level to create more and better jobs that help lift people and places out of poverty. The Council has been implementing some of the findings from this research through our More Jobs, Better Jobs Breakthrough Project, accelerating new ways of working and delivery through partnerships between Council services and partners.

AS WITH THE CITY'S DIGITAL SKILLS ACTION PLAN, THE PLAN SEEKS TO INFORM AND SHAPE THE MARKET SO THAT PROVIDERS CAN BRING FORWARD SOLUTIONS – NOT OFFER A PRESCRIBED APPROACH. THAT SAID, THREE PRINCIPLES UNDERPIN IT AND THE ACTIONS WE HOPE WILL BE TAKEN AS A RESULT OF IT:

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

**ALIGN AND COMPLEMENT**

The interventions that are proposed here and brought forward 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 LIVING PLAN**

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

## THE NATIONAL CONTEXT

The education and skills landscape at the local level is profoundly affected by decisions made by the Government and a range of executive agencies including the Education and Skills Funding Agency, the Institute for Apprenticeships, and others. While devolution is an important part of our plan, and we set out a number of interventions in this document that make asks of Government for powers, freedoms and flexibilities, national policy will continue to have a huge impact on what we can achieve here in the city, and how we achieve it.

It is worth, then, setting out very briefly some of the policy and economic context in which the Plan is set. This does not seek to be exhaustive or comprehensive as the context is so broad, but highlights issues which we think are key.

From the perspective of employers, education providers, and learners, the last two years have seen what could reasonably be called a revolution in education and skills policy and funding including:

- Mandatory pension provision and auto-enrolment
- The national minimum wage and the national living wage
- The change from apprenticeship frameworks to standards, apprenticeship funding reforms, and the Apprenticeship Levy

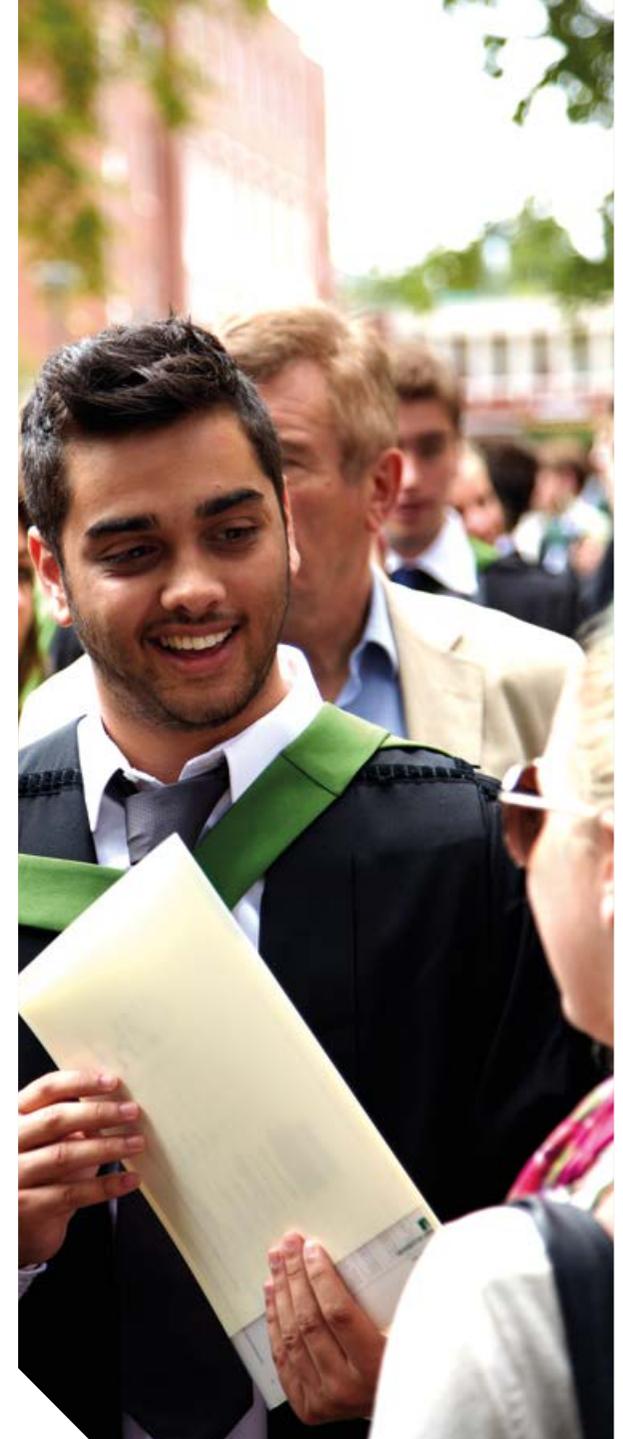
The Government has recently set out a strong focus on technical and vocational skills through the Post-16 Skills Plan and the announcement of the development of T-levels, with 15 proposed study routes including construction, digital, engineering and manufacturing, health and science, and social care. While the introduction of such qualifications and a focus on technical education

is welcome, this is long overdue, and the impact on the labour market of these developments will be subject to a lag, even if the traditional perception of vocational qualifications as being 'second choice' can be overcome.

At the time of writing, the impact of Brexit on the labour market in the short, medium and long term is unclear. This Plan does not seek to forecast what that impact will be, or even to speculate, other than to state that is likely to be very significant in a number of ways. The Plan, and the interventions contained in it, seek to build flexibility into the local labour market, but at some point in the not too distant future it may be necessary to revisit this thinking when clarity around the impact of Brexit is better understood.

The changing face of the labour market is something we need to recognise. The rise of the gig economy, zero hours contracts, and an increase in insecurity of work, is likely to continue. This seems to be the trade off for increasing volumes of work.

Increasing automation of tasks, increasingly including those in service industries, is a challenge that is already on us. The development of artificial intelligence and its application to the world of work might lead to the loss of around 47% of jobs. It is difficult to predict with certainty what these changes will bring, whether they be new jobs, new skills, new sectors of growth. Critically, we need to ensure that our local skills system is responsive to change – educators developing new provision informed by employer intelligence, and learners both in the workplace and outside it being supported to acquire the new skills required to adapt to what we know will be significant change.



## THE LOCAL CONTEXT

Leeds is an economically buoyant city, experiencing the fastest private sector jobs growth of any UK city. It has the largest city concentration of financial and professional services and digital jobs in the UK outside London. It is a major hub for health innovation, data analytics, innovative manufacturing, and knowledge intensive jobs. The city also has the second highest productivity levels (GVA per hour) of the core cities. Wages are up with average earnings increasing 6% over 2014 - 2015.

Leeds is a great place to start-up and scale up businesses, and to commercialise innovation. The city has the highest number of fast growing firms in the UK outside London and Cambridge. In recent years the University of Leeds has created more than 100 spin out companies, the second highest number of any UK university.

While Leeds is home to many large companies, many of the city's businesses, 96% in all, are micro to small sized enterprises. Small businesses are essential to achieving inclusive growth. They create local jobs, grow and keep wealth within a local economy and provide vital community services. Small businesses are key to the aim of achieving a more representative workforce, as they are often the ones providing employment opportunities in more deprived communities. It is not unusual for small businesses to give chances to people that other employers have overlooked. We value the diversity of our business base, and recognise that to be an inclusive economy that supports jobs for all we need to work effectively with our small businesses.

There is dynamism in the Leeds economy with new firms, digital products and processes, medical technologies, telecoms and data storage infrastructure, and creative products and services being created.

The city's leisure and retail offer has been transformed in recent years through the First Direct Arena, Trinity Leeds, and Victoria Gate. New office space has been created in the city centre, at Kirkstall Forge, Thorpe Park and White Rose, and major new industrial spaces developed in the Aire Valley Enterprise Zone, Thorpe Arch and West Leeds. While the arrival of High Speed 2 rail is over a decade away, the city region is already putting in place a strategy to ensure residents and businesses benefit from the transformational opportunity it offers, both in terms of the project and the wider economic and employment growth we are forecasting it will deliver. Residential development is increasing – over 3,300 new homes were developed in Leeds last year, the highest number across the Core Cities.

We have significant educational assets in the form of our higher and further education institutions, which offer a broad range of qualifications which are increasingly informed by employers, and encourage work placements so that students can develop their experience of the world of work. Many of our schools are rated as good or outstanding by OFSTED, and there are a range of partners working to improve connections between the business community and schools. Some of this activity is funded through large European Union programmes such as the Future Jobs programme.

Employment support is available to many residents, through statutory provision in Job Centres, to the Council's own network of Job Shops, which in 2016/17 helped over 6,500 people into work. Substantial programmes of support such as the STEP programme will support over 1,500 residents from hard to reach backgrounds into work by 2019. Our adult learning programme supported over 7,500 people to learn new skills in 2016/17, and we are seeking the full devolution of the adult education budget from central government to the city region to ensure provision is more closely matched to the needs of learners and the city.

## THE LOCAL CONTEXT

Leeds is an economically buoyant city, experiencing the fastest private sector jobs growth of any UK city. It has the largest city concentration of financial and professional services and digital jobs in the UK outside London. It is a major hub for health innovation, data analytics, innovative manufacturing, and knowledge intensive jobs. The city also has the second highest productivity levels (GVA per hour) of the core cities. There are positive signs of wage growth, with average earnings increasing 6% over 2014 – 2015.

Leeds is a great place to start-up and scale up businesses, and to commercialise innovation. The city has the highest number of fast growing firms in the UK outside London and Cambridge. In recent years the University of Leeds has created more than 100 spin out companies, the second highest number of any UK university.

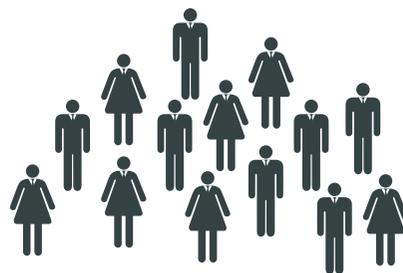
There is dynamism in the Leeds economy with new firms, digital products and processes, medical technologies,

telecoms and data storage infrastructure, and creative products and services being created.

The city's leisure and retail offer has been transformed in recent years through the First Direct Arena, Trinity Leeds, and Victoria Gate. New office space has been created in the city centre, at Kirkstall Forge, Thorpe Park and White Rose, and major new industrial spaces developed in the Aire Valley Enterprise Zone, Thorpe Arch and West Leeds. While the arrival of High Speed 2 rail is over a decade away, the city region is already putting in place a strategy to ensure residents and businesses benefit from the transformational opportunity it offers, both in terms of the project and the wider economic and employment growth we are forecasting it will deliver. Residential development is increasing – over 3,300 new and converted homes were developed in Leeds last year, the highest number across the Core Cities.

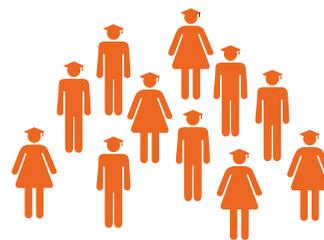
We have significant educational assets in the form of our higher and further education institutions, being home

to four universities, one of the largest colleges in the country in Leeds City College, and specialist provision through Leeds College of Building and Leeds College of Music, many of which have undertaken significant expansion programmes in recent years, supported by the Leeds City Region Skills Capital funding. Our education institutions offer a broad range of qualifications, including apprenticeships and degree apprenticeships, which are increasingly developed in partnership with employers, and encourage work placements so that students can develop their experience of the world of work while studying. Many of our schools are rated as good or outstanding by OFSTED, and there are a range of partners working to improve connections between the business community and schools.



HIGHER EDUCATION  
62,745

+



FURTHER EDUCATION  
33,500

=



TOTAL  
96,245

Employment support is available to many residents, through statutory provision in Job Centres, to the Council's own network of Job Shops, which in 2016/17 helped over 6,500 people into work. Substantial programmes of support secured from European funding, such as the STEP programme, will support over 1,500 residents from hard to reach backgrounds into work by 2019. Our adult learning programme supported over 7,500 people to learn new skills in 2016/17, and we are seeking the full devolution of the adult education budget from central government to the city region to ensure provision is more closely matched to the needs of learners and the city.

While this Plan focuses on the city, we recognise and welcome our role as the key driver of the Leeds City Region. The Council works in close partnership with the Leeds City

Region Enterprise Partnership, and in recent years the West Yorkshire Combined Authority, to drive growth at the sub-regional level, and especially in making the case for increased devolution of powers and funding to drive our economic future. We share the city region's ambitions for growth, and support the Strategic Economic Plan and the Employment and Skills Plan – 'Skilled People, Better Jobs'. Many of our own ambitions for the city can only be achieved through working in partnership at the city region level, where key programmes such as the Skills Service, which has supported over 9,000 people to acquire new skills while in work, are delivered, and the Enterprise Advisor Programme, which has connected over 100 business leaders and over 130 schools since February 2016. The Talent and Skills Plan is strongly aligned to these city region ambitions and programmes of activity.



## WHAT ARE THE CHALLENGES?

Not everyone is benefiting from or contributing to economic growth to their full potential. Over 160,000 people in Leeds live in neighbourhoods that are amongst the 10% most deprived neighbourhoods in England. Over 26,400 children were living in poverty in the city in 2015. Unemployment has been reducing, but is still too high in some parts of the city.

A fast changing economy has implications for the skills people need to access jobs, progress within their careers and be resilient to economic shocks. Low pay is a growing issue. Over 80,000 jobs (many of them part-time and insecure) pay less than the Living Wage of £8.45 an hour as recommended by the Living Wage Foundation.

Productivity (the economic output per worker / hour worked) in the Leeds economy has not risen significantly since the recession, and lags well below the national average, in common with our northern peers.

This is partly because firms held on to workers in the downturn, and people have taken lower paid jobs or become self-employed. But it also reflects insufficient investment in training, exports, research and development, premises and plant, and infrastructure. If we can raise productivity, we can increase the value and resilience of economic activity.

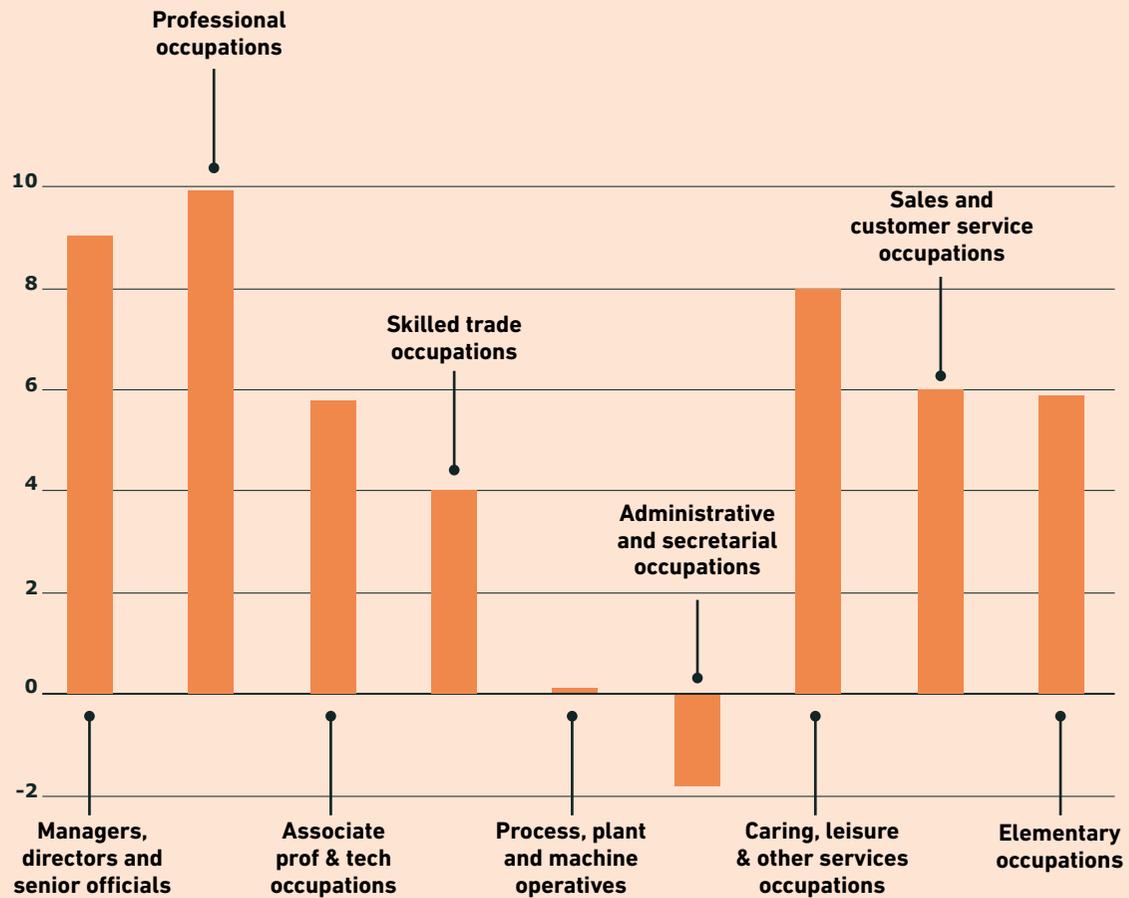
Worklessness and skills sits at the root of all of these issues. Without a concerted drive to improve skills (not necessarily qualifications) the city will never be able to approach its full economic potential.

At the very beginning of the skills supply chain, while many of our schools are rated as good or outstanding, we have an issue with educational attainment. Too many, almost 50%, of young people do not achieve 5 A\*-C grades at GCSE. While there is a debate to be had about the relevance of GCSE qualifications to what makes a young person a productive employee, it is inescapable that this basic level of attainment is usually fundamental to achieving employment, whether in a job or apprenticeship.

More broadly, skills levels in the city are not adequate. As the requirements of employers evolve, an increasing number of employees with higher level skills (level 4 and above ) are needed. The city does not have them. In fact, a number of our residents do not have any qualifications at all, and far too many have only Level 1 and 2 qualifications. We have seen and continue to see a hollowing out in the labour market, where mid-skilled jobs decline and low and high-skilled jobs increase.

Whilst some employers are leading the way in terms of staff development, apprenticeships, creating opportunities for school leavers, career changers, people returning to the workforce, and those with health barriers and disabilities, more can be done.

### FORECAST % EMPLOYMENT CHANGE BY OCCUPATION IN LEEDS CITY REGION 2013-2020





## 2. COLLECTIVE CALLS TO ACTION

# WHAT AND WHY?

There are 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 calls 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.



## PUTTING CHILDREN AT THE HEART OF THE SKILLS PLAN

- Strengthening the role of schools in 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
- Extending Early Years provision, linking this to supporting more parents to get into work or to progress into better jobs

We are committed to building our Skills Plan around the city's children and young people. Investing in children offers the greatest returns and we are committed to giving our children the best start possible, research shows that the most cost effective public sector investment is in the early years, with benefits through childhood and into adult life and work.

We will continue to protect and promote the successful and vital network of early years services, providing support to parents and carers to enter, stay and progress in work, through children's centres and childcare, and more targeted services such as the Stronger Families initiative. We will also work with employers to encourage and support parents returning to work after a period of childcare, including in higher skill roles where there are currently skill shortages. 34% of working age mothers do not work; this increases to 45% of single mothers; and decreases to 28% of coupled mothers who share care with a partner. Supporting more of this cohort into economic activity will have a significant benefit.

The proportion of Leeds schools judged to be good or outstanding is in line with the national average and above regional average but we are not complacent, and we still have challenges with young people from our most disadvantaged areas achieving good results. We will support and challenge our schools to deliver the best possible outcomes for all the city's young people.

Careers advice in schools is failing to prepare young people for the world of work, and requires

fundamental and systemic change. Young people are not emerging from the education system ready for the world of work, and with unclear or unrealistic career ambitions are far more likely to spend time not in education, employment and training, or stuck in a trap of low pay and low skills. Schools are not preparing them for work, partly because of the all-encompassing drive for results, partly because many school leaders and teachers are not familiar with modern labour markets and are not motivated by readying pupils for life outside school. Government has not put in place structures that will challenge this, and our challenge to them is to work with us to develop an approach to careers that works.

We will work with businesses and schools to improve careers advice, enabling young people to make informed choices about all the possible routes into work through a Young Person's IAG Charter which will apply from Year 7 at least. This should focus on raising aspirations and meeting the needs of the individual, including the development of attributes that employers prioritise such as problem solving, resilience, creativity, team working, confidence and communication, and enabling young people to make informed choices about all the possible routes into work. We will consult on how to extend this approach into primary school, recognising that this is an important opportunity to start informing young people about life beyond the school system.

We will continue to promote the benefits of apprenticeships, including degree apprenticeships, rather than prioritising traditional academic paths,

and support the implementation of the new T-levels. We will work to make apprenticeships more inclusive, having identified issues around diversity and also the way that functional skills assessments can sometimes disadvantage otherwise able apprenticeship candidates.

We will explore how a new approach to work experience can benefit young people, giving them a more rounded insight into the world of work while they are still in school, especially in the wide range of small businesses in the city that can demonstrate the diversity of roles and sectors the city has to offer. And we will explore how teachers might benefit from increased CPD around the local economy, both once in school, and in preparation for their teaching careers.





## EMPLOYERS AND PEOPLE TOGETHER AT THE HEART OF THE EDUCATION AND SKILLS SYSTEM

- Bringing employers and education providers together to develop and commission education and training to meet employers' needs and economic priorities
- Tackling skills gap at all levels

We will work with employers, schools, colleges, universities and training providers to shape a skills system that meets the needs of our economy. Employers and education providers need to work more closely together, with business involvement directly in the classroom and the lecture theatre to mentor and inspire young people, and to help educators in primary, secondary and further and higher education better understand the needs of industry.

Greater collaboration will help to develop and commission education and training that is tailored to the needs of employers and our economic priorities, but to unlock the real power of this collaboration we will continue to make the case to Government for

greater investment and more local control over the skills system, including the devolution of the Adult Education Budget, which in Leeds is valued at £19m per annum and in 2015/16 supported 36,450 learners in the city.

We will work with partners to look at how we can aggregate demand for provision – especially from small businesses. It can be hard for providers to flex demand to respond to specific needs, but where that need is shared across a cohort of businesses, sometimes governed by size, sometimes by sector, we will seek to improve connections so that employer needs can be more visible and providers can respond more effectively.





## BETTER JOBS – TACKLING LOW PAY AND PRODUCTIVITY

- Encouraging employers to pay the Real Living Wage
- Initiatives to support firms and people to improve their skills and progress into better jobs
- Supporting our current and future workforce to be resilient to economic change

Previous economic thinking that ‘a job, any job’ is the best route out of poverty does not reflect the modern economy. Too many people have become stuck in low paid work and are unable to raise themselves above the poverty line despite working. This disproportionately impacts on certain groups of people and those that work in certain sectors such as retail and care. Too many businesses likewise are stuck in a low pay, low skill, low productivity cycle. On the contrary, those who invest in skills see associated improvements in competitiveness, productivity and growth that in turn support higher wages. The trend of low skill and low pay is set to continue, compounded by a hollowing out of the mid-level labour market. All of this works together to hold people back from fulfilling their potential, puts the brakes on economic growth and output, and leads to a higher welfare and service bill for government.

Building on the Anchors Programme, we will focus on two main priorities: first encouraging more employers to pay the Real Living Wage to their staff and through their supply chain; and second an initiative to support employers to enhance the skills and progression of their lowest paid workers which will include making the most of the Leeds City Region Career Development Fund programme.

We recognise that employers are already under significant pressure from a range of sources, and that a call for the real living wage to be paid in the city adds to that pressure. We will make the case that investment in staff leads not just to productivity gains that justify wage increases, but that tackling

low pay has a long run impact on significant social and economic issues that are a vast cost to the UK economy, and that it is in the best of interests of business to make this commitment.

Leeds has a broad based economy that changes rapidly: keeping up to date and brushing up skills and can be important, whether to progress in a current job, or to find a new one. We will look at how we can work with employers and providers to improve the skills of the existing workforce to enhance people’s productivity, progression and resilience, enabling people to progress at work.

Retraining those already in the labour market is a priority: we cannot rely on new entrants filling the projected number of vacancies forecast. We will look at how we can work with employers and providers to improve the skills of the existing workforce to enhance people’s productivity, progression and resilience. The Apprenticeship Levy offers one mechanism for achieving this, and there are already encouraging signs of businesses not just recruiting new staff onto apprenticeships, but enabling existing staff to upskill and progress through doing an apprenticeship, particularly at higher and degree levels. We will also look at how we can increase the take-up of Advanced Learner Loans, available to individuals studying for level 3, 4, 5 or 6 qualifications, supported by better careers advice for adults and the emerging ESIF programme supporting individuals to upskill while in work.

As the labour market changes, with increasing automation a particular feature, jobs will be lost.

We will work with partners to provide support to people who lose their jobs, with a particular focus on retraining to enable them to enter other sectors where appropriate, or to consider starting their own business.

Work is being done in this area, with labour market data shared frequently across the region with our higher and further education providers, giving them the tools to supply a relevant curriculum that meets the current and future demand for skills and provision. The Leeds City Region Skills Service provides comprehensive training needs and a skills planning service to help business identify skills gaps and development needs linked to their growth plan objectives. This has resulted in the upskilling of over 9,000 workers and £3.93m of grants approved, 35% of which were to businesses in Leeds. The Council's 'More Jobs, Better Jobs' partnership with the Joseph Rowntree Foundation has led to the development of the collaborative and systematic approach to engaging with anchor institutions, large employers in both public and private sectors, on an innovative new framework to support action on employment, low pay, procurement and supply chain management.



In 2014/15, for every out-of-work claimant that moved into a job that paid the Living Wage (then £7.45 per hour), the government gained, on average, almost £6,900. The local economy benefited, on average, by more than £14,000 per year every time an unemployed person began a Living Wage job.

The City Council has led the way by adopting the West Yorkshire Combined Authority's Low Pay Charter committing the Council to initiatives that improve how lower paid staff are supported, including training and development, and paying a minimum of £8.45 per hour.



## INCREASING LABOUR MARKET ACTIVITY AND PRODUCTIVITY THROUGH A MORE REPRESENTATIVE WORKFORCE

- Encouraging employers to employ older people, people with disabilities and health barriers, and people with responsibilities that need flexibility of employment
- Encouraging employers to employ armed forces leavers and people with criminal convictions

Too many people who could be economically productive are not participating in the labour market, sometimes as a result of their own apprehension about employment offering a route out of poverty, but also sometimes as a result of employer misunderstanding about their capacity to work, or what it might involve to support someone with a disability, for instance, to work.

At a time when the pension age is increasing, and young people in particular can expect to have to work longer than the previous generation, increasing the longevity of the working population has never been more important. Many very experienced and productive people are lost to the labour market every year for no good reason. Helping employers to understand the value of older workers, and to support them effectively, is a priority.

Some of our residents may be unfamiliar with the labour market as a result of serving their country, and for these individuals it can sometimes be a challenge to reintegrate into civilian life. Work is one of the ways of making that reintegration more manageable, and there are some great examples of businesses who have a particular focus on recruiting ex-Armed Forces members.

Some of our residents have spent time out of the labour market, or sometimes have never engaged in it, because of criminal behaviour. The underlying theme for most is a poor start to life and the lack of sustainable work. Usually by their mid-30's most offenders) are looking for a way out of a life of crime, and supporting more to do so through employment

generates a significant return on investment for both employer and the community.

And a significant number of our residents have health conditions, including mental ill-health, and learning and physical disabilities that are working to exclude them from the labour market. In many cases these barriers don't just prevent them getting into work, but also hinder them staying in work.

We recognise that many of our residents do want to work, but are held back by some of these barriers. We want more employers to adopt innovative and inclusive recruitment practices to increase the representation of such groups in their workforce, and build capacity in their businesses to support these individuals through, for example, becoming a Mindful Employer.

This is not just about asking employers to do more. As a city, partners involved in employment support such as Jobcentre Plus and many organisations like the Leeds Community Foundation, PATH Yorkshire, Remploy and others, already do great work supporting residents to access the labour market despite barriers. We need to collectively do more so that residents are not set up to fail, and businesses can have confidence in their capacity to support them, alongside other forms of support.





## ATTRACTING AND RETAINING TALENT IN THE CITY, AND WIDENING PARTICIPATION IN EDUCATION AND TRAINING

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

While the city has a positive story to tell about attracting young people to study here, and retaining them after study, there is more we can do to tell the story of the city as a home for professionals, not just a student city. That might be for young people thinking of their first job, and not realising the incredible diversity of work on offer in Leeds, or experienced professionals looking to return or move to the north. Initiatives such as InLeeds, which enables students to visit a number of city businesses in the course of a day, and a drive to increase the number of work placements offered to students, will help but there is more we can do. We are particularly keen to see more interaction between students and smaller businesses, through student/business challenge projects for example, and more of our students leaving education to work in our large and diverse SME community, or starting a business of their own.

The Council and the universities, along with our further education colleges, are working together with business to create a programme of activity to help tell the Leeds story to students and encourage more of them to stay and work in the city.

We recognise that an important part of the offer we can make to graduates and professionals is the quality and mix of our housing, particularly affordable housing, in appropriate locations, with a mix of appropriate tenures. The city can point to a strong commitment to this ambition, but we will continue to lobby Government for various flexibilities, including the abolition of the borrowing cap, in order to improve supply, alongside changes to the planning system that facilitate good housing growth.

Widening participation in further and higher education has long been a priority for the city, but we recognise that this should not come at the price of following an inappropriate path. Not all young people want to go to university. In this context, the development of T-levels are a welcome sign that the Government is heeding the voice of business, putting vocational education on a par with traditional academic education, and supporting the further expansion of apprenticeships. We support T-levels, and will promote them to schools and young people as a serious and ambitious programme of study, and encourage businesses to recognise them as meaningful qualifications and measures of a learner's potential for work.

Getting more people into apprenticeships remains a very significant ambition for the Council and the city. We will continue to support the annual Leeds Apprenticeship Recruitment Fair at the Leeds Arena, the biggest event of its kind in the country. We will work with training providers, colleges, and universities, to promote apprenticeships to our residents, and encourage businesses to take on more apprentices – paying the real living wage, not the apprenticeship minimum wage.

We have heard concerns from employers, and those seeking apprenticeship opportunities, that it is not always easy to search for vacancies in the city. We will explore the possibility of developing an online 'apprenticeships board' for hosting vacancies for Leeds employers.





## IMPROVE CONNECTIONS BETWEEN EMPLOYMENT OPPORTUNITIES AND RESIDENTS

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

Leeds has increasing opportunities for employment growth as physical development takes place in locations such as the South Bank, and the potential doubling in size of the city centre, the Innovation District, the Enterprise Zone, Thorp Arch, White Rose Shopping Centre, and the airport. But evidence suggests there is a growing spatial mismatch between the location of housing and major centres of employment, and inadequate transport links between the two. This is especially the case for lower income groups as low-skilled occupations have become increasingly dispersed to out-of-town locations.

Our high growth locations needs to be well-connected to people who are looking for work, with better connections and new infrastructure in places, allied to targeted interventions that help people overcome a wide range of barriers to making journeys beyond their communities. We will work with partners, including transport providers, to develop a more integrated transport solution that means that no-one is disenfranchised from taking a job as a result of inadequate transport connections. Our Core Strategy and Transport Strategy are already underpinned by such a commitment.

We are already ensuring that the £173m of transport funding announced in 2017 is invested in a way that improves accessibility and connectivity to centres of

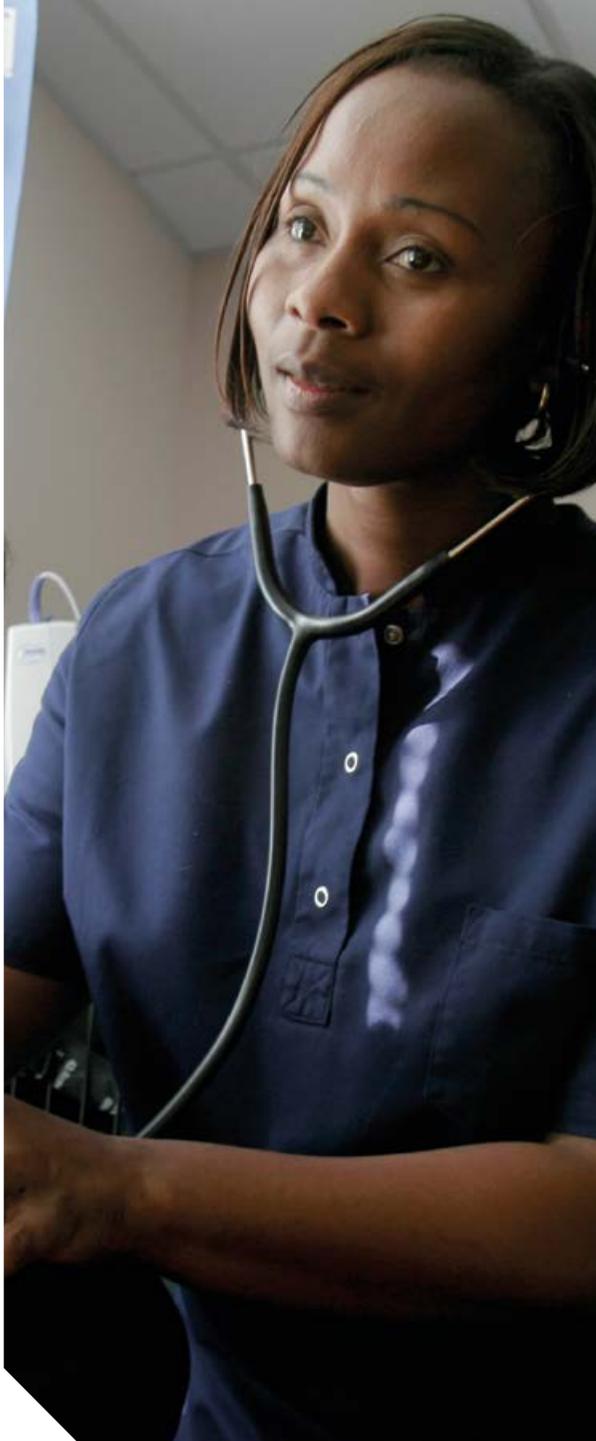
employment, with projects including rail connections to the White Rose Centre and the airport proposed. We will also seek to influence the spending of the West Yorkshire Plus Transport Fund to maximise these kinds of connections. The arrival of High Speed Two into Leeds city centre by 2033 offers a further opportunity to improve connectivity and open up increasing numbers of jobs, particularly in knowledge intensive businesses, across the city region, as does the emerging Northern Powerhouse Rail proposal, creating better links between the city and other northern cities, making opportunities outside Leeds more accessible to our residents.

The city has a proud record of supporting people into work through obligations on Council contracts and planning permissions, and we are working with partners across the Leeds City Region through the Inclusive Anchors Programme to extend this approach further. We also recognise that the scale and critical mass of some physical development, for example around the South Bank, offers an opportunity to scale up this kind of approach, perhaps through the creation of an endowment fund to support disadvantaged communities. We welcome a conversation with the private and third sector to explore this further.





# 3. SECTORS AND INTERVENTIONS



## OUR SECTORAL FOCUS

The Leeds Inclusive Growth Strategy sets out seven sectors which cover a large part of the economy and a range of jobs at all skill levels. They are:

- Health, medical and the ageing population
- Financial and professional services
- Creative and digital
- Construction
- Manufacturing
- Retail and the visitor economy
- Social enterprise and the third sector

In this Plan we focus on a subset of those sectors. This is because these are the sectors where we consider there is the greatest risk and reward from intervention, whether that be because of forecast growth, or issues around pay and productivity. They are:



HEALTH  
AND CARE



CREATIVE AND  
DIGITAL



CONSTRUCTION AND  
INFRASTRUCTURE



MANUFACTURING  
AND ENGINEERING

However, we do identify some potential interventions which address skills shortages and gaps in other sectors under a general heading towards the end of this section.

## CHARACTERISING THE INTERVENTIONS

The interventions that are set out in the remainder of the Plan can be characterised in two ways. This is a practice we adopted in the development of the Leeds Digital Sector Skills Action Plan, and which we have found helps to clarify the nature of the activity and the outcome it aspires to achieve.

Some of the interventions can be achieved, and can deliver results, in the short term. Some will take longer to both implement and deliver. We have classified each intervention in terms of the short, medium and long term deliverability and potential impact.



### **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.

## THE ADVANCED MANUFACTURING AND ENGINEERING SECTOR

While employment numbers in the city have declined over recent years, reflecting national trends as the service sector increasingly grows in influence, the sector remains a significant employer with just under 30,000 jobs, or 6.7% of the city's workforce, and 1,615 businesses in the sector.

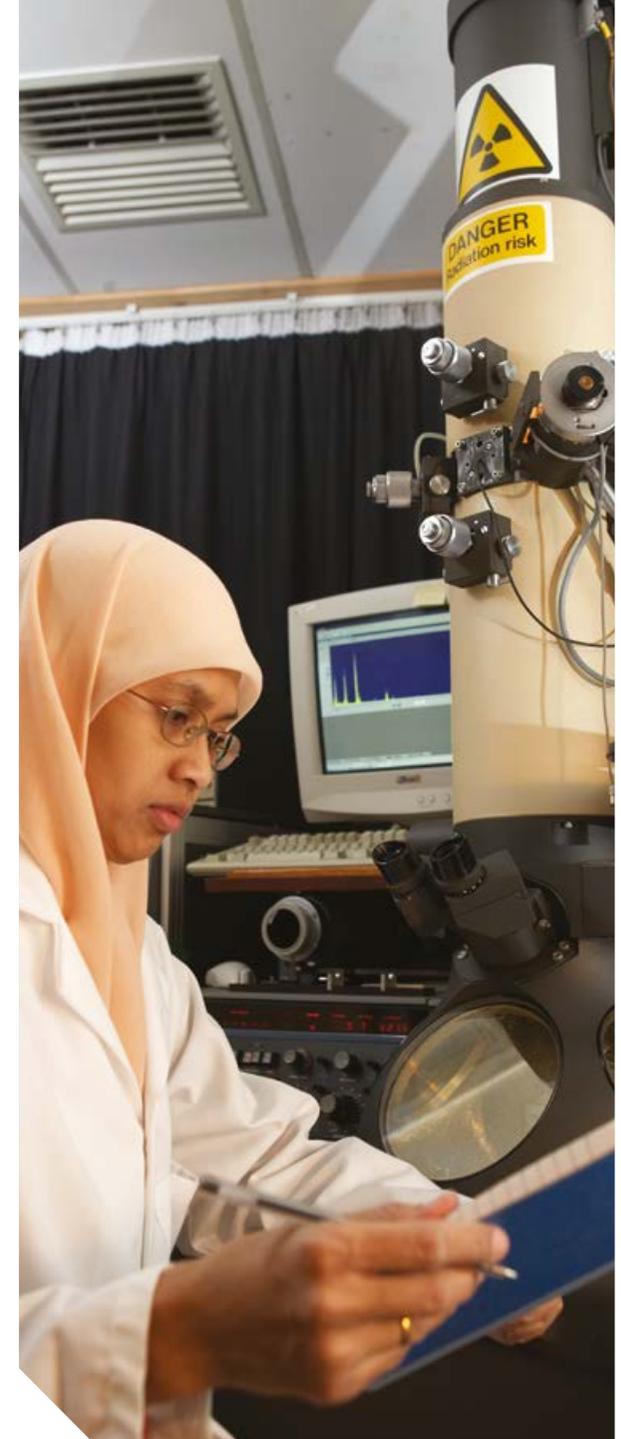
Just as important is the critical nature of the sector in enabling the city to grow economically, and in offering opportunities to our residents all along the skills spectrum. There are high levels of innovation and R&D in our manufacturing and engineering businesses, supported by research strengths in the city (particularly at the University of Leeds) but also in the wider city region. This is a key enabler of growth.

And with major engineering schemes like HS2 on the horizon, there is an opportunity to position the city as a centre for rail engineering and associated manufacturing, building on the presence of employers such as Siemens and their mechanical drives facility in Hunstret, and William Cook in Cross Green.

But the sector faces serious challenges in attracting new entrants, at a time when replacement demand is at an all-time high. The sector also lacks diversity, with only 7% of the UK workforce female, and poor representation from BME communities.

Some of these gaps and shortages can be tracked back to school-age education. Insufficient numbers of young people are taking STEM subjects, the underpinnings of further/higher education and entry to the sector. The Advanced Manufacturing and Engineering University Technical College is addressing this challenge, but even at full capacity can only make a start on ensuring the city has a pipeline of skilled engineers and technicians entering the sector.

Finally, we have seen how the pace of industrial change can have a damaging effect on businesses in particular subsectors. While employment in the sector will continue to slowly decline, we need to do more to retain skilled employees within the wider sector when economic shocks do occur.



### SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>29,400</b>	<b>6.7</b>	<b>-2,100</b>	<b>1,615</b>	<b>1,709</b>

## INTERVENTIONS



### DRIVING INCLUSIVE GROWTH THROUGH CREATING AND PROMOTING ENTRY POINTS AND PROGRESSION PATHWAYS INTO AND THROUGH SECTORS TO LOCAL, NATIONAL AND INTERNATIONAL TALENT

#### ACTION: SUPPORT FOR AND SUSTAINABILITY OF THE FUTURE JOBS PROGRAMME

The ESIF funded Future Jobs Programme is providing support to schools across the city region to promote careers in the sector. We will promote the programme to Leeds schools, and encourage employer support for it, but we want to ensure that programme activity can be sustained beyond its current life (to 2019).

There is a significant opportunity to align this work to the LCR HS2 Growth Strategy, which calls for a funded programme of careers insight and education running to 2033. Manufacturing and engineering is a key plank of the HS2 skills challenge.

SHORT  
TERM

#### ACTION: SUPPORT THE LEEDS MANUFACTURING FESTIVAL

The Leeds Manufacturing Festival is an initiative aimed at improving the awareness of the sector as a great career opportunity for young people in the city. It aims to increase interactions between manufacturing businesses and schools, including employer visits, employer presentations in schools, and industry set challenges in class. We will ensure that schools are aware of the Festival and encourage them to participate, as well as encouraging employers to take part.

SHORT  
TERM

#### ACTION: EVERY SCHOOL TO BE AWARE OF THE TOMORROW'S ENGINEERS AND WISE CAMPAIGN, AND MORE EMPLOYERS TO PARTICIPATE IN BOTH

Tomorrow's Engineers and Women in Science and Engineering are two campaigns which seek to improve the understanding of young people, women in particular, of the science and engineering world. Using employer ambassadors they promote careers, including apprenticeships, in the sector in schools. We will ensure that every school is aware of their offer, and promote membership to our cohort of businesses in the sector.

MEDIUM  
TERM

#### ACTION: EVERY SCHOOL TO HAVE ACCESS TO A STEM EMPLOYER GOVERNOR

Employer governors are increasingly present in Leeds schools, both primary and secondary. They play an important role in helping school leaders and staff understand the skills needs of industry, as well as promoting sectors that may have an image problem. We want every school in Leeds to have an employer governor from, or with significant knowledge, of STEM and advanced manufacturing and engineering.

LONG  
TERM

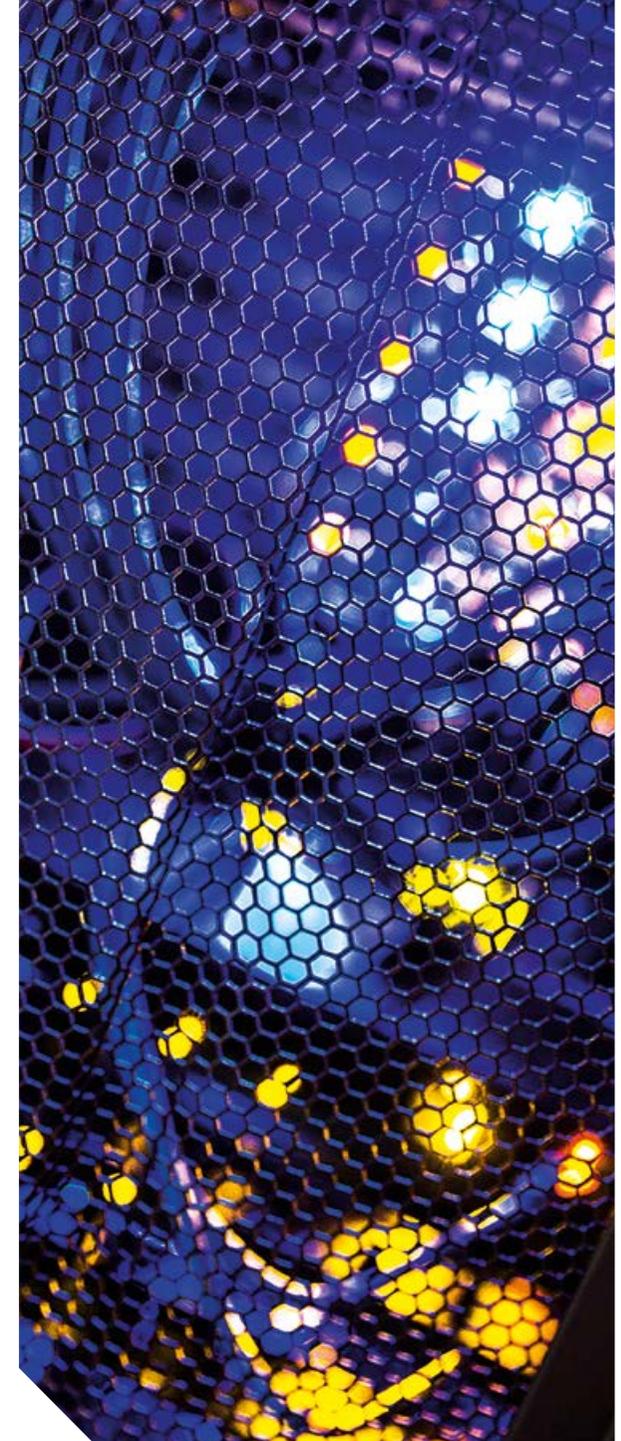
## THE DIGITAL AND TECHNOLOGY SECTOR

Leeds is rapidly establishing itself as the digital centre of the North, anchored by major businesses including Sky's national technology centre of expertise and Skybet, our first tech unicorn (a company valued at over £1 billion), and a thriving games industry with world-leading businesses such as Rockstar Leeds, Team17 and Revolution, that bring in millions of pounds to the city and city region economy.

The city also benefits from internationally important digital infrastructure, a significant public sector presence through NHS Digital, world leading academic research and innovation in a range of disciplines including big data through the Open Data Institute and Data Mill North, and a collaborative approach sector growth between partners such as the Leeds Digital Board and representative groups such as Game Republic.

The digital economy is growing significantly faster than the wider economy, and this pace of change means that attracting high skilled labour is now the number one challenge for the industry. In March 2016 the Leeds Digital Board launched the Leeds Digital Skills Plan, focusing on attracting and training talent for the digital sector. Since then we have seen four very successful digital jobs fairs, the launch of degree apprenticeships, the development of an accelerated two year degree programme, and more. Our impact has been recognised in the Government's Digital Skills Strategy as being good practice.

So we're making good progress on these ambitions, but there is more to do to make the sector more inclusive and accessible for more of our residents, and to facilitate growth for our businesses.



### SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>29,500</b>	<b>6.7</b>	<b>6,900</b>	<b>3,465</b>	<b>1,286</b>

## INTERVENTIONS



### DRIVING INCLUSIVE GROWTH THROUGH CREATING AND PROMOTING ENTRY POINTS AND PROGRESSION PATHWAYS INTO AND THROUGH SECTORS TO LOCAL, NATIONAL AND INTERNATIONAL TALENT

#### ACTION: SUPPORTING AND PROMOTING THE RE:BOOT PROGRAMME AND A WIDER CAMPAIGN TO ATTRACT CAREER CHANGERS

While the supply of skilled labour into the sector from education remains insufficient, there is both a need and an opportunity to increase supply for career changers and people returning to the labour market, through short, intensive courses which equip people with key skills. Many such courses are endorsed by employers, with some offering job guarantees on successful completion.

Since the launch of the Digital Skills Action Plan in 2016, it has become clear that there is the need for a programme to prove the concept of a boot camp for both employers and potential candidates.

WYCA is developing the re:boot programme, alongside a wider campaign to attract career changers. The programme will support new entry to the sector through boot camp provision, and we will support and promote the programme, particularly looking to target residents from our more disadvantaged communities.

SHORT  
TERM

#### ACTION: SUPPORT AND PROMOTE NATIONAL CODING WEEK

National Coding Week aims to give adults a taste of coding through short introductory sessions often delivered by volunteers. In Leeds, a number of employers have been very supportive of NCW, and in 2016 the city was close to the top ranking for cities providing taster sessions.

These taster sessions are useful in their own right in terms of digital literacy, but offer a real chance for residents to get a flavour of what is involved in just one aspect of the sector. It also gives employers an opportunity to scout talent and potential recruits.

We will continue to support and promote National Coding Week, with an ambition to host sessions in every ward of the city, and more sessions than any other city in the UK.

SHORT  
TERM

#### ACTION: THE LEEDS DIGITAL CAREERS FAIR

Now into its fourth staging in its home of the Leeds Arena, the Leeds Digital Careers Fair, hosted by Herd, is a critical part of the sector's recruitment activity and wider awareness raising for residents of the incredible range of jobs in tech. Exhibitor take up has grown alongside visitor numbers, with feedback about the range of job opportunities and potential candidates consistently high.

SHORT  
TERM

#### ACTION: PROMOTING APPRENTICESHIPS INCLUDING DEGREE APPRENTICESHIP OPPORTUNITIES

New apprenticeship standards for digital sector roles are increasingly available in the city, and offer an entry route to the sector which is likely to be very appealing to young people in particular, but also creates an opportunity for existing employees to develop new skills and gain a qualification. For those employers who are liable to the Apprenticeship Levy, there is a significant financial incentive.

MEDIUM  
TERM

#### ACTION: SUPPORT THE EXTENSION OF CODE CLUBS TO ALL LEEDS PRIMARY SCHOOLS

Code clubs are a great way to get young children interested in tech and have wider benefits beyond learning to code. Problem solving and logical thinking skills are useful for a range of other disciplines including maths. Code clubs are also a great way to get girls interested in tech at an early age. Many of our primary schools are already part of the programme, supported by employer volunteers. By the start of the 2018-19 school year we want to see every primary school regularly hosting Code Clubs.

LONG  
TERM



### IMPROVING CONNECTIONS BETWEEN EMPLOYERS AND EDUCATORS TO ENSURE SUPPLY MORE EFFECTIVELY MEETS DEMAND (VOLUME, QUALIFICATIONS, CAPABILITIES)

#### ACTION: STAGE A DIGITAL SKILLS SUMMIT

In March 2018 we will stage a Digital Skills Summit, celebrating the two year anniversary of the launch of the Digital Skills Plan, reviewing progress, and identifying new priorities where appropriate.

The summit will also be an opportunity for employers and education and skills providers to come together to discuss how the skills system can respond to the needs of the industry

SHORT  
TERM

## THE CONSTRUCTION AND INFRASTRUCTURE SECTOR (INCLUDING HOUSING)

The construction sector is boosted by a high demand for new housing, infrastructure and commercial development, with an ambition to double the physical scale of Leeds city centre. The deployment of the £1bn West Yorkshire Plus Transport Fund and the development of the HS2 rail line and associated infrastructure, including a new Yorkshire Hub station in Leeds city centre, offer huge opportunities for the sector to capitalise on significant investment. In total there is around £600m of development programmed in the city over the next few years, including exciting opportunities for the city to take the lead in new techniques such as modular housing. CITU/LCOB picture and pledge?

The recently published Review of the UK Construction Labour Model cites the need for clear leadership, transparent collaborative working, embracing the fast paced digital world and the underlining issue of skills shortages in the sector. Based on the existing workforce age and current levels of people entering the industry, the review predicts there could be a 20-25% decline in the available labour force within a decade. At the same time, the changing nature of the industry has a bearing on the skills and labour needs of the workforce. Increased offsite provision, specialist teams retained by developers, and

other factors, mean that the size of a workforce for, as an example, a £9m commercial development, is no more than 40 people over less than 12 months.

Despite this, in Leeds we estimate that 4,500 additional jobs will be needed by 2024, including workers in managerial roles, site supervision, project management and off-site construction. Institutions such as Leeds College of Building, the UK's only specialist construction college, and Leeds City College can help meet this demand, with delivery agreements with the Combined Authority to align their skills training to match local economic priorities and business needs, including an expansion of work and classroom based training for technical and higher skills (level 4-6).

In addition to a critical challenge around attracting new entrants to the sector, it is important to work collaboratively with the industry to improve in-work progression through training and development, and to bring forward activity to address the substantial under-representation (in line with the national picture) of women and black and minority ethnic groups in the sector.



### SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>18,800</b>	<b>4.3</b>	<b>200</b>	<b>3,085</b>	<b>1,175</b>

## INTERVENTIONS



### DRIVING INCLUSIVE GROWTH THROUGH CREATING AND PROMOTING ENTRY POINTS AND PROGRESSION PATHWAYS INTO AND THROUGH SECTORS TO LOCAL, NATIONAL AND INTERNATIONAL TALENT

#### ACTION: CREATING A VIRTUAL CENTRE OF EXCELLENCE IN SKILLS FOR OFFSITE MANUFACTURING FOR THE CONSTRUCTION INDUSTRY

Leeds is increasingly developing a reputation for excellence in offsite manufacturing for construction, particularly in housing. In the city centre, innovative developers Citu are bringing forward a residential development manufactured offsite, with the production facility based in the South Bank. Not far away in Selby, Legal and General are building a large production facility which aims to manufacture xx,xxx homes a year.

Leeds College of Building are already working with Citu and others to develop bespoke qualifications, including apprenticeships, to train the workforce of the future. The University of Leeds, with its expertise in manufacturing technologies, could also potentially play a part in driving the development of a centre of excellence in this field, which as well as offering skills training to a potentially wider pool of entrants to the profession, could also be of benefit in attracting inward investors to the city.

SHORT  
TERM



### IMPROVING CONNECTIONS BETWEEN EMPLOYERS AND EDUCATORS TO ENSURE SUPPLY MORE EFFECTIVELY MEETS DEMAND (VOLUME, QUALIFICATIONS, CAPABILITIES)

#### ACTION: LEVERAGING THE OUTCOMES OF PLANNING

Many developers and contractors are already involved in great examples of programmes designed to introduce people to the construction industry, with a particular focus on young people. For many young people, the image of the industry is not an attractive one, so these activities help to dispel some of the myths around what is increasingly becoming a high tech sector with significant use of digital technologies, as well as growing opportunities in areas such as project management and so on.

Some of this work is stimulated by the way in which the Council attaches obligations to planning permissions and Council contracts, but this is only one part of the process. Many contractors and developers are involved in this kind of work because they recognise that the future of their workforce depends on it.

We will continue to use employment and skills obligations to encourage this work, but more generally we will encourage and facilitate better connections between our schools, and other education providers, and the industry – helping both sides to understand the part they can play in improving supply and demand.

SHORT  
TERM

## THE HEALTH AND SOCIAL CARE SECTOR

Leeds is on the way to becoming the best city for health and wellbeing, with a focus on understanding and tackling the challenges of an ageing population and preventing and delaying ill health. We have the ideal partners and assets to deliver our vision. The NHS has a huge presence in the city, and three out of five UK NHS bodies are headquartered in the Leeds City Region.

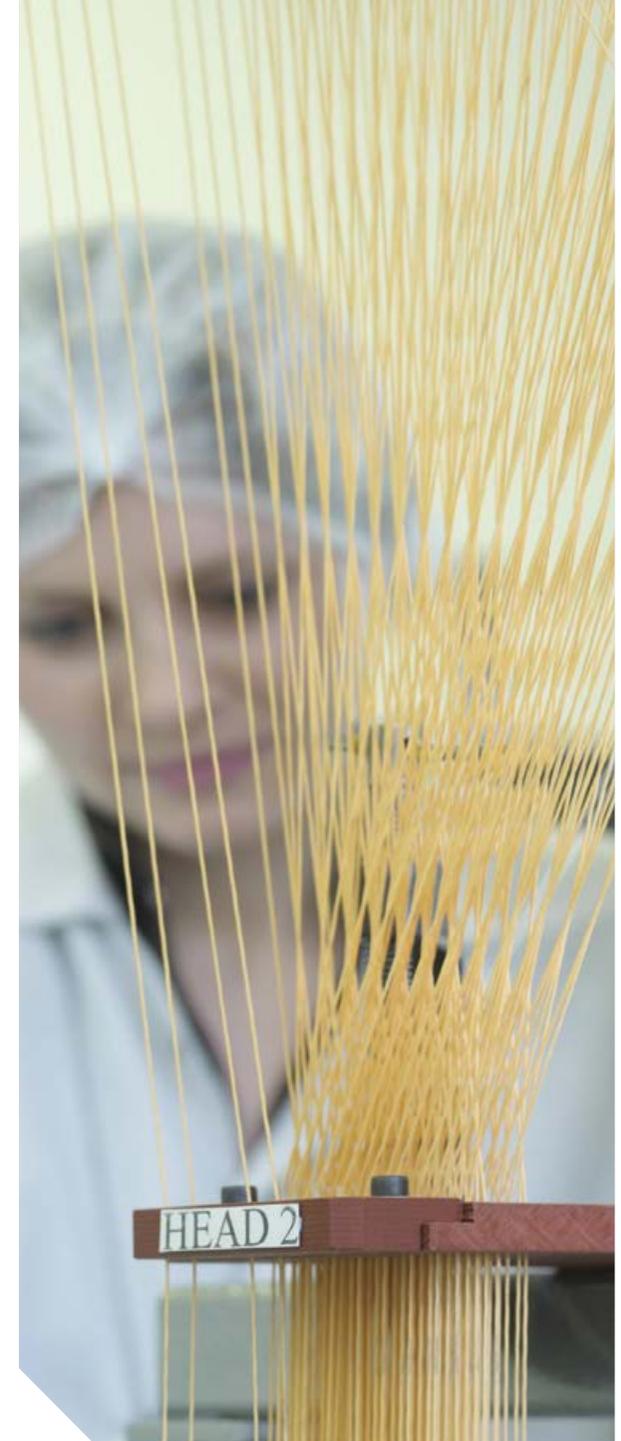
Leeds has world leading capabilities in digital health and care innovation, with two of the largest patient record providers based in the city (EMIS and TPP). The Leeds City Region hosts 22% of digital health jobs in England and our universities enable us to engage world leading educational and research capabilities, creating inward investment opportunities and innovating through collaboration.

Half of all research in Leeds is in health and care, and we have a leading international reputation for our capabilities in medical technologies (18% of all UK medtech patents are in Leeds) and in personalised medicine. Connecting these assets through partnerships with industry, universities and local communities will deliver better local health outcomes, reduce inequalities and deliver the jobs of the future.

Our approach embraces the need for higher wages and more opportunities in the health and care sector, which

currently has a large number of low paid jobs and limited in-work progression effecting staff retention. The sector is also exposed to a Brexit-based risk given a substantial proportion of EU-migrant workers. There are difficulties in filling vacancies at all skill levels in the health service and careers advice needs to make young people aware of the range of jobs available in healthcare. While the sector has a major challenge attracting candidates to entry level positions, once employed the sector has a reputation for developing staff, encouraging continual development and progression through the career ladder.

Health impacts have serious repercussions to the economy; Leeds currently has 32,000 residents claiming Employment and Support Allowance – the main out of- work benefit for those with a disability or a health condition, with significant concentrations in our most disadvantaged areas which reinforces inter-generational worklessness. Despite our growing workforce the ageing population means that the proportion of workers supporting those that are retired is in decline. This dependency relationship has far reaching consequences on and will only increase if the health of our workforce declines. The Council is developing a Work and Health Strategy that will address some of these challenges and constraints on growth.



### SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>55,600</b>	<b>12.7</b>	<b>600</b>	<b>2,365</b>	<b>1,216</b>

## INTERVENTIONS



### DRIVING INCLUSIVE GROWTH THROUGH CREATING AND PROMOTING ENTRY POINTS AND PROGRESSION PATHWAYS INTO AND THROUGH SECTORS TO LOCAL, NATIONAL AND INTERNATIONAL TALENT

#### ACTION: REVIEW THE MECHANISMS FOR A HEALTH AND SOCIAL CARE WORK EXPERIENCE PROGRAMME

It is currently very difficult for young people under the age of 18 to get any exposure to this type of work which could lead to them considering alternative career options as information is more readily available. Information needs to be readily available in schools about the range of opportunities and the career progression offered, as well as a programme of work experience to allow contact with employers with young people at an early age.

SHORT  
TERM

#### ACTION: HEALTH AND SOCIAL CARE AMBASSADOR PROGRAMME

Job roles in this sector often come with a social stigma, as they can include dealing with death and illness and providing personal care. Work needs to be done to promote the positive aspects of these roles, how essential they are to the community and city and how rewarding these roles can be. We will develop an ambassador programme which promotes the sector, particularly to schools, through the use of role models.

SHORT  
TERM

#### ACTION: PROMOTE THE SECTOR TO RETURNERS TO WORK AND CREATE PATHWAYS TO ENTRY FOR MATURE ENTRANTS

As care in particular continues to move to a more community based model, requiring flexible working and a degree of self-autonomy, there is an opportunity to encourage people returning to the workforce and who might not wish to work full time or in an institutional setting. To support that outcome, appropriate entry routes and qualifications might need to be developed.

SHORT  
TERM



### IMPROVING CONNECTIONS BETWEEN EMPLOYERS AND EDUCATORS TO ENSURE SUPPLY MORE EFFECTIVELY MEETS DEMAND (VOLUME, QUALIFICATIONS, CAPABILITIES)

#### ACTION: DEVELOP A WORK AND HEALTH STRATEGY

As care in particular continues to move to a more community based model, requiring flexible working and a degree of self-autonomy, there is an opportunity to encourage people returning to the workforce and who might not wish to work full time or in an institutional setting. To support that outcome, appropriate entry routes and qualifications might need to be developed.

SHORT  
TERM

## OTHER IMPORTANT SECTORS

While we have identified and will focus on the above sectors as a priority, other sectors are also critical to the economic life of the city, in particular retail and hospitality and financial and professional services.

Leeds has the UK's largest financial services cluster outside the capital. This is not just banks, building societies and insurance companies, but also crucial ancillary services such as legal, accounting, insurance, recruitment and consultancy. This collaborative ecosystem with a specialised and highly

The legal sector is another growth area for the city, and Leeds has positioned itself as the legal capital of the North with the restructure of the legal industry. Leeds has the fastest growing legal section of any UK city. This has been fuelled by a growing talent base, the relocation of several firms from Manchester and the breadth and depth of capability of Leeds firms.

The financial and professional services sector is playing a lead role in promoting social mobility. Almost every major law firm in Leeds is part of the Leeds Legal Apprenticeship Scheme, with a commitment to employing at least one apprentice. Increasingly many of these are

taking the level six apprenticeship solicitor qualification. Some of the main accountancy and advisory firms in Leeds have changed their recruitment and promotion processes to enable a wider range of people to access roles, including PWC removing UCAS scores as entry criteria for the majority of roles, and a Back to Business returnship programme to help people return to work after an extended break, for example after starting/raising a family, or caring responsibilities.

The sector is a significant employer, and generator of economic growth. Key to our ambitions to creating inclusive growth is helping more people to understand that they have the potential to work in the sector, whatever their background, training, or point of entry. Our focus for intervention is, therefore, ensuring the sector is more visible to those from more disadvantaged backgrounds, and continues the good work already underway to promote careers to them.



### SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>92,800</b>	<b>21.2</b>	<b>18,700</b>	<b>7,270</b>	<b>3,687</b>

## INTERVENTIONS



**DRIVING INCLUSIVE GROWTH THROUGH CREATING AND PROMOTING ENTRY POINTS AND PROGRESSION PATHWAYS INTO AND THROUGH SECTORS TO LOCAL, NATIONAL AND INTERNATIONAL TALENT**

ACTION: ENCOURAGE ALL BUSINESSES, ESPECIALLY LARGE EMPLOYERS OF GRADUATES, TO INCREASE OPPORTUNITIES FOR RESIDENTS OF ALL BACKGROUNDS THROUGH QUALIFICATION BLIND RECRUITMENT

MEDIUM  
TERM

ACTION: ENCOURAGE ALL BUSINESSES IN THE SECTOR, BUT ESPECIALLY SIGNIFICANT CORPORATES, TO REACH OUT TO A WIDER AUDIENCE OF YOUNG PEOPLE TO ENCOURAGE THEM TO SEE THE POTENTIAL FOR A CAREER IN THE SECTOR

MEDIUM  
TERM

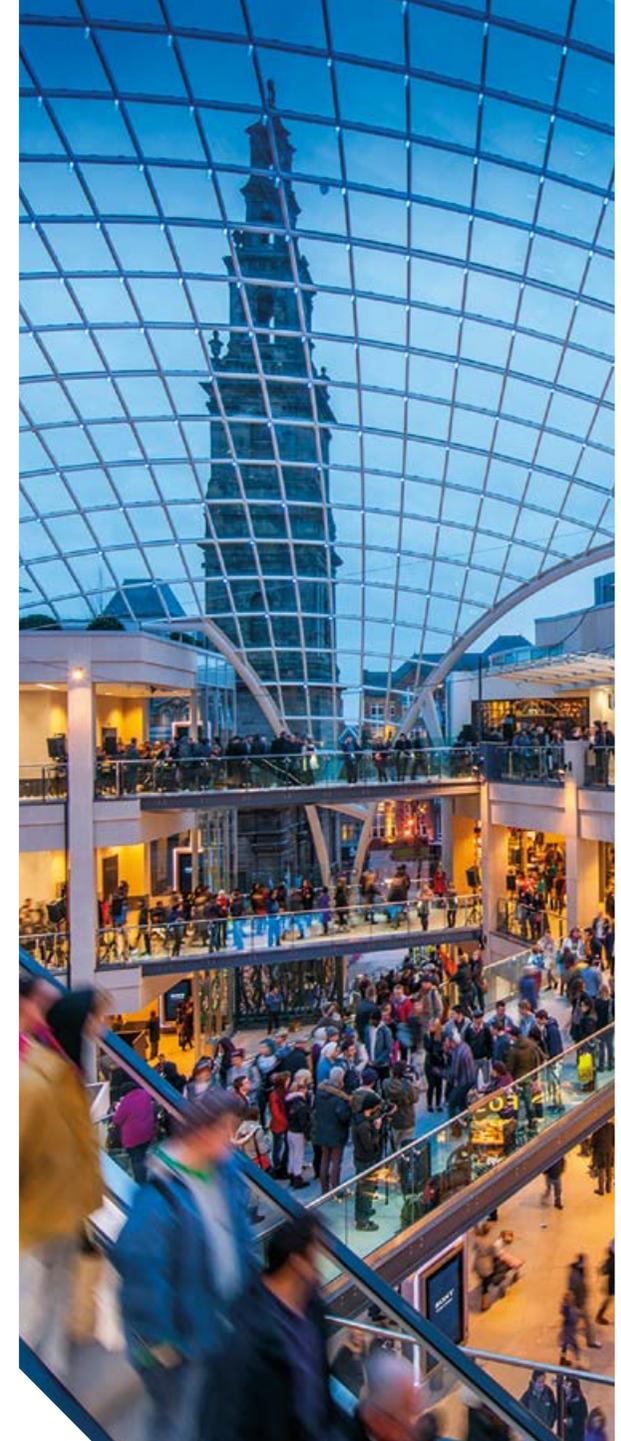
## RETAIL AND THE VISITOR ECONOMY

In recent years major developments have helped cement Leeds as a national destination offering a range of activities and events, including the Leeds Arena which attracts one million extra visitors to the city annually and contributes £25m to the night time economy. Our hotel sector continues to perform well with further developments planned in the city centre.

And yet the sector faces significant challenges. For many, it is a second choice, or a sector in which people work to supplement study. And for many it is a pathway not to progression but to low pay and insecure work. And it is unattractive to young people in particular. In 2016 the city hosted for the first time the Big Hospitality Conversation, a national event to connect hospitality employers to potential recruits and to raise awareness of the sector's

career offering. Despite extensive promotion to the city's schools, interest in the event was very low. In part this is because potential entrants do not recognise, and perhaps the sector does not adequately promote, the incredible diversity of job roles it offers. From HR to e-commerce, visual merchandising to supply chain management, head chef to sommelier, the variety is probably unrivalled. Telling the story of this diversity and promoting the sector as an opportunity to build a career, not just a series of jobs, is one we need to better.

The focus of our interventions in the sector are therefore on raising awareness of the diverse career offer, improving the progression pathways within the sector and tackling low pay.



### SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>69,900</b>	<b>16</b>	<b>-500</b>	<b>6,395</b>	<b>1,817</b>

## INTERVENTIONS



**DRIVING INCLUSIVE GROWTH THROUGH CREATING AND PROMOTING ENTRY POINTS AND PROGRESSION PATHWAYS INTO AND THROUGH SECTORS TO LOCAL, NATIONAL AND INTERNATIONAL TALENT**

**ACTION: THE LEEDS RETAIL AND HOSPITALITY SKILLS CENTRE FOR EXCELLENCE (IN DEVELOPMENT)**

In early 2017 the Council, working in partnership with the Leeds Business Improvement District, set out proposals to develop a centre of excellence for skills in retail and hospitality. Progress towards this has been good, with significant stakeholder engagement and buy-in and an outline business model developed. The launch of the centre in 2018 will meet a significant gap in the market for training and development, enabling providers to respond to aggregated demand and giving employers the opportunity to share their workforce needs.

MEDIUM  
TERM

**ACTION: THE LEEDS BIG HOSPITALITY CONVERSATION**

In 2016 the national Big Hospitality Conversation was held in Leeds for the first time. This high profile event seeks to engage and enthuse young people in the sector, one which is growing strongly in Leeds. In 2018 we will stage the Leeds Big Hospitality Conversation, working with employers to promote the sector, and current and future job roles, to residents including schools.

LONG  
TERM



# NEXT STEPS

We said at the outset that 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.

We also said the Plan should not have one single owner, but be collectively owned by stakeholders in the city. But in order to have real impact, the Plan needs a custodian, to prompt and challenge stakeholders, to review progress, and to identify new trends and challenges to the city's supply of talent that we will tackle. The Council's Employment and Skills Service will play this part.

