**STOKE-ON-TRENT AND STAFFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP (SSLEP) - EMPLOYMENT AND SKILLS STRATEGY FOR STOKE-ON-TRENT AND STAFFORDSHIRE**

**Tag Line – Skills for Growth and Prosperity**

**Contents**

1. **SAP Strategic Summary**
2. **Introduction**
3. **National Context**
4. **Overview of our area**
5. **Skills Advisory Panel (SAP) strategic context**
6. **Key features of the area**
7. **Area evidence base**
8. **Emerging strategic priorities**
9. **Priority areas**
10. **Action plan**
11. **Monitoring and evaluation**
12. **Delivery and Governance**

**SAP Strategic Summary**

**Strategic Vision**

At the heart of our strategy is our vision for employment and skills within Stoke-on-Trent and Staffordshire:

***“To help deliver a diverse, inclusive and sustainable economy across Stoke-on-Trent and Staffordshire, developing local skills which enable more people to access higher value, better paid jobs across a wide range of priority and locally important sectors.”***

**Mission**

The mission for local employment and skills stakeholders is to:

***“Create strong and effective partnerships which support our people to gain the knowledge, skills and confidence to achieve their ambitions and play a productive role in the growth of the Stoke-on-Trent and Staffordshire economy.”***

**Strategic Priorities**

To deliver on our vision we will focus on 7 strategic priorities. Our priorities have clear interdependencies and the action we take to deliver on each of them will have broader impact on local employment and skills:

**SP1: Developing partnerships between employers and skills providers to promote Apprenticeships and to identify the skills need to shape the design and delivery of flexible training programmes to support economic growth and increased productivity**

**SP2: Ensuring young people have effective careers education, information, advice & guidance and hold sufficient skills and aspirations at 16 to progress to at least level 3 attainment and meet employer skills gaps**

**SP3: Ensuring post 16 providers have the right learning infrastructure in place and deliver flexible, high quality, academic and vocational learning pathways to reflect evolving employer skills demand**

**SP4: Supporting increased participation in Higher Education in economic priority skill areas**

**SP5: Empowering and enabling adults to engage in lifelong learning and reskill and raise their skill levels, to enable career progression and increased productivity in priority sectors**

**SP6: Supporting greater diversity and inclusivity in the workforce and enable disadvantaged young people and adults engage in learning and skills programmes, progress to employment and improve their health & wellbeing**

**SP7: Ensuring young people and adults are equipped with the digital skills required in the changing world of work to support growth in productivity**

**Introduction**

The Stoke-on-Trent and Staffordshire Local Enterprise Partnership (SSLEP) has a key role in driving economic growth and job creation across Stoke-on-Trent and Staffordshire. With a new chair and an ambitious Local industrial Strategy, this is a perfect time to deliver a step change in the Stoke-on-Trent and Staffordshire economy to increase productivity and improve the prosperity of local people.

A fundamental aspect of this is to support the improvement of educational attainment and raise skill levels. We have established a SSLEP wide employer led Skills Advisory Panel (SAP) to drive this improvement and help deliver the skills required for our future success.

This strong governance and partnership approach will see employers, educators, providers, local authorities, and the voluntary sector working together to deliver our agreed vision and priorities within this strategy.

We will be ambitious and work closely with government, to secure the funding and resources required to achieve our strategic objectives. Directing and commissioning spend in areas of most need and where economic growth can be accelerated to benefit the whole of Stoke-on-Trent and Staffordshire.

The areas for intervention have been prioritised based upon consultation and analysis to identify the added value or gaps in the system that the SSLEP is best placed to address.

This strategy will be considered a working document, which is regularly reviewed and updated in consultation with our partners. It will be published alongside a suite of supporting documents and evidence on the SSLEP website [www.stokestaffslep.org.uk/](http://www.stokestaffslep.org.uk/) at regular intervals, for wider comment to be received and considered. The SSLEP will also host engagement events and workshops to communicate, share and develop the Employment and Skills Strategy locally and nationally.

**National Context**

Skills are a key driver of economic growth, an important source of competitiveness and a contributor to social mobility and inclusion.

UK skill levels have improved considerably in recent years and the skill mix is becoming increasingly high skill orientated with the proportion of adults qualified to Level 4 and above nearly doubling over the last two decades. The proportion of adults not qualified to Level 2 nearly halved over the same period. Nonetheless, there still remain over 7 million adults who are not qualified to Level 2.

However, when internationally benchmarked, the UK’s position, recent performance and future prospects are mixed, being relatively strong at the higher level, but relatively weak at both intermediate and low levels.

The direct measurement of literacy, numeracy and digital skill proficiency corroborates the qualification findings and shows also that the UK is around the international average on literacy and digital skills, but well below it on numeracy skills.

One third of all employers do not undertake any training of their staff in a given year. Employers more widely, however, spend around £45billion a year on training their staff.

Nearly a quarter of all job vacancies are hard to fill due to ‘skill shortages’, though these are sectorally and occupationally concentrated. Such shortages are associated with both technical job specific skills and with personal ‘soft’ skills, including problem solving and communication.

Overall, job opportunities have been, and are expected to remain relatively strong with net jobs growth to 2024. These are additional to substantial opportunities associated with ‘replacement demand’ as people retire from the labour force.

However, the structure and composition of jobs, both sectorally and occupationally, continues to change considerably so that the skills needed to access job opportunities and perform them are changing too.

There is a broad polarisation of jobs across occupations and skill levels, with increases at higher levels and decreases at lower levels. This is associated with significant increases in the qualifications and skills required at level 4 and above, in the coming years.

**National drivers of skills development**

There are a number of key employment and skills drivers at the national level which impact on skills in all parts of the UK, these include:

* The Industrial Strategy and skills
* The Apprenticeship levy and reforms
* Introduction of T-levels
* £170m for Institutes of Technology (IoTs) and similar initiatives – STEM
* The National Careers Strategy
* The Careers Enterprise Company (CEC), connecting schools and employers
* Brexit and impact on sectors, funding and workforce
* Digital revolution changing the way we work
* UK skills levels in an international context and on productivity
* Further education area reviews
* £3bn National Skills Fund targeted at those not in work and lacking qualifications, returners and people wishing to change career
* National Retraining Scheme
* £1.8bn upgrade of Further Education (FE) college estate

It will be important that through this strategy we maximise the potential of national and localised levers (including policy and funding initiatives) to steer skills and employment priorities in the short and longer term.

We will:

* ensure we receive funding from the European Social Fund funding (to 2023) (covering themes such as leadership, digital, inclusivity and sectors);
* ensure a proportionate share of an integrated and devolved UK Shared Prosperity Fund;
* lobby for devolved local ESFA funding to reflect a Work Local place based model (This would enable groups of councils and combined authorities to work with central government and local partners, including our businesses and providers, to design a more efficient, locally relevant and flexible offer bringing together careers advice and guidance, employment, skills an apprenticeships, ensuring public money is nationally and locally accountable, ensuring skills supply meets employer demand);
* raise the voice of the SSLEP on the national stage and be an established Government partner to test and provide input to areas of national policy;
* raise awareness of jobs and growth across the SSLEP area and its size, scale, national and international significance;
* look for opportunities to work with neighbouring LEPs to tackle common areas of ambition;
* develop stronger partnership working between providers, employers and wider stakeholders to inform funding and investment decisions which better aligns skills supply and demand;
* aim to increase skills levels and productivity across the SSLEP area.

**1. Overview of our area**

This section contains details of the key strategic and economic context for our Skills Advisory Panel (SAP) and identifies unique features of our local area.

**Overarching economic ambition – SSLEP Local Industrial Strategy (LIS)**

Stoke-on-Trent and Staffordshire is central to the UK’s transition to a low carbon, connected and competitive economy. Our local economy is worth £21.9bn and supports 541,000 jobs. Since 2009 employment has increased by 12%. Stoke-on-Trent and Staffordshire’s central location, excellent connectivity and the arrival of HS2 mean there is clear potential to grow further.

We are a centre of advanced materials, manufacturing, logistics and energy innovation, and we have fast growing digital and professional services sectors with further potential to grow our specialisms within agri-tech. Stoke-on-Trent and Staffordshire is seeing growing appetite from investors and strong demand for strategic commercial sites and office space.

Our Local Industrial Strategy sets out the major opportunities that our economy has before it, the challenges that remain and the actions we need to take to meet them – increasing growth and productivity and equipping our communities with the skills and opportunities they need to succeed - <https://www.stokestaffslep.org.uk/local-industrial-strategy/help-us-to-shape-your-local-industrial-strategy/>

We will look to build on our existing strengths including:

* **Manufacturing innovation** - Our area has been responsible for half of net national jobs growth in manufacturing since 2010, and with many major companies we will make a significant contribution to the future of manufacturing in the UK;
* **A centre of energy innovation and low carbon adoption** - Stoke-on-Trent and Staffordshire is at the forefront of the UK’s transition to a zero-carbon economy with key national assets including the Stoke-on-Trent District Heat Network and Keele University’s Smart Energy Network Demonstrator. We are prioritising energy efficient, modern methods of construction in building new homes and transforming our construction sector;
* **Extremely well connected with an excellent commercial offer -** we are a major centre for modern logistics located at the intersection of three major engines of UK growth (the West and East Midlands and the North West), making an important contribution to all three;
* **A strong and growing visitor economy** - one which has capacity to grow and respond to emerging trends such as micro-breaks and UK green tourism.

Our overall ambition is to be **a hot spot of enterprise, ambition and business growth, where digital, transport and energy networks drive productivity and inclusion through innovation and inward investment and with a high quality of life.**

**Skills Advisory Panel (SAP) strategic context**

The Stoke-on-Trent and Staffordshire Local Enterprise Partnership (SSLEP) is committed to ensuring our businesses grow, generate global customers, collaborate with suppliers, nurture new enterprise, drive innovation and draw in investment.

SSLEP has established its Skills Advisory Panel (SAP) to ensure that the SSLEP gets ahead and stays ahead when it comes to education, training, skills and jobs. It is a priority to develop a modern and flexible skills system, which enables people to upskill and reskill to meet the needs of our growth sectors and benefit local communities.

**SAP strategic vision**

At the heart of our strategy is our vision for employment and skills within Stoke-on-Trent and Staffordshire:

***“To help deliver a diverse, inclusive and sustainable economy across Stoke-on-Trent and Staffordshire, developing local skills which enable more people to access higher value, better paid jobs across a wide range of priority and locally important sectors.”***

**SAP mission**

The mission for local employment and skills stakeholders is to:

***Create strong and effective partnerships which support our people to gain the knowledge, skills and confidence to achieve their ambitions and play a productive role in the growth of the Stoke-on-Trent and Staffordshire economy***

**Key features of the area**

Stoke-on-Trent and Staffordshire is a major UK growth opportunity, with a truly vibrant, competitive and inspiring core city of Stoke-on-Trent, major county corridors and urban centres with the presence of world leading companies such as JCB and Jaguar Land Rover, and large affordable rural parts of the county attractive to people and businesses.

Following the recession and economic downturn the area has benefited from **good jobs growth** with an increase of 58,000 since 2011, **record low unemployment** at 2.1% and lower than regional and national averages, rapidly **improving adult skill levels** with 69,000 more adults with Level 3+ qualifications since 2014 and closing the gap to the national average, and **better rates of pay** with average wages improving at a faster rate than nationally.

However, this growth in employment opportunities has not seen the **size of the economy** grow at the same rate as regionally or nationally. This is mainly due to many of the jobs that have been created since the recession being in **low value, low skilled roles** with **productivity per job nearly a fifth less productive than the national average.**

We also face the challenge of a **declining workforce** at a more rapid rate than regionally and nationally. At the same time there is an **increasing reliance on the working age population from an ageing population**, where in Staffordshire there was one person of pensionable age to every three of working age in 2016, this is projected to increase to nearly one to every two in 2041 and further increases the **need for workers to be more productive with better skills**.

To help support businesses growth, improve productivity and attract more high value, high skilled roles to the local area we face the challenge of further **raising adult skill levels** where we currently lag behind the national average for higher skills. **Performance at key stage 4 and 5 is still too low**, particularly in Stoke-on-Trent where we have one of the youngest populations in the country.

We need to ensure that all residents can access high quality skills provision which **aligns skills to priority and locally important sectors** where we have gaps such as digital, manufacturing, construction and logistics. Enabling all to benefit from Stoke-on-Trent and Staffordshire’s economic growth, **improve health and wellbeing** and **reduce worklessness and demand for public services.**

**2. Area evidence base** KPIs covered – LIS evidence / add in charts

**The current skills landscape and gap analysis**

This section outlines current skills supply and demand, highlighting skills gaps and identifying emerging priorities and key skills issues for our area.

**Businesses and Entrepreneurship**

More businesses are choosing SSLEP as the place to start-up with the number of businesses based in the area increasing by 5,995 since 2011 to 38,795 in 2018, this is an increase of nearly a fifth (18%) in our business base (growth regionally 27% and nationally 30%).

Although the SSLEP has seen growth in businesses and jobs over recent years, the rate of business start-ups in the area lags behind regional and national averages. This may in part reflect the requirement to improve the knowledge and skills necessary to create a stronger local culture of entrepreneurship.

**Jobs Growth**

Over recent years SSLEP has seen good growth in jobs, in 2017 there were 541,000 jobs in the local area with an estimated increase of 58,000 or 12% since 2011 (growth regionally and nationally both 13%). Much of this growth will be from attracting large business inward investment and scale-ups of existing SMEs.

Although the SSLEP has seen improvements in workers in higher occupations, wages and disposable income, the area still lags behind the national average in all of these measures. This is at least in part due to many of the jobs created in the SSLEP since the recession being in low value service industries, with the greatest growth in jobs since 2011 seen in ‘accommodation & food services’ (+11,200 jobs), and both ‘transport & storage’ and ‘wholesale’ seeing an 8,000 increase in jobs.

**Growth (GVA) and Productivity**

Jobs growth has helped the SSLEP economy grow by £4.7bn since the recession and is now worth £21.9bn, making it one of the largest economies in the West Midlands. This is a growth of just over a quarter (27%) since 2009 but slower than the rate of growth seen regionally (37%) and nationally (30%).

Low value job creation has seen the SSLEP area lag behind in terms of productivity, with the average level of GVA per job filled growing at a slower rate since 2009 (17.2%) than regionally (23.4%) and nationally (19.6%). Latest figures for 2017 show that each filled job in the SSLEP area generates on average £43,766 per year compared to £48,015 in the West Midlands and £54,330 nationally.

Raising skill levels across Stoke-on-Trent and Staffordshire is seen as a way to boost economic growth and productivity both by helping existing businesses to grow and at the same time help to attract higher value investment in the area.

**Unemployment and Worklessness**

Job creation has also seen record low levels of unemployment, with only 2.1% of the working age population in Stoke-on-Trent and Staffordshire claiming JSA or out-of-work Unemployment Universal Credit benefits, lower than regionally 3.3% and nationally 2.6%.

However, there remain 18,500 working age residents currently unemployed with unemployment rates higher for young people, disabled, ethnic minorities, lower skilled and those with learning difficulties.

At the same time, there are 135,000 16-64 year olds who are economically inactive, a high proportion of which are retired, students or not involved in the labour market out of choice. However, of the inactive population, 36,000 were inactive due to long term illness and over a fifth equivalent to approximately 29,400 ‘want a job’.

Bringing together those who are unemployed and those who are inactive but want to work means there are approximately 47,900 people wanting to work. Many of these people experience complex barriers to education and work including housing, mental health, drug and alcohol problems, debt, health, childcare, transport, etc. and therefore support programmes must take this into account.

**Deprivation and Disadvantaged Groups**

There are pockets of persistently high levels of deprivation and poverty in our urban areas, a legacy of deindustrialisation in the 1980s and the collapse of the mining industry. In these areas there are communities and disadvantaged groups which have unacceptably low health and wellbeing outcomes, such as significantly lower than average healthy life expectancy and higher than average levels of infant mortality and childhood obesity.

Evidence also shows that people with long term illnesses and disabilities are more likely to be unemployed or inactive than their peers who are not. We have 8,100 residents who are unemployed with health conditions or illnesses lasting more than 12 months.

Research by Public Health England shows that improving the health of the workforce can improve productivity and reduce staff turnover. The research highlights that with 24% of sickness absences nationally caused by musculoskeletal conditions and 11% by mental health issues, including work-related stress there is scope to reduce these absences by introducing workplace interventions.

Supporting those most in need to progress in their journey to a sustainable job requires multi-agency support and committed activity from civic leaders, businesses and our education providers.

**Demographic Change**

The working age population in Staffordshire is shrinking, while at the same time there is an increasing reliance from the ageing population. In Staffordshire there was one person of pensionable age to every three of working age in 2016, this is projected to increase to nearly one to every two in 2041 and further increases the need for workers to be more productive with better skills.

Stoke-on-Trent has a growing young population and has seen growth in the working age population over the last decade, however the proportion of the population which is of working age is also in decline. Increasing demand for health and social care skills and construction workers in specialist housing to support ageing population. However, there are opportunities to retain the skills of older people in the workforce for longer and help train and upskill replacements prior to retirement.

Learner numbers have fallen due to a declining young population, with Staffordshire projected to see a 4.2% decline in the young population aged 0 to 24 between 2016 and 2041, equivalent to just over 10,000 fewer young residents of this age. Those aged 15-19 and 20-24 are expected to see declines which is likely to impact FE and HE learner numbers increasing competition between providers and further limiting the supply of young skilled workers. This is in contrast to growth in Stoke-on-Trent (3%), regionally (5.7%) and nationally (4.3%). However, likely to be more opportunities for smaller cohort of young people to progress from FE to HE or employment which will need to be encouraged.

**Ageing workforce**

As the population ages the employment rate of those aged 65 and over in Staffordshire has increased from 5.2% in 2004 to 12.3% in 2018, this is equivalent to 14,700 or nearly a 216% increase in the number of residents aged 65 and over in employment. Rate now above that seen in West Midlands (10.1%) and England (10.7%).

In Stoke-on-Trent the rate has increased from 3.9% in 2004 to 8.3% in 2018, equivalent to 2,800 more over 65 workers. However, the gap to the rate in Staffordshire is widening and may be an area to focus on in the city to reduce the disparity.

As the workforce gets older, there is increasing competition for the best and most experienced staff. There are fewer school leavers, and the expectation is that it will become increasingly harder to fill vacancies with workers from outside the UK. Therefore, supporting older workers who need or wish to remain in work will become increasingly important and should be seen as an opportunity to retain knowledge, skills and experience to help drive growth and productivity.

**Adult Skill Levels**

Stoke-on-Trent and Staffordshire has seen recent skills successes in addressing its productivity challenge, where since the new EU ESF Skills Programme started in 2014 the proportion of adults with no qualifications in the SSLEP area has reduced by over a third to 7.9% in 2018 and fell below the national average for the first time in 2017.

The proportion of adults with higher qualifications in the SSLEP area has improved with those qualified to NVQ Level 3+ (A Level equivalent) increasing by nearly a quarter (24%) since the recession. This means there are a further 69,000 adults with such skills and the gap to the national has closed over recent years. However, the gap to national average remains. Further improving adult skills through upskilling and retraining and closing the skills gap remains a priority.

**Young People**

Currently the SSLEP performs comparatively well in ensuring that young people are in education, employment or training with only 2.1% of 16-17-year olds in Staffordshire being NEET or presence unknown in March 2019. This places Staffordshire in the best performing quintile nationally and the best in the WM, while Stoke-on-Trent is in the 2nd best quintile with 4.2% (regionally 4.4% and nationally 5.1%).

However, the area faces a growing problem of declining school performance, with both Staffordshire and Stoke-on-Trent performing comparatively poorly for KS4 (A8) attainment, with Staffordshire now the worst out of 11 most similar authorities and below the national average. While performance in Stoke-on-Trent remains significantly worse than Staffordshire and nationally.

This underperformance in schools has a knock-on effect into FE progression, where compared to national, Staffordshire has higher Level 2 (GCSE) participation in FE and lower Level 3 (A Level), with nearly one in three (30%) school leavers entering FE in 2017/18 at GCSE equivalent or below. This is likely a reflection of KS4 underperformance hindering school leavers ability to achieve higher level skills in FE.

Considering education outcomes at the end of compulsory education, Staffordshire addresses school underperformance by age 19, being in line with the national average in terms of overall Level 2 (GCSE) qualifications. However, ‘lost potential’ remains where Level 3 (A level) performance remains below the national average and addressing our underperformance at KS4 and KS5 in school sixth forms could have a significant impact on the skills agenda with more learners studying at higher levels. Stoke-on-Trent performs poorly for both L2 and L3 achievement by age 19.

Although Staffordshire overall has seen improvement in Higher Education (HE) participation, there are inequalities across our localities. In 2018 Stafford (42%) and Lichfield (41%) had well above average (37%) rates of HE youth participation while Cannock Chase (26%), Tamworth (24%) and Stoke-on-Trent (23%) had below average rates. These inequalities are associated to KS4 underperformance and lower levels of FE progression.

Lower achievement of higher skill levels is hindering economic growth and raising levels of productivity which in turn is limiting wage growth and prosperity in Stoke-on-Trent and Staffordshire. It is therefore vital that school underperformance and low educational attainment is addressed to help ensure that more young people have the knowledge and skills they require to access more opportunities and reach their aspirations.

**Apprenticeships and T Levels**

The introduction of the apprenticeship levy apprenticeships in the SSLEP area have seen a decline of 14% over the last year, similar to 13% decline nationally. However, more significant declines in generally more deprived areas of Tamworth (30%), Newcastle (22%) and Stoke-on-Trent (21%).

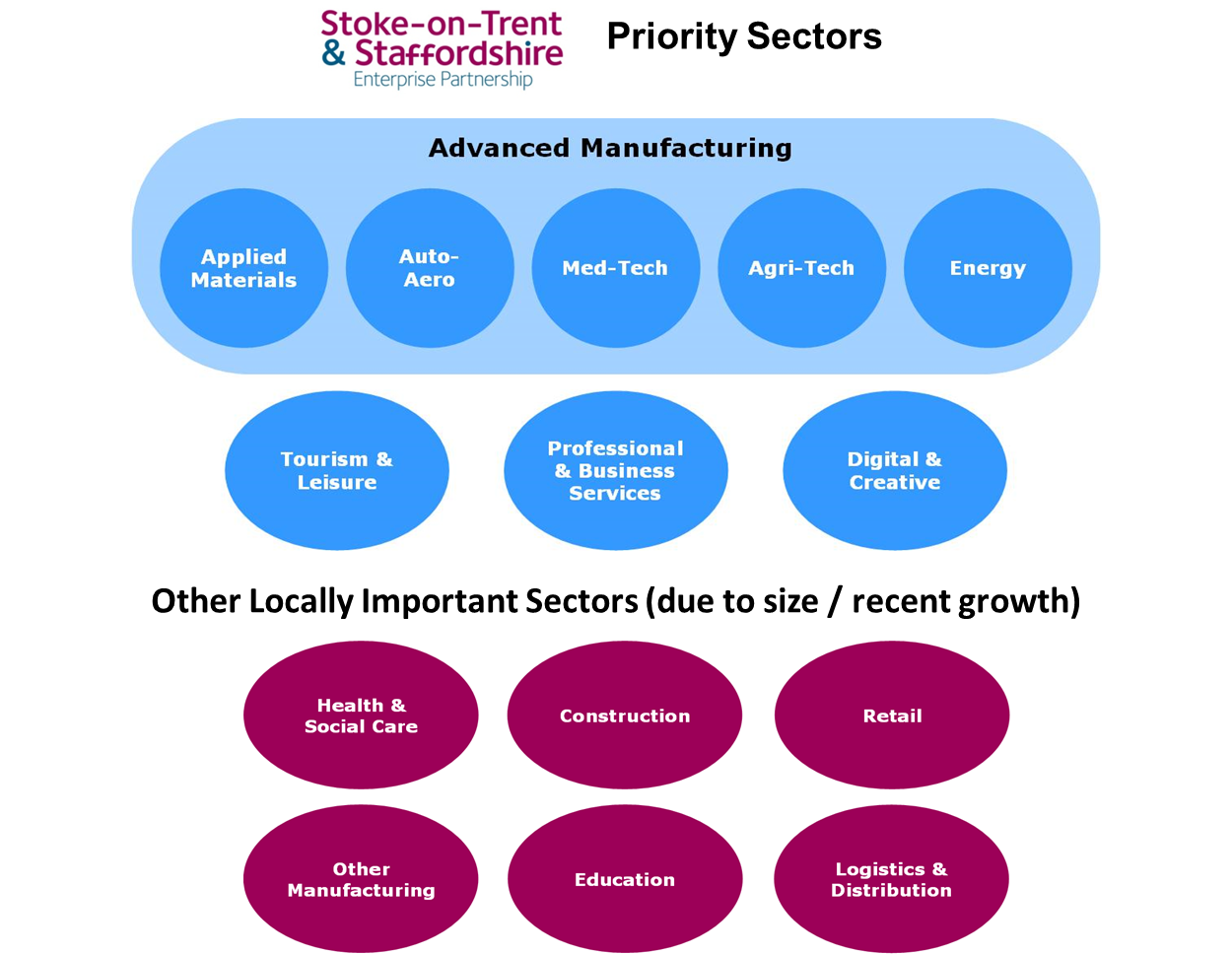
Recent declines in apprenticeships in SSLEP priority and locally important sectors where there is increasing demand through job creation and vacancies, including Engineering and Manufacturing Technologies, Health, Public Services and Care, and Retail and Commercial Enterprise.

Employers report a lack of awareness and understanding of apprenticeships and how to use the Apprenticeship Levy, suggesting this is an opportunity for further development. The introduction of T-levels and an increasing focus on technical skills, also presents an opportunity to address the demand for technical skills.

**Employer Needs - Skills Shortages and Gaps**

Ongoing skills shortage and hard-to-fill job vacancies with around 1 in 10 SSLEP businesses reporting having hard-to-fill vacancies, which is similar to regional and national averages. Nearly a quarter of all vacancies are reported as skill shortage vacancies, often related to job specific, technical skills but employers also consistently report poor employability skills issues and work readiness making it difficult to recruit.

Based on the SSLEP priority and locally important sectors within the Strategic Economic Plan (SEP):



The area currently has specific sector skills issues in:

* Health & social care – largest sector with growth in jobs and increasing vacancies in roles such as nurses and carers but declining learners;
* Manufacturing – second largest sector with good growth in jobs and highest number of job vacancies but declining apprenticeships and STEM;
* Business & Professional Services – strong jobs growth and high vacancies but large decline in apprenticeships;
* Logistics – second highest growth in businesses and jobs since 2011 and higher concentration of jobs compared to nationally but consistently high number of job vacancies and declining apprenticeships;
* Construction – second largest sector business base with third highest increase in businesses since 2011 with strong and continuing jobs growth but high job vacancies and apprenticeships have remained static compared to strong growth nationally

Many of our businesses also face the challenge of skills gaps amongst the existing workforce in the SSLEP area which employers find difficult to address through recruitment and insufficient training budgets or capacity. It is apparent that due to the increasingly rapid changes in the world of work brought about by new digital technologies these gaps are becoming more of an issue for businesses and a potential block on growth.

It is recognised that in order to grow and stay competitive businesses in the SSLEP area will require access to a workforce which can fill increasingly higher-skilled jobs and the local skills system will need to ensure that there are the necessary pathways in which to upskill and reskill developed in conjunction with the real-world requirements of business.

**Digital and Automation**

Technological developments have seen an increasing demand for digital skills across all sectors of the economy. This digital skills shift can lead to improved efficiency, better marketing and sales, and greater productivity, however in order to achieve these performance benefits digital skills gaps faced by many businesses need to be addressed.

Related to digital skills there is also a drive for high performance working practices through greater automation putting many current jobs at risk. Low skilled or routine roles are generally more at risk than high skilled occupations, SSLEP area is at greater risk given that the area has higher numbers of workers in lower skilled occupations and fewer high skilled, professional workers than nationally. It will be important to support workers at high risk to retrain and upskill to be able to access higher skilled roles generated through automation.

**Travel to Work**

After considering population change, from 2001 to 2011, more people now travel into Staffordshire and Stoke-on-Trent from Birmingham, Walsall and Wolverhampton for work (Inflows) and less residents travel from Staffordshire and Stoke-on-Trent to these areas (Outflows). This is a likely indication of the higher skilled jobs being created in the SSLEP area which are attractive to workers both within the area and beyond but also potential deficiencies in the availability of skilled labour locally.

**HS2**

The delivery of HS2 has clear opportunities for skills and employment in the SSLEP area, with a high demand for workers in occupations which there are local strengths such as construction and engineering, alongside higher value roles in management and design.

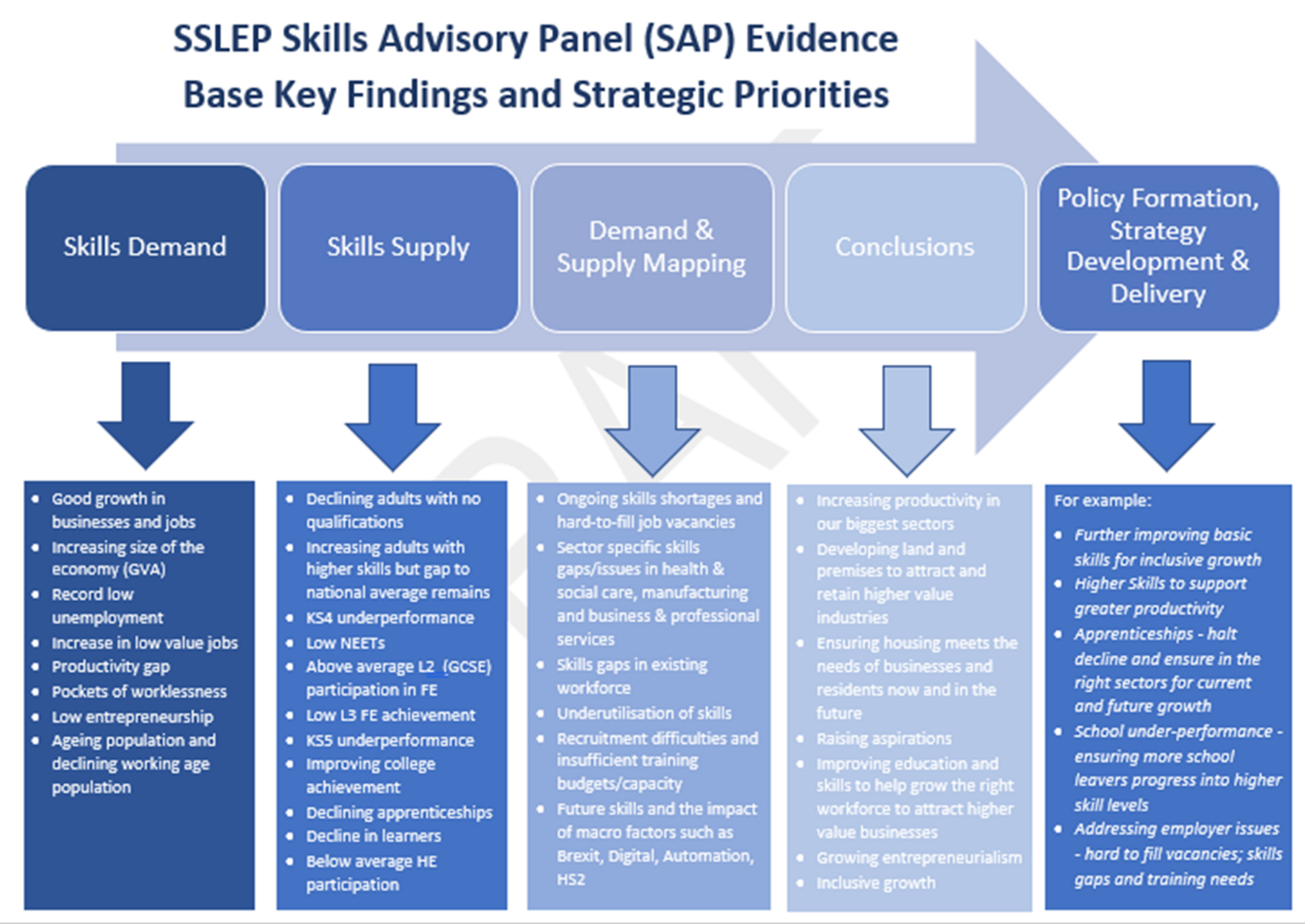
**Housing**

Housing supply in the SSLEP area since the recession has lagged behind local assessments of housing need, this shortage of housing has seen prices rise and housing affordability worsen. This has meant that some residents such as graduates have found it increasingly difficult to find housing in the local area within their means. It is important that new house building delivers both the aspirational and affordable housing, both for our residents and attracting skilled people to Stoke-on-Trent and Staffordshire.

**Brexit**

It is widely anticipated that leaving the EU will have negative consequences to the economy, at least in the short-term. The SSLEP is exposed to Brexit trade-related risks due to the strong manufacturing base in the area, for example it is estimated that 13.9% of Shropshire and Staffordshire GDP is exposed to Brexit, especially the motor vehicle industry. The emerging local focus on energy is likely to be beneficial as this sector is expected to preform relatively well.

**SAP Evidence Base Summary**

****

**Full SAP Evidence Base**

The full SAP evidence base can be accessed here - <https://www.stokestaffslep.org.uk/skills-advisory-panel-evidence-base/>

Additional supporting SAP priority sector and cross cutting themes reports can be found here and will be added to further - <https://www.stokestaffslep.org.uk/sap-priority-sector-and-cross-cutting-themes-report/>

**Emerging strategic priorities**

Emerging priorities from the SAP evidence base analysis include:

1. Increasing growth and productivity in our **SMEs**
2. Increasing **productivity** in our biggest sectors:

* Maximising the potential of new innovative ways of working e.g. Digital and AI – important that the right skills are supplied to enable improvements in local innovation;
* Investing in R&D which translates into commercial activity – FE and HE providers have a key role to play in increasing R&D skills and activity.

1. Developing **land and premises** to attract and retain higher value industries – ensuring that the local area has enough construction skills will be vital to the delivery of local infrastructure.
2. Ensuring **housing** meets the needs of businesses and residents now and in the future – to help retain and attract higher skilled workers.
3. Raising **aspirations** for communities, businesses and families.
4. Improving **education and skills** to help grow the right workforce to attract higher value businesses

* Addressing **school underperformance at KS4** to improve levels of progression into FE (working with schools to improve outcomes for children and families)
* Halting the **decline in apprenticeships**, particularly in sector subject areas which are vital to supporting our priority sectors e.g. STEM

1. Growing **entrepreneurialism** in higher value sectors – embedding the skills needed for entrepreneurship within local education and skills provision.
2. **Inclusive growth** – enabling every resident to thrive and therefore reduce demand on public services – further improvements in adult skills at all levels.

For each of these strategic priorities we have utilised BEIS best practice approach to establish clear **logic chains within the SAP evidence base conclusions section,** which present the evidence; suggested inputs and actions; and potential outputs, outcomes and impacts - <https://www.stokestaffslep.org.uk/skills-advisory-panel-evidence-base/>

**3. Priority areas**

**Assessing priority areas**

Building on the emerging priorities we have conducted further strengthening of the SAP evidence base, extensive engagement and assessment exercises with key stakeholders to identify which priorities should be taken forward. This has included:

* **SAP Data Working Group** - we have now established a SAP Data Working Group made up of key stakeholders engaged in the SSLEP skills agenda, including local authorities, education and training providers, FE colleges, HE institutions, the Chamber of Commerce, Third Sector, and business sectors. This group has a remit to further develop the SAP evidence base and help address key data analysis gaps through the sharing of new analysis and insights, and challenge on the emerging findings and priorities;
* **SAP Business Survey** – through part of the £75K DfE funding for the SAP to establish a comprehensive skills analysis we have commissioned a survey of 1,500 businesses delivered over a period up to the end of March 2020 and provide valuable insight into the needs of local businesses and how this strategy can help address those needs;
* **Consultation and Feedback** – we have conducted an open and extensive consultation on the SAP evidence base key findings and emerging priorities via a number of channels including access to the evidence base and feedback mechanisms on the SSLEP website; sharing through stakeholder groups such as the Chamber of Commerce sector groups, SPES and ESF groups.

Through the continuous strengthening of the SAP evidence base and wide-ranging consultation and engagement approach we have been able to determine a set of shared strategic priorities to take forward.

There was a general consensus that although the emerging priorities were well evidenced there were a number of them which were beyond the remit of the SAP and being dealt with via existing plans and strategies such as the Local Industrial Strategy (LIS), Strategic Economic Plan (SEP) and Strategic Infrastructure Plan (SIP). Further information on our existing plans and strategies can be found here - <https://www.stokestaffslep.org.uk/resources/publication-library/>

It was therefore agreed that the main focus should be on education and skills priorities which the SAP has expertise in over wider emerging priorities such as employment land and premises, infrastructure, housing and business support.

The education and skills priorities initially identified have also gone through further refinement and improved focus in order to have the maximum impact on local education, skills and employment. We have also worked closely with our LIS consultants, Metro Dynamics to ensure that the SAP priorities are closely aligned with those of the LIS.

It is hoped that the priorities which the SAP will look to take forward can help achieve our ambition for continued inclusive economic growth with the skills needed for our businesses to be competitive and highly productive and our residents to have a high quality of life.

**Strategic Priorities**

To deliver on our vision we will focus on 7 strategic priorities. Our priorities have clear interdependencies and the action we take to deliver on each of them will have broader impact on local employment and skills:

**SP1: Developing partnerships between employers and skills providers to promote Apprenticeships and to identify the skills need to shape the design and delivery of flexible training programmes to support economic growth and increased productivity**

**SP2: Ensuring young people have effective careers education, information, advice & guidance and hold sufficient skills and aspirations at 16 to progress to at least level 3 attainment and meet employer skills gaps**

**SP3: Ensuring post 16 providers have the right learning infrastructure in place and deliver flexible, high quality, academic and vocational learning pathways to reflect evolving employer skills demand**

**SP4: Supporting increased participation in Higher Education in economic priority skill areas**

**SP5: Empowering and enabling adults to engage in lifelong learning and reskill and raise their skill levels, to enable career progression and increased productivity in priority sectors**

**SP6: Supporting greater diversity and inclusivity in the workforce and enable disadvantaged young people and adults engage in learning and skills programmes, progress to employment and improve their health & wellbeing**

**SP7: Ensuring young people and adults are equipped with the digital skills required in the changing world of work to support growth in productivity**

It is recognised that given the diverse nature of our area the delivery of these priorities will require tailored interventions and activities to appropriate geographies, sectors and learners. Above all a one-size fits all approach is not suitable for the distinctive labour markets in our area.

**Outlining priorities**

Add in additional existing activity / Refine and add in additional actions / Links to evidence docs

|  |
| --- |
| **SP1: Developing partnerships between employers and skills providers to promote Apprenticeships and to identify the skills need to shape the design and delivery of flexible training programmes to support economic growth and increased productivity** |
| **Why is this important? (Rational)**   * We have seen slower economic growth since the recession with each job on average a fifth less productive than nationally and many businesses reporting skills gaps locally which is hindering growth * We need to ensure there is greater collaboration between skills providers and businesses to create new flexible provision and improved pathways which meet changing market needs   **Supporting evidence:**   * **Slower economic growth** since the recession with each job on average a fifth **less productive** than nationally * Reliance locally on **low value added, low skills and low paid jobs** (low skills equilibrium) * **Misalignment of supply and demand** of current skills and employment landscape - **sector and cross-cutting themes reports found on the SSLEP website** [**here**](https://www.stokestaffslep.org.uk/sap-priority-sector-and-cross-cutting-themes-report/) provide detailed analysis and evidence of the specific skills issues for young people, adults and a number of our key sectors including manufacturing, construction and logistics * Our skills system must be responsive to the **technological and digital advances** which are expected to disrupt the world of work * Increasing demand for **higher level skills as well as ‘soft’ employability skills** * **Funding and delivery models are fragmented**, leading to duplication, gaps and confusion for learners and employers |
| **What do we want to achieve? (Strategic Objectives)**   * Ensuring that employers hold the knowledge of the employability and skills landscape to support business growth * Integrating our employment, skills and education system to ensure that local provision and curriculum matches employer need * Simplifying the local skills landscape for employers, stakeholders and individuals by identifying any duplication, gaps and conflicts in provision * Raising awareness of jobs and growth across the SSLEP area through strong and timely LMI * Increasing productivity driven by innovative businesses and people skilled for the future |
| **What are we already doing?**   * Supporting the development of the AME hub through £13m capital investment in 6 sites (10,500 learners supported to date) and the provision of 7 capital grants through the SEF to support £5m projects (To date a growth of 1,067 Apprentices and 874 new learners) * Supporting the Careers Enterprise Company to embed enterprise, employability and quality careers aligned to the Gatsby benchmarks into the strategy, curriculum and culture of our schools (76 schools engaged, 66 employers as Enterprise Advisers) * Engaging with employers through business networks such as the Chamber of Commerce sector groups and the delivery of the Skills Advisory Panel (SAP) Business Survey to better understand employer needs * Communicating latest LMI across the SSLEP area – networks, working groups, Growth Hubs, through the publication and promotion of the SAP evidence base identifying supply and demand issues and gaps * Embedding evidence-based commissioning in our investment framework with the requirement for strong, robust business cases to address real world of work issues * Offering tailored support for our local businesses in accessing training and funding through the Stoke-on-Trent and Staffordshire £3.1 Skills Hub |
| **What do we want to do next? (Strategic Actions)**  **Do nothing**  **With existing resources**   * Engage LEP employers to sit on LEP SAP board and emerging LEP Future Workforce group to co-ordinate local planning and commissioning * Ensure skills features at LEP forums and meetings   **With limited additional resources**   * Promote LEP employer engagement with education providers to develop improved flexible learning pathways and curriculum to support employer skills needs * Work with Post 16 education providers to review their STEM provision offer to address STEM skills shortages * Support SMEs to start, skill and upskill (e.g. apprenticeships, T-levels, leadership, start-up support) * Promote entrepreneurialism in our higher value sectors – embedding the skills needed for entrepreneurship within our local education and skills provision     **With full additional resources/change to govt. policy**   * Develop a robust implementation plan to respond to the skills priorities detailed in the LEP’s Industrial Strategy * Lobby Government for greater local control of skills funding to deliver growth determined by employers * Develop Centres of Excellence in priority sectors such as advanced/automated logistics, modern methods of construction and agri-tech * Enable the New Enterprise Allowance to convert loans into grants |
| **How will we evaluate success? (Strategic Indicators)**  Metrics and measures that will be used to evaluate success of initiatives:   * Increase total GVA growth rate * Increase in GVA per job filled (Productivity) * Increase the proportion of adults with Level 3+ qualifications * Increase the proportion of adults with Level 4+ qualifications * Increase in higher occupation jobs * Increase in average wages * Reduce the number of employers with Hard to Fill Vacancies |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

|  |
| --- |
| **SP2: Ensuring young people have effective careers education, information & guidance and hold sufficient skills and aspirations at 16 to progress to at least level 3 attainment and meet employer skills gaps** |
| **Why is this important? (Rational)**   * Skills demand is outstripping supply and we are not turning out sufficient young people to keep up with demand * Skills levels are growing at a faster rate than nationally and we have a good and outstanding FE and HE sector due to investment * We therefore need to replicate this in schools and increase investment with the support of business in order to continue to meet the growing demand for skills, addressing underperformance at KS4 and raising the aspirations of our young people and families on the highly skilled opportunities available   **Supporting evidence:**   * **Educational attainment at school age**, especially at KS4, is below average * **Progression into FE** at Level 2 (GCSE) or below is higher than average * Significant **KS5 underperformance** in school sixth forms * Below average **achievement of Level 3 qualifications** at the end of compulsory education * **Participation in higher education** level learning is below average * Below average **adult skill levels** * Strong evidence that **good school outcomes** are vitally important in enhancing life chances and achieving ambitions * With the anticipated continued **growth in higher skilled jobs** in the area, our people need the skills to be able to access these opportunities * Existing **disconnect between career aspirations and the reality of the jobs market** * Employer report that many **young people are not 'work ready'** and many young people leaving education feel they are not work ready * Not all 8 Gatsby benchmarks are being met in full by all schools and colleges |
| **What do we want to achieve? (Strategic Objectives)**   * Improving educational attainment in our schools, which enables higher skills progression and achievement * Raising aspirations of all young people and their parents * Ensuring young people are work ready and resilient to access the jobs market * Ensuring that our young people understand and can experience local opportunities * Ensuring that young people are suitably informed of labour market information to enable them to make informed choices about their future career pathways. |
| **What are we already doing?**   * Working with the local authority, the city council, the Staffordshire Education & Skills Strategy Group and the Stoke-on-Trent Opportunity Area to raise aspirations of the future workforce and to raise educational performance * Strategic commissioner for ESF skills programmes. (£4.5m Support for individuals who are NEET to July 2021) * Delivering the Careers Enterprise Company Enterprise Advisor Network to embed enterprise, employability and quality careers aligned to the Gatsby benchmarks into the strategy, curriculum and culture of our schools (76 schools engaged, 66 employers as Enterprise Advisers) * Supporting the delivery of the National Careers Service programme providing guidance and links to organisations that have contact with residents who may require the service and to link NCS into existing strategic groups in the area |
| **What do we want to do next? (Strategic Actions)**  **Options:**  **Do nothing**  **With existing resources**   * Engage LEP employers to become governors on school boards to improve accountability * Engage LEP employers to offer mentoring, coaching and work experience opportunities for young people   **With limited additional resources**   * Engage LEP employers to participate in Careers fairs and career networking events * Co-commission a new scheme with Staffordshire Education & Skills Strategy Group and the Stoke-on-Trent Opportunity Area to support school leaders to work with business and young people, improving how schools help with work awareness and readiness * Co-commission projects with the Staffordshire Education & Skills Strategy Group and the Stoke-on-Trent Opportunity Area to raise aspirations of the future workforce and to raise educational performance * Extend the CEC network to ensure that all schools are engaged with employers and achieve Gatsby benchmarks   **With full additional resources/change to govt. policy**   * Work with training providers to develop new pathways into employment and progression, including new curriculum modules. These will be developed by business and providers working together to meet local skills needs * Secure greater control of local ESFA funding to reflect a Work Local place-based model to design a more efficient locally relevant and flexible offer * Co commission with the ESFA, an extension to the current ESF skills programmes |
| **How will we evaluate success? (Strategic Indicators)**  Metrics and measures that will be used to evaluate success of initiatives:   * **Increase in KS4 attainment (Attainment 8)** * **Increase in achievement of Level 3 by age 19** * **Increase the proportion of young people progressing to any sustained education destination** * **Proportion of schools and colleges using Compass and Compass + to record their work towards Gatsby benchmarks** * **Average number of Gatsby benchmarks achieved in schools and colleges** * Increase in KS5 attainment * Reduction in the proportion of sessions lost due to unauthorised absence * Reduction in the number of children excluded from school * Reduction in youth unemployment * Increase in number of employers engaged with education – work inspiration/placement |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

|  |
| --- |
| **SP3: Ensuring post 16 providers have the right learning infrastructure in place and deliver flexible, high quality, academic and vocational learning pathways to reflect evolving employer skills demand** |
| **Why is this important? (Rational)**   * Skill gaps and shortages in priority and locally important sectors due to misalignment of supply and demand of current skills and the labour market, particularly in advanced manufacturing, logistics, construction and digital skills * Technological and digital advances are expected to disrupt the world of work, our skills system must be responsive, such as supporting our traditional manufacturing base to modernise and make the most of technological developments to help drive productivity * Funding and delivery models are fragmented, leading to duplication, gaps and confusion for learners and employers, requirement to reduce the number of different qualifications to better understand supply and how it relates to demand   **Supporting evidence:**   * Proportion of **school 6th forms rated good or outstanding** below average * **KS5 performance** below average * Some **college provision** requiring improvement * **Level 3 achievement** in some colleges requires improvement * Requirement for further **FE state and infrastructure investment** * **Misalignment of supply and demand** of current skills and employment landscape (over-supply and under-supply) – **sector and cross-cutting themes reports found on the SSLEP website** [**here**](https://www.stokestaffslep.org.uk/sap-priority-sector-and-cross-cutting-themes-report/) provide detailed analysis and evidence of the specific skills issues for young people, adults and a number of our key sectors including manufacturing, construction and logistics * **Career aspirations of young people which are disconnected from the reality of the jobs market,** for example:   SSLEP over-supply issues - Arts, Media and Publishing  SSLEP under-supply issues - Retail and Commercial Enterprise   * Requirement to meet **future needs in the rapidly changing world of work – increasing demand for digital skills at all levels and across all sectors** * Introduction of the **Apprenticeship Levy** has seen apprenticeships decline in Stoke-on-Trent and Staffordshire slightly above the average decline seen nationally * More significant **apprenticeship declines in generally more deprived areas** where vocational training is often most needed * **Apprenticeship declines in priority and locally important sectors** where there is increasing demand through job creation and vacancies, including Engineering and Manufacturing Technologies, Health, Public Services and Care, and Retail and Commercial Enterprise   **Skills gaps in our priority sectors including:** Digital, Manufacturing, Construction, Logistics.  **What skills (occupations) are in high demand/short supply?**  Digital - Programmers and software development professionals, Web design and development professionals, IT business analysts, architects and systems designers, change management and sales and customer service roles  Manufacturing - Engineering technicians, production managers and directors, mechanical engineers, science, engineering and production technicians, sales related occupations, buyers and procurement officers, product design and development engineers and programmers and software development professionals  Construction - plumbers, carpenters, bricklayers, electricians, quantity surveyors, mechanical engineers, architects, managers, sales, customer services  Logistics - Large goods vehicle drivers, van drivers, fork-lift truck drivers and elementary storage occupations, managers and directors in storage and warehousing, transport and distribution clerks, and engineering technicians.  **What provision have we got in these areas?**  Digital - The main providers are Newcastle and Stafford Colleges Group (36%), Burton and South Derbyshire College (16%), Stoke-on-Trent College (14%), and South Staffordshire College (9%). The main Apprenticeship providers are Aspire Achieve Advance Ltd, BT, Project Management (Staffordshire) Ltd, QA Ltd, and Staffordshire University  Manufacturing - The main providers are Newcastle and Stafford Colleges Group (28%), South Staffordshire College (21%), Burton and South Derbyshire College (14%), Stoke-on-Trent College (14%), and The JCB Academy (10%). Apprenticeship: The main providers are Stoke-on-Trent College, Project Management (Staffordshire) Ltd., Newcastle and Stafford Colleges Group, and The JCB Academy  Construction - The main providers are Stoke-on-Trent College (30%), Newcastle and Stafford Colleges Group (29%), South Staffordshire College (28%) and Walsall College (13%), with Burton and South Derbyshire College, Derby College, NACRO, and City of Wolverhampton College, and University of Derby also having a role locally. The main Apprenticeship providers are Project Management (Staffordshire) Limited, Newcastle and Stafford Colleges Group and CITB.  Logistics - There are no ESFA funded learners in the SSLEP who are studying warehousing and distribution, either as a core aim or otherwise. Apprenticeship The main providers are Stoke-on-Trent College, Project Management (Staffordshire) Ltd., GI Group Recruitment Ltd. and GLP Training Ltd.  **Is the current provision sufficient?**  Digital   * ESFA funded learning in **Information and Communication Technology has seen a decline of 18% or 157 learners over the last 3 years** with the main qualifications in 90-credit Diploma in IT (QCF), Extended Diploma in IT (QCF), and BTEC National Extended Certificate in Information Technology * SSLEP **apprenticeship starts in information and communication technology stood at 300 in 2017/18 showing an increase of 15% or 40 starts over the five-year period since 2013/14, this was lower than the 43% increase seen nationally** - the main apprenticeship programmes in 2017/18 were in ‘IT and Telecoms Professionals’, ‘Digital Marketer’, and ‘IT User’   Manufacturing   * SSLEP **ESFA funded learners have remained relatively static over the last 3 years** with the main qualifications in engineering (NVQ or BTEC), Electrical Installation, and Light Vehicle Maintenance and Repair * SSLEP **apprenticeship starts in engineering and manufacturing technologies stood at 1,610 in 2017/18 showing a decline of 16% or 310 starts over the five year period since 2013/14, this was larger than the 8% decline seen** nationally - the main apprenticeship programmes in 2017/18 were in ‘Industrial Applications’, ‘Engineering’ and ‘Vehicle Maintenance and Repair’   Construction   * SSLEP ESFA funded **construction, planning and the built environment** **learners have remained static over the last 3 years** with the **main qualifications in plumbing, electrical installation, bricklaying, and carpentry** * **Declines in plumbing** (potential issue given high demand for plumbers in SSLEP area) **and joint qualifications for carpentry and joinery** (the latter appears to be offset by increases in site carpentry qualifications), while, there has been **growth in bricklaying** and health & safety * SSLEP apprenticeship starts in construction, planning and the built environment remain relatively **static over the last 5 years,** compared to a 45% increase nationally - the main apprenticeship programmes in 2017/18 were in **‘Construction Skills’, ‘Construction Management’ and ‘Chartered Surveyor (degree)’.** There are high numbers of learners studying apprenticeships in **Trowel Occupations, Wood Occupations/Carpentry, Bricklaying, and Construction Plant or Machinery Maintenance**   Logistics   * There are **no ESFA funded learners in the SSLEP who are studying warehousing and distribution**, either as a core aim or otherwise * **Warehousing and distribution have seen a decline over the last 3 years** (425 starts in 2015/16 down to 171 in 2017/18) - the main apprenticeship programmes in 2017/18 were in **‘Warehousing and Storage’ and ‘Supply Chain Warehouse Operative’**   **Skills gaps in our other locally important sectors** including:   * Health and social care – high ongoing demand for nurses and care workers and home carers; * Education – high ongoing demand for Teaching and other educational professionals, Secondary education teaching professionals, Teaching assistants, and Primary and nursery education teaching professionals; * Sales and Customer Services - Sales related occupations, Customer service occupations, Marketing and sales directors, and Sales and retail assistants * Professional and Business Services - Other administrative occupations, Managers and proprietors in other services, Human resources and industrial relations officers, Book-keepers, payroll managers and wages clerks, Chartered and certified accountants, IT user support technicians, Cleaners and domestics, Chefs and Kitchen and catering assistants |
| **What do we want to achieve? (Strategic Objectives)**   * Ensuring that we have the right learning infrastructure in place, including the need to upgrade outdated facilities and equipment * Ensuring our skills base continues to evolve to reflect changing business demand in our sectors and making provision future proof * Supporting partnerships between FE providers and employers to co-design flexible learning programmes and delivery methods using LMI * Raising the profile and understanding of apprenticeships with employers and how to use apprenticeship levy funding * Increasing the volumes of apprenticeships and industry relevant qualifications for all ages, particularly in priority sectors e.g. STEM and at higher and degree level to support productivity improvement |
| **What are we already doing?**   * Supporting the Apprenticeship ladder to encourage businesses to take on apprentices and make a commitment to their future workforce (200 Apprentices started via the ladder over the last 12 months) * Promoting Apprenticeships through the delivery of an Apprenticeships graduation ceremony (2019 161 graduated, 5th year of awards) * Implementing practices to transfer levy funds to local business (STP workforce project) * Strategic commissioner for the £3.1m ESF Skills Hub. The Skills Hub provides employers with an ONA and referral to apprenticeship and education delivery partners to support skills gaps (to date 387 employers engaged, 85 ONAs completed) * Supporting the development of the AME hub through £13m capital investment in 6 sites (10,500 learners supported to date) and the provision of 7 capital grants through the SEF to support £5m projects (To date a growth of 1,067 Apprentices and 874 new learners) |
| **What do we want to do next? (Strategic Actions)**  **Options:**  **Do nothing**  **With existing resources**   * Engage LEP employers to collaborate with education providers to develop progression routes beyond level 3 and routes to higher technical and professional learning * Engage LEP employers to structure placements, internships and apprenticeships in a way that suits their business model   **With limited additional resources**   * Commission communications to promote the benefits of employers offering placement opportunities e.g. T level qualifications * Encourage increased Apprenticeship starts through continued support to the Apprenticeship ladder, the graduation ceremony * Work with education providers and employers to develop new pathways into employment and progression, including new curriculum models, to meet local need in growing economic sectors post COVID-19   **With full additional resources/change to govt. policy**   * Work with Government to secure greater control over funding and increased capital investment to develop and maintain local infrastructure * Lobby Government to reform and devolve the Apprenticeship Levy to local authorities, identify unspent Apprenticeship levy to use as incentives for employers to take on Apprentices. |
| **How will we evaluate success? (Strategic Indicators)**  Metrics and measures that will be used to evaluate success of initiatives:   * Reduction in youth unemployment * Reduce the number of people who are unemployed or inactive but wish to work * Increase the proportion of people with Level 3+ qualifications * Reduce the number of employers with Hard to Fill Vacancies * Increase number of people achieving apprenticeships in priority and locally important sectors e.g. manufacturing |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

|  |
| --- |
| **SP4: Supporting increased participation in Higher Education in economic priority skill areas** |
| **Why is this important? (Rational)**   * Not enough of our young people are progressing into higher education leading to a lack of higher skills within the local workforce to support higher value economic growth and close the productivity gap * Our economic ambition recognises the opportunities from technological advancements to drive business growth, innovation and competitiveness leading to an improvement in wages and a high quality of life * We therefore need to increase progression into higher education and in areas required by our priority and locally important sectors such as digital, engineering, and nursing - **sector and cross-cutting themes reports found on the SSLEP website** [**here**](https://www.stokestaffslep.org.uk/sap-priority-sector-and-cross-cutting-themes-report/) provide detailed analysis and evidence of the specific skills issues for young people, adults and a number of our key sectors including manufacturing, construction and logistics   **Supporting evidence:**   * **Participation in higher education** level learning is below average * Below average **higher (Level 4+) adult skill levels** * **Increasing demand for higher skills** driven by rapid technological development * Lag behind the national average for **higher occupations** |
| **What do we want to achieve? (Strategic Objectives)**   * Raising the aspirations of the future workforce to progress to higher education * Improving educational attainment in our schools, which enables progression and achievement of higher skills * Supporting partnerships between HE institutions and employers to deliver flexible learning pathways to support skills demand * Supporting HE institutions to invest into research & development and to maximise the potential of new innovative ways of working e.g. digital and AI |
| **What are we already doing?**   * Supporting the development of the Staffordshire University’s £760k skills equipment fund projects through a capital grant (751 growth in Apprenticeships) * Supporting Keele University through ERDF funding to deliver its skills projects detailed in the “new Keele deal” * Supporting Staffordshire University through ERDF funding to deliver its skills projects detailed in “The Staffordshire deal” |
| **What do we want to do next? (Strategic Actions)**  **Options:**  **Do nothing**  **With existing resources**   * Engage LEP employers to collaborate with higher education providers to provide placements and internships to develop work ready skills and preparation for employment   **With limited additional resources**   * Engage with LEP employers to collaborate with higher education providers to co-design courses including higher apprenticeships * Engage with HE institutions and LEP employers to promote higher education progression routes through the delivery of raising aspiration events   **With full additional resources/change to govt. policy**   * Work with Government to secure greater control over funding and increased capital investment to develop and maintain local HE infrastructure |
| **How will we evaluate success? (Strategic Indicators)**  Metrics and measures that will be used to evaluate success of initiatives:   * Increase the proportion of young people (KS5) progressing to higher education destinations * Increase the proportion of adults with Level 4+ qualifications * Increase employment of leavers from Higher Education |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

|  |
| --- |
| **SP5: Empowering and enabling adults to engage in lifelong learning and reskill and raise their skill levels, to enable career progression and increased productivity in priority sectors** |
| **Why is this important? (Rational)**   * Although we have seen improvement in adults obtaining formal skills there still remain too many with no formal qualifications or employability skills and being out of work * We need to upskill those with no or low skill levels enabling participation in the workforce and a better quality of life * At the same time retraining at all ages and raising the skill levels of existing workers will be key to addressing growing demand for higher skills, offsetting the risks of automation and increasing productivity in priority sectors   **Supporting evidence:**   * More than 53,000 adults remain with **no formal qualifications** * Approximately 47,900 adults who are **unemployed or economically inactive and want to work** * Greater **adult participation** in education and learning can lead to a more inclusive and productive economy * Rapidly **changing world of work requiring new and evolving skills** e.g. digital literacy * **Adult skills levels** are below average at Levels 3 & 4+ * Businesses are reporting **skills supply issues** which is hindering growth i.e. hard-to-fill vacancies and skills gaps in existing workforce * **Barriers to employee training** exist in many businesses such as a lack of funding or staff time * **Ageing society/workforce** with longer careers and changing roles/skills requirements i.e. Industrial Strategy Grand Challenge – ageing society/workforce * **Adult cross-cutting themes report found on the SSLEP website** [**here**](https://www.stokestaffslep.org.uk/sap-priority-sector-and-cross-cutting-themes-report/) provides detailed analysis and evidence of the specific skills issues for adults |
| **What do we want to achieve? (Strategic Objectives)**   * Support unemployed people to gain employment following COVID-19 pandemic focusing on those groups hardest hit and supporting those closer to the labour market * Support local residents to progress and retrain and raise skills levels at all ages, enabling higher wages and increasing participation * Attract and retain highly skilled people in local businesses * Develop the local areas significant and important adult and community learning offer * Ensure that all have at least basic employability skills to secure a job i.e. numeracy, literacy and digital * Ensure that all adults understand and can experience local opportunities |
| **What are we already doing?**   * Strategic commissioner for £58m ESF funded skills programmes to increase labour market participation, social inclusion and mobility and improve employer engagement in skills (to date supported 22,482 residents, over 9000 positive progressions) * Co-commissioned the National Careers Service (NCS) to ensure strategic fit with priority groups and local levels of need (Provides CEIAG support to 9,000 adult residents annually backed by digital and online support) * Strategic commissioner for the £3.1m ESF funded skills hub that delivers skills support brokerage for employers for training and workforce development * Support the delivery of a vibrant adult and community offer to engage adults into further education and employment |
| **What do we want to do next? (Strategic Actions)**  **Options:**  **Do nothing**  **With existing resources**   * Establish an Adult Learning Partnerships bringing together local and regional government, universities and colleges, community and educational groups, and local employers to deliver the Adult Education & Lifelong Learning Strategy   **With limited additional resources**   * rapid retraining to help redeploy people in sectors recruiting in care, IT, food and transport is a priority and matching these people to opportunities will be a key mitigation through Redundancy & Recruitment Triage service that has been established   **With full additional resources/change to govt. policy**   * Co-commission with the ESFA an extension to current ESF skills programmes - Skills Support for the Unemployed - working with communities to improve social inclusion and employability, with a focus on areas of multiple deprivation and those who are hardest to reach * Extend and broaden the scope of the Skills Hub to act as a full wrap around service for employers with a focus to support businesses that are not already engaged in skills development * Secure a Work Local place-based model to design local relevant and flexible learning offer for all post 16 learning * Inform the development of the National Retraining Scheme such as through the SSLEP Career Learning Pilot to shape the outcome of the NRT - focus on returners to work after childcare breaks, self-employed people needing to upskill, employees in micro/small business wanting to upskill * Revise Advanced Learner loans to enable free courses for adults * Secure flexibilities in funding to support lower skilled people into work in economic important sectors. E.g. in construction CSCS cards, transport HGV drivers, forklift truck drivers |
| **How will we evaluate success? (Strategic Indicators)**  Metrics and measures that will be used to evaluate success of initiatives:   * Reduce proportion of people with no qualifications * Increase the proportion of people with Level 2+ qualification * Increase the proportion of people with Level 3+ qualifications * Increase the proportion of people with Level 4+ qualifications * Increase proportion of staff trained by employers * Reduce the number of people who are unemployed or inactive but wish to work * Increase the employment rate of older workers * Reduce the number of employers with Hard to Fill Vacancies |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

|  |
| --- |
| **SP6: Supporting greater diversity and inclusivity in the workforce and enable disadvantaged young people and adults engage in learning and skills programmes, progress to employment and improve their health & wellbeing** |
| **Why is this important? (Rational)**   * With many historically male-dominated industries that are now changing fast, such as manufacturing and construction, we have a significant opportunity to tackle the gender pay gap, address the skills gap and ensure our businesses are benefiting from the widest potential labour market * Employers need to attract and retain older workers to prevent the loss of important knowledge, skills and experience and not fall behind their competitors * Older workers themselves can play an important part in workforce learning and development programmes by transferring their knowledge and skills to younger workers helping to ease replacement demand * We have some severely deprived communities with health and wellbeing outcomes that are unacceptably low * To tackle persistent deprivation and joblessness, we need to better link skills provision with specific business opportunities locally enabling people to live prosperously and achieve their ambitions   **Supporting evidence:**   * On average - **men working full time in Stoke & Staffordshire earn 25.8% more than women** (working full time) as of 2019, equivalent gap for UK is 22.8% and West Midlands it is 24.9% * **Employment rate of those aged 65 and over** in Staffordshire has increased from 5.2% in 2004 to 12.3% in 2018, this is equivalent to 14,700 or nearly a 216% increase in the number of residents aged 65 and over in employment. Rate now above that seen in West Midlands (10.1%) and England (10.7%). In Stoke-on-Trent the rate has increased from 3.9% in 2004 to 8.3% in 2018, equivalent to 2,800 more over 65 workers. However, the gap to the rate in Staffordshire is widening and may be an area to focus on in the city to reduce the disparity * **Educational attainment at school age**, especially for disadvantaged groups, is below average * Nearly half (45.9%) of residents with a **disability are economically inactive** compared to 12.3% of those not disabled * **Unemployment rate for those with disabilities** is higher than average * Remain more than 53,000 adults with **no formal qualifications** * Businesses report that many **job seekers lack basic numeracy, literacy and digital skills and ‘soft’ employability skills** such as communication, team working etc. * **Sector and cross-cutting themes reports found on the SSLEP website** [**here**](https://www.stokestaffslep.org.uk/sap-priority-sector-and-cross-cutting-themes-report/) provide detailed analysis and evidence of the specific skills issues for young people, adults and a number of our key sectors including manufacturing, construction and logistics |
| **What do we want to achieve? (Strategic Objectives)**   * Improving health outcomes, particularly in our most deprived communities * Ensuring greater diversity and inclusivity within the workforce of our employers * Ensuring disadvantaged young people and adults are supported to achieve their potential * Preventing young people from becoming NEET * Improving outcomes for young people with Special Education Needs * Supporting everyone who can work to work by helping to address their barriers to employment |
| **What are we already doing?**   * Supporting the delivery of the council’s community learning offer that supports and develops individuals to build confidence and realise their potential leading to employment, learning new skills, building up personal confidence, or recovering from illness * Strategic commissioner for the £18m ESF funded Building Better Opportunities Programme with the NLCF supporting unemployed and inactive individuals who are furthest from the labour market. The programme delivers a coherent package of programmes to individuals with multiple barriers preventing them from entering employment or further education (to date 2800 learners engaged, 750 positive progressions) * Supporting and promoting the Department of Work and Pensions (DWP) Work and Health Programme to improve employment outcomes for people with health conditions or disabilities and those unemployed for more than two years |
| **What do we want to do next? (Strategic Actions)**  **Options:**  **Do nothing**  **With existing resources**   * Engage LEP employers to work with our providers to develop pathways into work and progression in work, particularly in sectors where young women are underrepresented and offer supported employment to learners with learning difficulties and disabilities * Promote our providers to create additional opportunities targeted at and accessible to the different requirements of specific groups of people, such as mothers returning to work, older workers and sectors such as construction, logistics and engineering where young women are underrepresented, building on successful local pilots * Promote our providers to deliver programmes that support digital inclusion by helping women, disabled people, people from minority backgrounds or those living in lower socioeconomic areas to succeed in digital roles such as data analysts, programmers, cyber security specialists, software developers and marketeers   **With limited additional resources**   * Work with training providers to develop programmes that provide interventions for older workers, e.g. mid-life MOT, to allow them to make realistic choices about their career development, health and finances, to achieve an age-inclusive workforce can help the local area to meet the Ageing Society Grand Challenge of the Industrial Strategy * Work with training providers to develop new approaches to local learning provision to meet the needs of young people with Learning Difficulties and/or in particular those with Social, Emotional and/and Mental Health difficulties. These will be developed by business and providers working together to meet local needs. * Work with training provides to deliver programmes that support underrepresented groups, including people with disabilities, people from BAME backgrounds, and those living in deprived areas.   **With full additional resources/change to govt. policy**   * Co-commission with the ESFA an extension to current ESF skills programmes - Positive Directions to support young people aged between 15-24 to develop the capability and capacity to progress into learning, training and or work, Building Better Opportunities to provide intensive, holistic support to move people into, or closer to, employment. |
| **How will we evaluate success? (Strategic Indicators)**  Metrics and measures that will be used to evaluate success of initiatives:   * Reduction in the proportion of adults with no formal qualifications * Increase the proportion of people with Level 2+ qualifications * Reduction in the number of people who are unemployed or inactive but wish to work * Increase the employment rate amongst disabled people * Increase educational attainment of disadvantaged young people (Attainment 8) * Reduction in the proportion of 16-18-year olds in who are not in education, employment or training (NEET) |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

|  |
| --- |
| **SP7: Ensuring young people and adults are equipped with the digital skills required in the changing world of work to support growth in productivity** |
| **Why is this important? (Rational)**   * The 4th Industrial Revolution is seeing rapid technological change with ‘Tech’ including automation and AI becoming increasingly integrated within every sector and industry and putting many current jobs at risk * Virtually all jobs require digital skills to some degree and many businesses are reporting digital skills gaps and supply issues which is hindering growth e.g. high numbers of hard-to-fill digital job vacancies * We need to develop new flexible digital skills provision which provides local businesses with the digital skills needed to take advantage of growth opportunities, e.g. Industrial Strategy Grand Challenge – AI and Big Data, and workers with greater job security and progression   **Supporting evidence:**   * 11.3 million UK adults (21%) **lack one or more of the 5 Basic Digital Skills**, and 4.3 million (8%) have none at all * In the UK 60,000 charities and 655,000 SMEs have **low digital skills** * **Digital, Young People and Adults cross-cutting themes reports found on the SSLEP website** [**here**](https://www.stokestaffslep.org.uk/sap-priority-sector-and-cross-cutting-themes-report/) provides detailed analysis and evidence of the specific skills issues for digital, young people and adults * **Serco SSLEP Digital Skills Survey** of 303 businesses identified that 6% of businesses had digital skills gaps with the most frequent digital skills gap related to **Microsoft Office** (mentioned by 36% of businesses with a skills gap). This was followed by **set-up, support and management of computer systems and networks (26%),** **CRM software skills (25%), digital marketing skills, (24%) and IT security (23%)** * While 4% of businesses had a skills shortage vacancy that included a digital related skills shortage. **Programming languages and coding skills** were the most common problem areas (mentioned by 30% of businesses with skills shortages), followed by **digital / web design skills and data analysis skills** (25% and 24% respectively). These tended to be very sector specific in nature, with some caused by a fundamental problem with supply and others caused by competition from other better paid industries * Where a **digital skills** gap exists this is likely to have a significant **negative impact** on business, with **higher operating costs and having to outsource more work** being the most common. For a small number of businesses skills gaps are evidently **inhibiting growth** * Most businesses are doing what they feasibly can to address the skills gaps that exist, which commonly involves **training,** but this also impacts on business as it takes up precious **time and resource**, particularly when delivered on-the-job by another member of staff * **Businesses were generally very positive about their ability to understand and use digital technology**. Two-thirds (67%) NET: agreed (combining strongly agree and agree) that ‘we understand the skills our staff need to use digital technology in our business’ and 61% NET: agreed that ‘we have the confidence and skills to try out new digital technology’. However, there were lower levels of confidence in relation to training - 54% NET: agreed that ‘our business encourages and helps staff understand and increase their own digital skills’ and just **38% NET: agreed that ‘we have training in place to allow our staff to increase their digital skills’** |
| **What do we want to achieve? (Strategic Objectives)**   * Maximising the potential of new innovative ways of working, e.g. Digital and AI, by ensuring the right skills are available to enable improvements in local innovation and economic growth * Closing the digital divide - to ensure that everyone is able to access and use the digital services to improve their work and life * Enabling people to upskill and retrain to keep up with the demand from continued technological change and the changing world of work through the development of new flexible provision for digital skills and retraining at all ages |
| **What are we already doing?**   * Supporting delivery of Local Authority Digital Strategies through developing digital infrastructure and skills to enable Stoke-on-Trent & Staffordshire residents to be well connected and become fully engaged in their communities * Supporting opportunities fordigital curriculum innovation and co-design e.g. awarding a capital grant for NSCG’s Science & Technology Centre as part of the AME skills hub. The Centre supported 2082 leaners at September 2019 which demonstrated a growth of 1,159 learners since the project started. Employers engaged had grown from 165 before the project to 329 at September 19 * Supporting education and skills providers to develop employability strategies and careers advice services closely aligned to LMI with a focus on current and future demand for digital skills i.e. SSLEP Digital Skills Business Survey * Supporting the council’s community learning programme that supports under-represented groups to develop their digital skills and take-up digital roles e.g. Libraries ICT buddies; SCC Digital Toolkit |
| **What do we want to do next? (Strategic Actions)**  **Options:**  **Do nothing**  **With existing resources**   * Work with the local authority, the city council, the Staffordshire Education & Skills Strategy Group and the Stoke-on-Trent Opportunity Area to embed digital skills in schools including computing and coding by convening industry and other partners to ensure that teachers have the knowledge and skills to teach the new world-leading computing curriculum effectively i.e. Network Staffordshire Smart Staffordshire Strategy * Promote training provider and business collaboration to identify advanced digital skills in demand and strong career IAG   **With limited additional resources**   * Support partnerships between FE providers and employers to co-design flexible learning digital skills programmes e.g. Staffordshire Digital Information Partnerships (SDIPs) * Promote the Essential Digital Skills Framework with providers to enhance adult’s essential digital inclusion skills enabling progression and transferability of skills   **With full additional resources/change to govt. policy**   * Support the development of an Institute of Technology in the LEP geography * Support the development of Local Digital Skills Partnerships in the LEP geography to improve digital skills * Secure further Government funding for digital skills improvement e.g. Digital Skills Innovation Fund; Digital Inclusion Fund; Digital Infrastructure Investment Fund |
| **How will we evaluate success? (Strategic Indicators)**  Metrics and measures that will be used to evaluate success of initiatives:   * Fewer businesses reporting digital skills gaps * Increase in average wages * Increase total GVA growth rate * Increase in GVA per job filled (Productivity) |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

**4. Action plan**

**Action plan overview**

Strategic Actions – dependent on funding

This should be a live document, which is updated regularly to reflect any amendments.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Action** | **SAP Lead** | **External Partners Involved** | **Timescale** | **Status (Complete/In Progress/Not Yet Complete)** | **Success measures** |
|  |  |  |  |  |  |

**Monitoring and evaluation**

Measuring Success –performance monitoring framework / KPIs

**Delivery and Governance**

Delivering this strategy and the SSLEP strategic priorities contained within it requires the utilisation of a number of national and localised employment, skills and growth policy and funding levers including:

* **Working closely with Government Departments** such as the DfE and DWP to influence national employment and skills policy to align priorities, funding and delivery with local needs;
* **Improved partnership working** locally with other organisations engaged in employment and skills such as DWP Job Centre Plus (Flexible Support Fund) which leads to integrated services and more residents achieving sustained job outcomes;
* **Align SAP priorities with the Local Industrial Strategy**
* Ensuring that **careers IAG**, including that provided by the Careers and Enterprise Company and National Careers Service, supports all age groups and is aligned to local needs i.e. Improving the achievement of Gatsby Benchmarks in schools and colleges;
* To help **address apprenticeship declines**, local areas could co-design support funding, co-commission the Register of Approved Apprenticeship Providers and pool public Levy contributions as a minimum and use this to establish a more bespoke local offer;
* Coordinate locally the implementation of **technical education reforms**, and the **national retraining programme;**
* **Greater local control over the Adult Education Budget and Learner Loans** to deliver local employment and skills priorities; and
* **Integrated and devolved UK Shared Prosperity Fund and Growth Hubs** to meet the needs of local residents and businesses.

More integrated and devolved employment and skills policy, services and funding would help ensure that the identified strategic priorities can be achieved with improved efficiency and effectiveness.

Overall these levers have the potential to meet local need, address economic and social challenges, and make a decisive impact on employment and skills outcomes for people, businesses and places in the SSLEP area.

**Governance** – employer led with strong partnerships with providers and wider skills stakeholders