

DORSET LEP SKILLS ADVISORY PANEL & BOARD 18 January 2021, 2 pm-4pm

Virtual meeting via Teams

AGENDA

#		Item	Lead	Purpose	Annex
1		Welcome, introductions and apologies	Emma Hunt Chair	ACTION Welcome, introduce attendees and note apologies	
2		Approval of minutes of last meeting – Nov 2020	Emma Hunt Chair	ACTION To agree minutes as read and action updates	
3	Recovery	Current Skills Activities	Rebecca Davies	ACTION Paper to note, for onward circulation to DLEP Board including: SAP Board Local Market Information (LMI) update Dorset LEP Careers Hub update	1
			Jo Pickrell, DWP	DWP update	
			Rod Davies, DSTN	Apprenticeship Update	
4	Place	Local Skills Report 2021	Rebecca Davies & Mira Koseva	ACTION Presentation and discussion around Local Skills report 2021 for Department of Education.	
5	Futures	Big Ideas / investment prospectus	Emma Hunt	ACTION Verbal update	
6	АОВ		All		



DORSET LEP SKILLS ADVISORY PANEL AND BOARD MEETING COVER SHEET

Meeting Date	18 January 2021	Item Number	
Security Level:	Confidential □	Commercially Sensitive □	Unclassified ⊠
Paper Title	Dorset LEP Programme	s Skills Advisory Panel an	d Board Update
Recommendation	For Information		
Papers are provided for:	Decision □	Discussion □	Information 🗵

1. PURPOSE

This paper provides an update from the Dorset LEP skills operation in Dorset between Nov 2020 and Jan 2021.

2. SUMMARY

2.1 Investment Prospectus skills work

The Dorset LEP Board and Local Industrial Strategy committee have considered the potential investment opportunities submitted. The work of developing the Investment Prospectus continues with further updates due at the DLEP Board (26th Jan) with publication at the end of January.

2.2 The Labour Market Information update

We have published our <u>Skills Action Plan</u>, released <u>latest labour market insights dashboard</u>, <u>an extended final report for 2020</u> and updated <u>key industries dashboards</u> with latest vacancies and job trends. Some of our key findings are included below.

 Recruitment activity resilience: Dorset's vacancies bouncing back better from lockdowns than the UK average.

Dorset's vacancy figures indicate recruitment activity recovered well after crashing by half with the first lockdown. There were 57,433 vacancies advertised in Dorset in 2020, closing the year at 92% of their 2019 levels. Demand declined for service roles, but it considerably increased for nurses and carers, accountants, lawyers, web developers and cleaners.

• Top employers in Dorset throughout 2020

The National Health Service was by far the largest individual employer. J.P.Morgan, Bournemouth University and the Councils joined the top the chart as individual employers, while residential care firms saw continued increase in recruitment activity, jointly forming the second largest chunk of demand after healthcare.

Engineering firms recruitment held up, but saw mixed demand with RNLI, Siemens, Curtis Wright and Holt Engineering being more tentative, while Cobham, Ultra Electronics and Gattaca increasing their vacancies.

In December, Bourne Leisure represented tourism at the top employers chart.



• Industries with high demand continued recruiting

While labour demand **fell** by a half in accommodation and food services, and arts, entertainment, and recreation, it was **largely maintained** in financial services, utilities and professional, scientific and technical activities while it **actually grew** by a quarter in the health and social care sector.

• Sharp increase in available workforce

There were 4.6 claimants for each advertised vacancy in November - a ratio three times as high as the pre-crisis levels, but showing improvement from the 7.5 peak in May.

Claimant count grew almost threefold in Dorset in April and remained high, accounting for 5% of the 16+ residents and 7% of 18-24 year olds in November.

Furloughed workers significantly dropped from 25% in July to 5% in November without causing further increase in claimants, and indicating movements back to work.

Support measures and homeworking are changing the recession trajectory

Significant rise in unemployment has thus far been avoided and unlike previous recessions, with many jobs and businesses protected by the support schemes, vacancies bounced back relatively quickly. Homeworking is another mitigating factor, rising steeply to almost half of employees in April and very few have returned to the office since. Amongst concerns on homeworker's health and happiness, homeworking is here to stay.

• EU workers going home?

In September 2020 there were almost a quarter fewer employed from A8 and A2 EU countries in the UK labour market compared to an year earlier,

• A skills mismatch between vacancies and those looking for work

As the pandemic hit sectors of the economy differently, low-skilled workers and young people are disproportionately affected with almost half of the 18-24-year olds working in Dorset employed in distribution, hotels and restaurants.

While there are sectors with vacancies, skills mismatch could slow down movement across sectors and cause unemployment lagging for longer, while skills gaps remain a challenge for employers.

3. Dorset LEP Careers Hub Update

The Dorset Careers Hub has had a largely successful first term of the academic year. Progress has been made on all 5 major projects, including;

- Delivering CPD to network on use of LMI and on strategic careers planning.
- Joining 9 partner project to deliver online careers fair covering Dorset, Hampshire and Surrey.
- Contracting with national online work experience provider to offer up to 3,000 virtual work experience placements this year.
- Approving 23 Activation fund bids from schools across the county.

In December, 85% of our Hub schools completed a new Compass assessment with our support. Progress towards our key Gatsby Benchmark targets is as follows;

Wave 2 Schools

	Target	Dorset	National
BM 1	75%	88%	44
BM 5	75%	78%	66
BM 6	65%	55%	42
Total Achieved	6.0	6.3	4.2



Wave 3

	Target	Dorset	National
BM 1	75%	49%	31
BM 5	75%	57%	57
BM 6	65%	26%	44
Total Achieved	4.0	4.1	3.8

The Hub is clearly performing above both targets and national averages in many respects, and plans are in place to continue improving our performance. The new Wave 3 schools have further to travel, but good progress has been made this term. The main area for concern is in Benchmarks 5 and 6, which are affected by the pandemic. Two of our major projects are designed to mitigate this impact.

In the coming months we will review data, targets, and project performance, and reallocate available funds to new priorities. We expect to communicate new funding opportunities to schools by February half-term.

We are also developing a new project to recruit employers to support our various initiatives, and this will involve support from the DLEP comms team, and the Dorset Chamber.

4. T level delivery from Sept 2021

Ferndown Upper School have announced they will be delivery Dorset's first T level from September 2021. The school are currently providing information sharing sessions and looking to recruit their first cohort on Software Development and IT Support.

5. Skills Boot Camps

A national tender is currently live to deliver Skills Boot Camps across England. Skills Boot Camps have been successful in trial areas in northern England, offering retraining into a different skill set with a job interview guaranteed at the end of the 12-16 week course. Dorset is part of the wider south west geography and Dorset LEP is discussing opportunities with Heart of the Southwest LEP. For this to work in Dorset, we will seek to ensure we have employers who have new roles aligned to the skills taught and can offer job interviews for successful trainees. The subjects offered are:

- Software Development
- Digital Marketing
- Data Analytics

Within the new tender, there is also the opportunity to deliver welding, engineering and construction. It is anticipated that courses for Dorset residents will be available from 1st April 2021 through a virtual offer, with face to face delivery when possible.

6. DLEP partnership bids

The DLEP skills team are contributing to the following partnership bids, and the wider Dorset LEP team are working on delivery of projects under the Getting Building fund:

- BCP Town bid focus on Skills provision in Boscombe
- University Hospitals Trust Health Foundation Adopting Innovation Programme
- Integrated Care System/CCG/DC Health foundation economic development policy

7. DWP

For reference, the information provided by the DWP updates is attached in appendix 1. DWP met with committee members in December 2020 to provide updates on future delivery.



Appendix 1: DWP skills initiative information Nov – Jan 2021

Skills Toolkit: 'An Hour To Skill'

'An Hour To Skill' is a new campaign from the Department of Education (DfE) which aims to boost the nation's skills and job prospects. Learning can have a really positive benefit to our mental wellbeing and this campaign aims to promote learning as a way of keeping the mind healthy and active which is very important at this time.

The Skills Toolkit (link is external) is an online platform giving access to more than 70 free, high-quality digital, numeracy and employability courses. By setting aside one hour a week for online learning, people can learn skills that employers are looking for, boost their job prospects and keep their mind active.

DfE have produced a which they would like to be shared with employers, partners and trade bodies. It explains the benefits of this campaign to employers and their employees and provides a range of support an promotional materials they can use.

Help to Find Work for Claimants Aged 18 to 24

Help for <u>UC claimants (link is external)</u> aged 18 to 24 to find a job, work-related training or an apprenticeship though the Youth Offer has been published on GOV.UK.

Touchbase

Touchbase is being produced weekly and is being circulated to subscribers every Friday. Although these provide a roundup of announcements and are useful for organisations they will not be published on GOV.UK <u>Subscribe to Touchbase</u>

New Enterprise Allowance (NEA) Scheme

New Enterprise Allowance <u>statistics (link is external)</u> from April 2011 to June 2020 for phase 1 of the scheme, and any starts since phase 2 began (in April 2017) up to June 2020.

Veterans Study

The Office for Veterans' Affairs (link is external) has published results of a study that found 60% of veterans have volunteered in their community to help those affected by the pandemic. Many use their skills learnt from the armed forces, as well as their public service ethos, to play an important role in their communities.

2021 Harvest

The number of workers permitted to travel to the UK to pick and package fruit and vegetables will be increased for next year's harvest. The <u>Seasonal Workers Pilot (link is external)</u> has been extended and expanded for an additional year with 30,000 visas available for those wanting to come and work on UK farms for a period of up to six months.

Tackling Loneliness

A £7.5m fund (link is external) will help provide immediate and targeted relief to those most at risk of loneliness during the coronavirus pandemic. The funding will be targeted at sectors that are well-known for having the power to bring people and communities together such as the arts, libraries, charities and radio.

Future High Street Fund - England

Up to £830 million from the <u>Future High Streets Fund (link is external)</u> will be invested in 72 areas across England. The funding will help protect and create thousands of jobs in a range of industries and support areas to recover from the pandemic.

Changing Futures: Changing systems to support adults experiencing multiple disadvantage - England

The Ministry of Housing, Communities and Local Government (MHCLG) is inviting expressions of interest from local authorities (LA) and partners in England to deliver pilots supporting adults experiencing multiple and complex needs.



The prospectus states that areas should involve Jobcentre Plus when forming strategic partnerships to support the pilots, so it is possible that JCP Service Leaders and Partnership Managers will be approached by LAs as they formulate bids, and we of course encourage our local leaders to engage in these strategic, place-based discussions.

Expressions of interest will set out high-level delivery models, whereas detailed delivery plans are to be developed in a later stage of the bid process for shortlisted areas. If local partners propose any JCP operational involvement at this stage, for example the support of Work Coach resource, you should seek funding from the local partnership. Please contact disadvantaged groups policy team at CFD.CORRESPONDENCE@DWP.GOV.UK (link sends e-mail) for advice on any such discussions about funding of front-line activity for pilot bids.

Universal Credit Statistics

UC statistics (link is external) for the period 29 April 2013 to 12 November 2020. Highlights:

- 5,830,557 people were on UC as of 12 November 2020.
- 2,279,007 classed as searching for work
- 3,020,664 males were in receipt of UC and 2,808,487 females

Restart Scheme

The Restart scheme, which is part of the governments Plan for jobs, will give UC claimants who have been out of work for at least 12 months enhanced support to find jobs in their local area. Details of How the Restart Scheme will work (link is external) has been published on GOV.UK.

On 16 December, the Work and Pensions Committee will take <u>evidence from academics</u> <u>and policy experts (link is external)</u> on the Government's new Restart employment support programme.

Job Entry Targeted Support (JETS)

In its first fifty days, Work Coaches across the country have acted quickly to deliver the additional support, signposting tens of thousands of Universal Credit and New Style Job Seeker's Allowance claimants to the programme - more than 800 jobseekers per day

Armed Forces Covenant

Thousands more businesses, charities and public organisations have this year pledged to support veterans, service personnel and their families by <u>signing the Armed Forces</u>

<u>Covenant (link is external)</u>. Over 6,000 organisations have signed the Covenant since 2011 with nearly 1,500 organisations this year.

Employer Bulletin

The Employer Bulletin (December 2020, Issue 87) (link is external) includes: the extension to the Coronavirus Job Retention Scheme, VAT deferral and VAT reverse charge measures for the construction industry, Virtual Christmas Parties, Brexit transition updates and how to report PAYE Real Time Information early due to Christmas.

Lifetime Skills Guarantee

From April 2021, adults without A-Levels or equivalent will be eligible to study for a free Level 3 qualification to help boost their job prospects and get ahead in work. There are almost 400 courses on offer – from construction and agriculture, to digital and health and social care. Or, Skills Bootcamps offering flexible courses of just 12-16 weeks, giving people the opportunity to build up sector-specific skills and fast-track to an interview with a local employer. Currently available in the West Midlands, Greater Manchester and Lancashire, the Liverpool City Region, the Leeds City Region, Heart of the Southwest, Derbyshire and Nottinghamshire. Visit your local authority website to find out more. In 2021, this will expand into new regions with more course subjects on offer. Find out more (link



Background to Local Skills Reports

- Condition for this years' round of grant funding
- ✓ All SAPs to produce a Local Skills Report by March 2021.
- Built on the skills evidence base- reflective and retrospective
- ✓ Reflecting on what SAPs have achieved to date, and challenges faced.
- ✓ Looking into the future plans and identifying any obstacles ahead.
- A lever to maximise SAPs' influence and engage local partners
- ✓ Being a 'go-to' document for everything local-skills related.
- Bringing together skills information into one consistent document for all SAPs.
- Key source of local intelligence for the national Skills and Productivity board (SPB) and central government
- A consistent output a cross SAPs for SPB to understand the needs and priorities of local areas and build a national picture
- Refreshed annually with a fuller re-publication every 2 years
- Produced in November each year to coincide with providers' curriculum planning.



Timelines

- 5 February DfE feedback window
- 31 March deadline Local Skills Reports published
- Apr-May- Guidance updated as necessary
- Nov- Updated Local Skills Reports published (second edition)



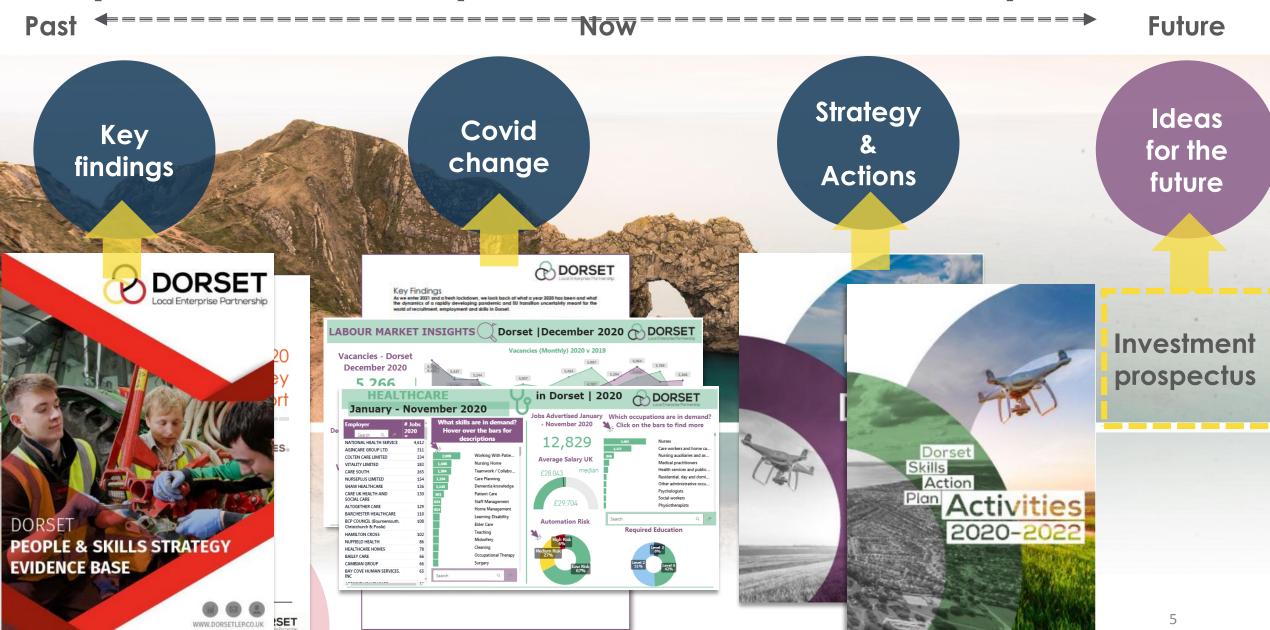
Local Skills Report content

- The role of SAP
- Foreword (Chair of SAP)
- Skills strategy
- Skills action plan
- Assessment of progress

- Case studies/ Positive impact stories
- Forward look
- Afterword
- Core indicators



Key research and publications to be incorporated



This time last year

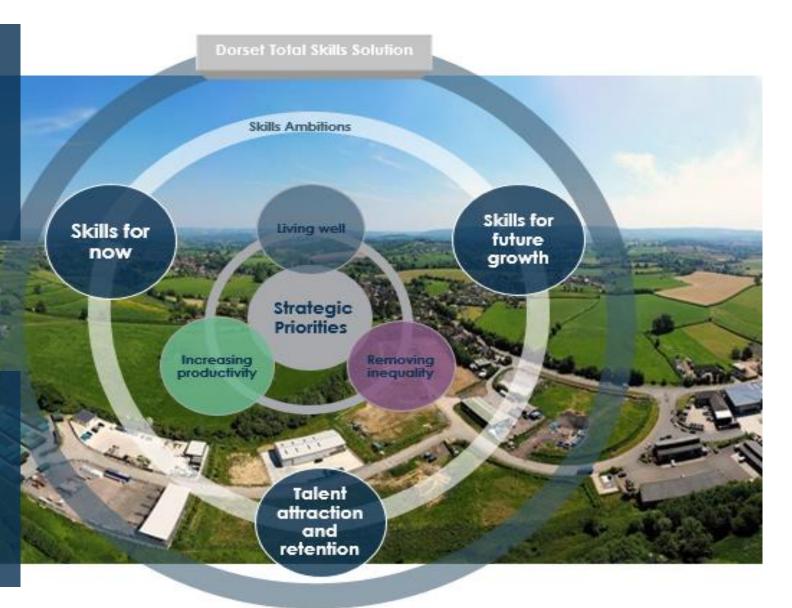
At the start of 2020 Dorset SAPB identified the key skills priorities and ambitions for the area's skills plan

Strategic Priorities

- Increasing productivity
- Removing inequality
- Living well

Skills Ambitions

- Attract and retain talent
- Deliver skills to meet the demand
- Create skills for future growth



Challenges with productivity, inequalities and ageing worsened

Typical labour productivity has been persistently below the national average – and serious dip expected in the aftermath of the pandemic:

- Significant exposure of key industries tourism, hospitality, arts, leisure, manufacturing
- Employment fall, reduced number of hours worked, increased claimants and redundancies
- High % self-employment
- Hard to fill vacancies and skills gaps marked and not alleviated by increased applicants
- Urgent need to reskill and move labour across sectors to avoid long term unemployment

Existing inequality and social deprivation have escalated throughout the pandemic:

- 15 LSOAs among the 10% most deprived
- Minimum wage prevalence in certain areas, significant gender pay gap
- Inequality in educational attainment and outcomes further deepened by digital deprivation
- Skills levels fluctuate with lowest skilled in areas of deprivation where the rates of pay are lower
 Young people and lower skilled disproportionately affected
- Apprenticeships and adult education decline

Living Well

Demographic challenge have escalated throughout the pandemic:

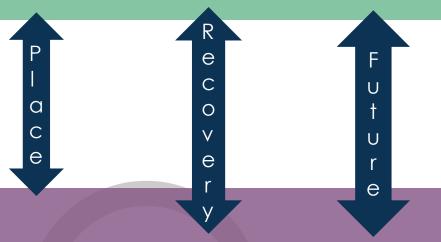
- Ageing population, fewer people in working age, more to retire soon, dependency ratio
- Loneliness and health issues
- Strain to the healthcare system with demand for nurses and carers rising exponentially
- Existing replacement demand challenge likely to be continued due to changes in retirement plans

Removing Inequality

Skills strategy at the start of 2021

Strategic Priorities

- Increasing productivity
- Removing inequality
- Living well



Skills Ambitions & Actions

- Attract and retain talent
- Deliver skills to meet the demand
- Create skills for future growth

Mechanisms

Recovery

(action driven recovery for post Covid generated employment crisis – Pan Dorset = skills retraining, upskilling etc.)

Geographical/Place Based regeneration

(areas hardest hid, low aspiration, difficult to reach, deep dive into issues with plan for regeneration – raise ambition of young people across the county)

Future Growth

(future skills, future employment attributes and needs – future focused backed by evidence)

What we need from you

- 1. Your successes to include as case studies / impact stories
- 2. Your review of the draft report w/c 24th January
- 3. Your agreement to a final report in early March
- 4. Your ownership as we move forward



Supporting charts



Productivity: In Numbers The gap between Dorset and UK labour productivity has remained persistent costing the economy an estimated £2.3bn in 2018 and expected to deepen further as a result of Covid. Value Produced for every hour worked 2018 -£3.9 Skills is one of the explanations although issue may be about utilisation £35.0 rather than levels. Other important £31.1 factors include relative innovation UK activity, exporting, demographics and institutional infrastructure. **Dorset LEP**

Increasing Productivity

Productivity and skills:

There is a positive relationship between higher skill levels (as measured by qualifications) and labour productivity in UK areas

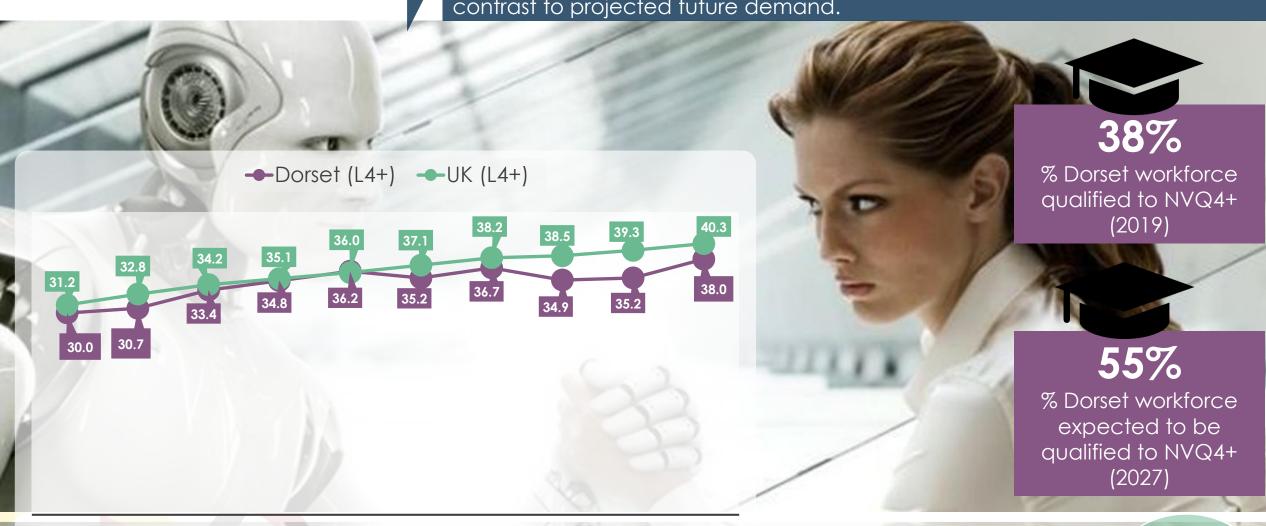


- Investment in skills could improve productivity
- However, causal relationship not clear i.e. graduates tend to migrate to London where more higher value jobs are available
- Skills utilisation important and linked to management and leadership quality within firms



Fluctuating Skills Levels

Achievement of higher qualifications however has fallen behind national levels over recent years with some areas seeing a drop in higher qualifications in contrast to projected future demand.

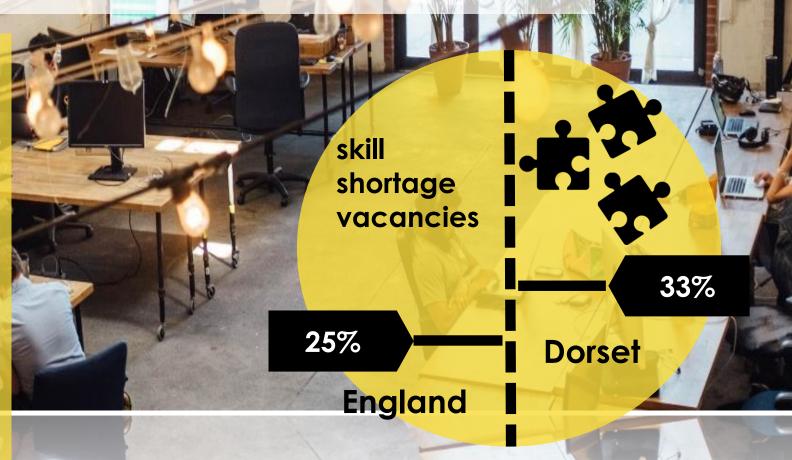


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> Increasing Productivity

Skills Gaps and Hard to Fill Vacancies

- 33% of vacancies were 'Skills Shortage Vacancies' (average 25%) – employers unable to find candidates with the skills required to fill them*
- 61% of employers has at least one hard-to-fill vacancy (Average 44%)*
- 50% of all vacancies were hard-to-fill (Average 36%)*
- 56% of Dorset employers reported at least one skills gap within their existing workforce
- Only 8% of surveyed employers currently had an apprentice
- Only 25% of employers engaged with colleges and 14% with universities in meeting their skills needs
- 48% of employers wanted to see improved local training provision – accessible, relevant, visible



*Employers Skills Survey 2019; Dorset 2020 Employer Skills Survey

Access full Dorset 2020 Employer Skills Survey Results

Increasing Productivity

Established and Growing Sectors



Attracting and retaining the optimal skills mix is critical for Dorset's industries to recover and thrive, yet...

Increasing Productivity

Industries and Occupations with Hard-to-fill vacancies

Industry	Employers have at least 1 HTF vacancy
Healthcare	23%
Hotels & Restaurants	21%
Education	15%
Manufacturing	12%

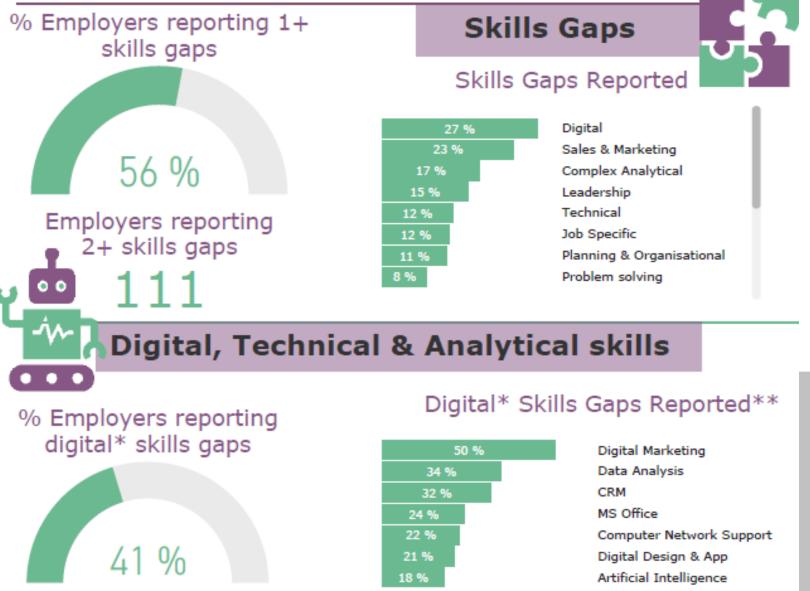
Occupation	From all HTF vacancies:
HIGH Skilled	29%
Skilled trades	25%
Caring	21%
Professional	16%
Associate professional	9%



2020 Dorset Employer Skills Survey

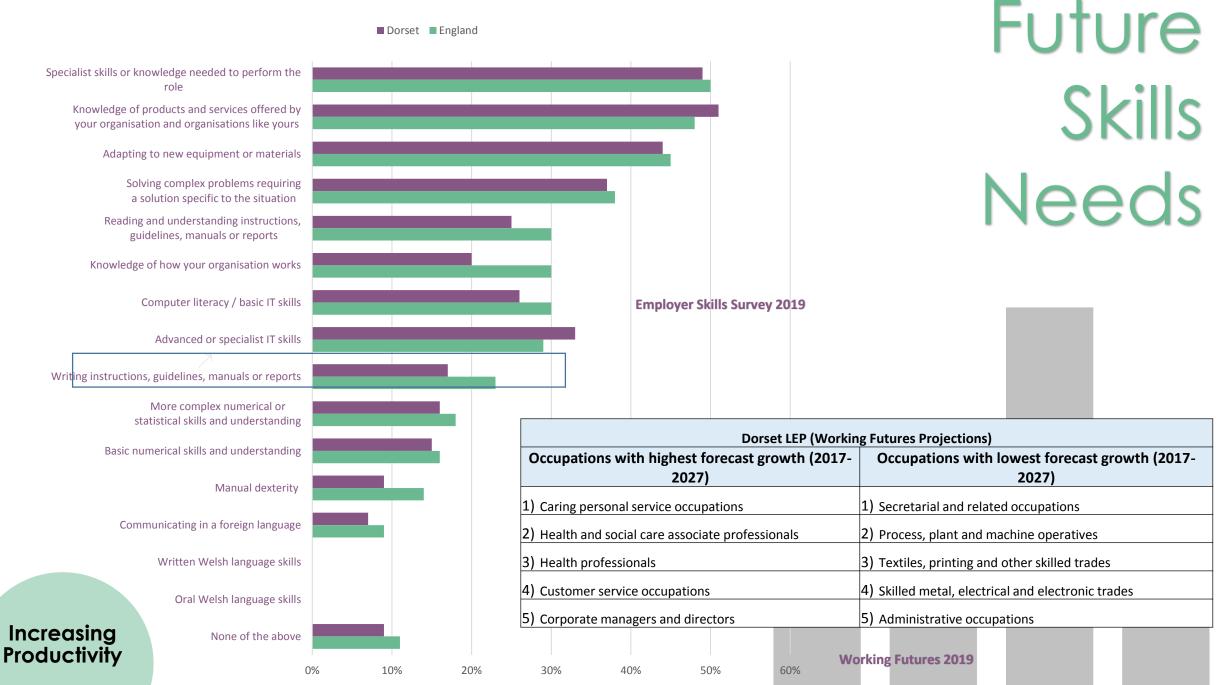


Skills Gaps



Increasing Productivity

Skills that will need developing in the workforce, 2019



Covid related challenges: Uneven effects on industries, places, occupations

DIFFERENCE (%) 2020 V 2019

HUMAN HEALTH AND SOCIAL WORK ACTIVITIES

PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY

OTHER SERVICE ACTIVITIES

FINANCIAL AND INSURANCE ACTIVITIES

WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTI...

PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES

REAL ESTATE ACTIVITIES

ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY

EDUCATION

WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTOR...

TRANSPORTATION AND STORAGE

MANUFACTURING

CONSTRUCTION

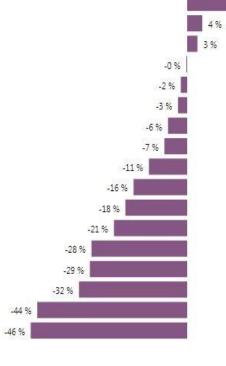
INFORMATION AND COMMUNICATION

ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES

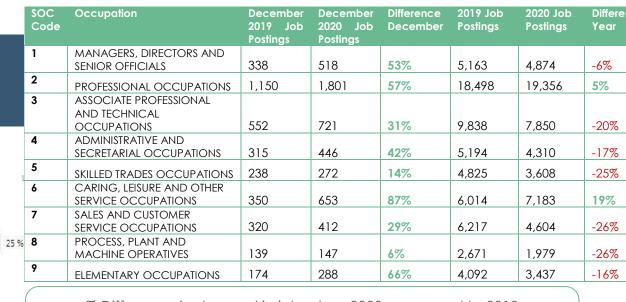
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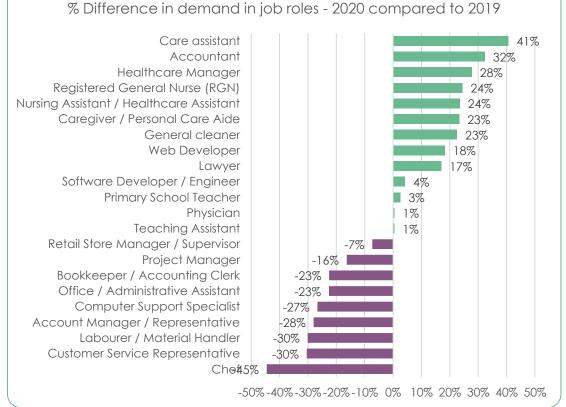
ACCOMMODATION AND FOOD SERVICE ACTIVITIES

ARTS, ENTERTAINMENT AND RECREATION





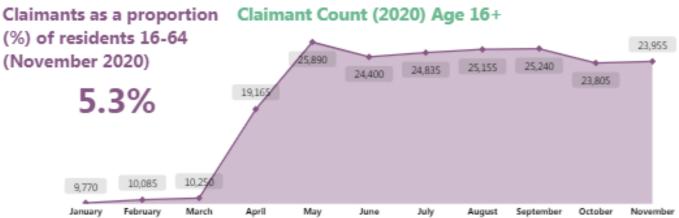




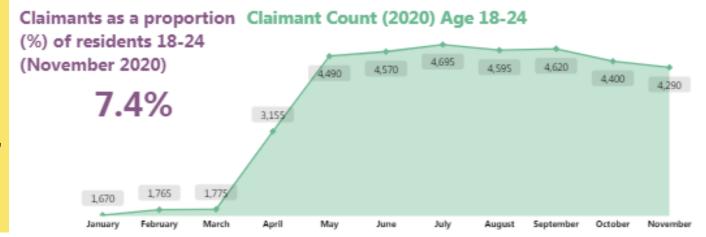
Covid related challenges: Raising Unemployment

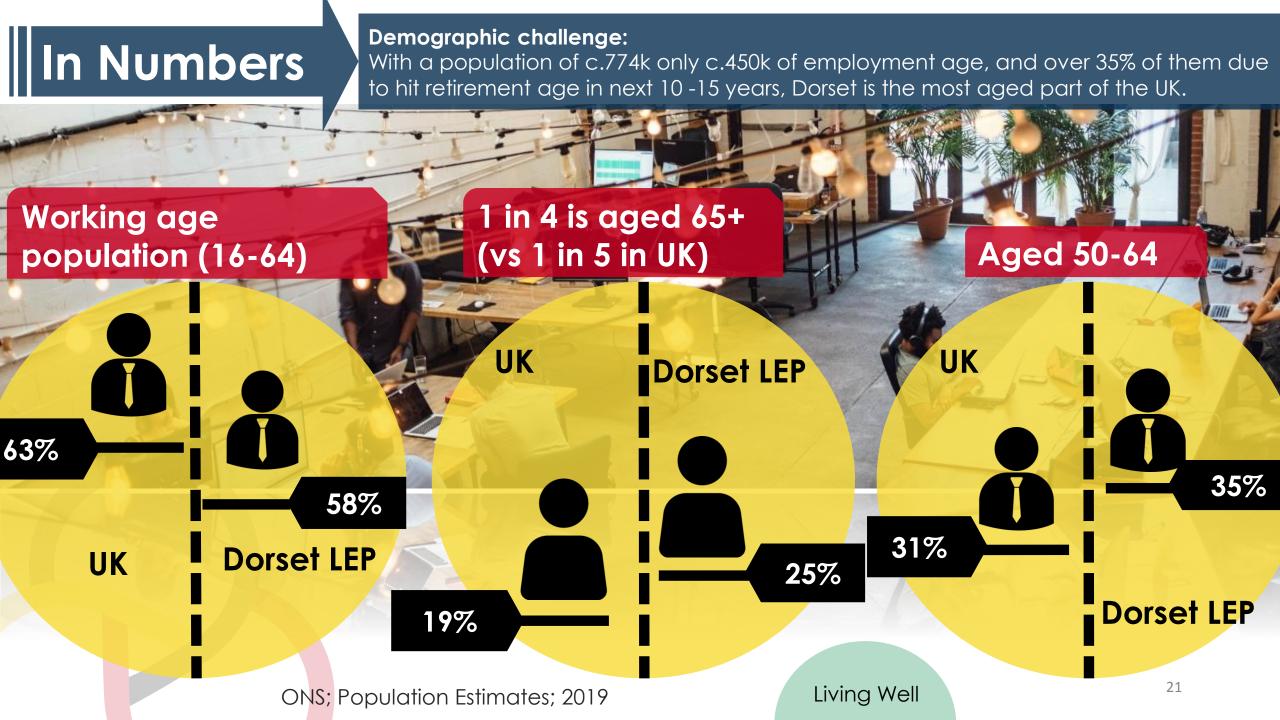
A surge in the number of claimants (treated as being unemployed) from 2 to 6%. Vacancies recovering slowly. There were 5 claimants for every vacancy in August (the ratio peaked at 8 in May from a pre-crisis ratio of 2).





- Unemployment is expected to peak Q2 2021 as Government support schemes (furlough and selfemployment support) unwind. There are greater impacts on the young and/or unskilled.
- There are concerns about the long-term 'scarring' effect of unemployment.





Replacement demand:

Projected replacement demand is over 5 times the expansion demand meaning that over a third (35%) of those currently employed in Dorset (c372k) may need to be replaced by 2027. 77% of jobs becoming available in Dorset over the period 2017-2027 to require Level 5+ qualifications.

Projections 2017-2027

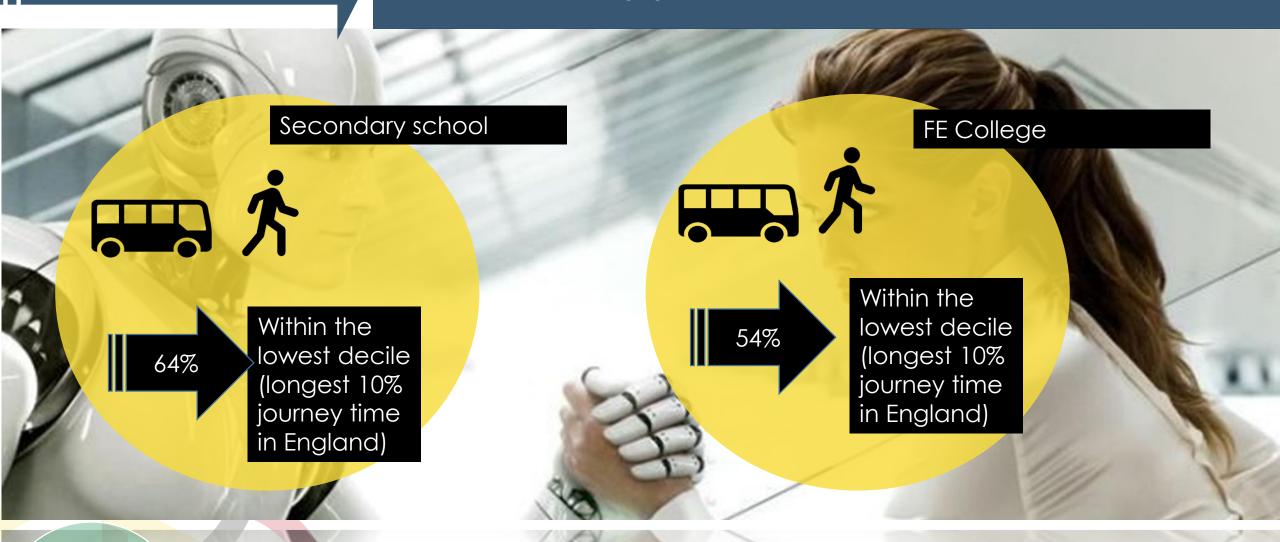


"Replacement demand" - People to leave the workforce – through retirement or occupational change

26,000 new jobs created -'expansion demand' 80% of these jobs will require Level 5+

Access

Access to learning is an issue for many – particularly in rural areas - and could act as a barrier to continued engagement post-16



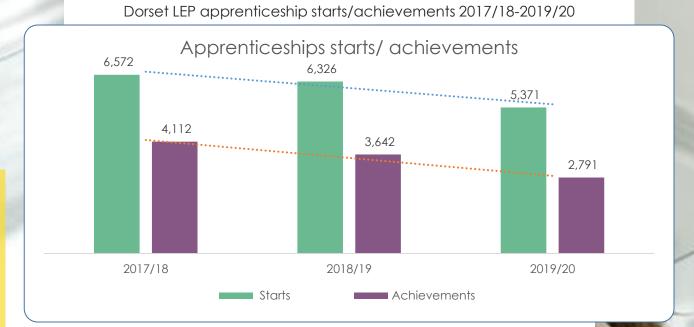
Reducing Inequalities Source: DEFRA Statistics

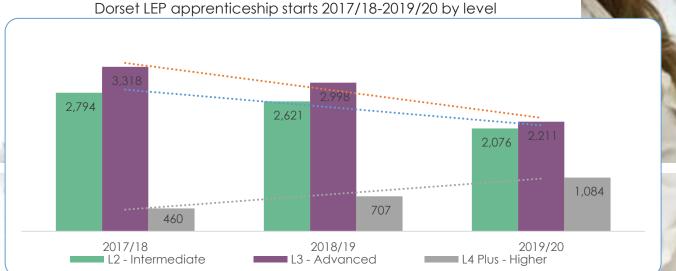
Apprenticeships

The number of apprenticeships are falling – now accentuated by Covid-19. The shift to higher level apprenticeships continued with L3 dropping by a quarter, L2-by a fifth, while higher apprenticeships increasing by a half.



- There is strong evidence that apprenticeships are an effective tool to improve social mobility, e.g. there is a 16% boost to wages for learners from disadvantaged backgrounds who complete their apprenticeship training, compared to 10% for others
- However, Dorset saw a 24% drop in the number of apprenticeship starts between 2016/17 and 2018/19 (national reference figure 20%) with a further 15% decline over 2019/20. The decline in achievements was even more pronounced (23%).





Reducing Inequalities

Apprenticeships frameworks/ standards: Largest decline was seen in Retail and Commercial Enterprise where starts dropped by 40% compared to the previous year.

