

**Decision session – Executive Member for  
Economy and Strategic Planning**

**22 December 2020**

**Report of the Assistant Director Education and Skills  
Skills and Employment Update**

**Summary**

1. At his Decision Session on 22 September, the Executive Member for Economy and Strategic Planning received a paper setting out the key skills and employment related issues that York is facing as a result of the Covid-19 pandemic. It highlighted the need to strengthen the city-wide partnership approach that had been adopted during the early phase of the pandemic, to respond to the immediate needs and increased demand anticipated over the next 12-18 months.
2. The city-wide partnership approach and framework for developing a new skills strategy was agreed. This included the Terms of Reference of the City Skills and Employment Board and remit of Task & Finish Group, comprising partners from York's FE colleges, universities and the council.
3. The associated communications plan and suggested timelines for production of a one-year plan to 'Help people through change' and a 10-year strategy for '21<sup>st</sup> Century Jobs' were also agreed.
4. Whilst York's 10-year skills strategy will support York's longer-term strategy for economic recovery, the focus of the one-year plan needs to be on aligning existing and emerging provision to address the immediate needs and increased demands expected over the next 12 months.
5. This report provides an update on the skills and employment support available to people and businesses within York and how the council is working with partners to:
  - align and, where possible, adapt existing public-funded provision
  - shape local implementation of new national initiatives
  - communicate support available to residents, young people and businesses
  - signpost York's emerging and future skills needs to influence the development of York and & North Yorkshire LEP plans.

6. In addition to updating on actions to respond to the immediate economic impact of Covid-19, this report also provides an updated timeline for the development of the one-year plan and skills strategy, and covers the progress made by the Skills and Employment Board's Task & Finish Group to build an evidence base that will underpin these.

## **Recommendation**

7. The Executive Member is asked to:
  - i. review and support the activity detailed in the skills and employment update report including, the formation of the Skills and Employment Board and the progress made by the Task and Finish Group towards building a robust evidence base.
  - ii. approve the approach taken to develop the one-year skills plan, which is to prioritise activity that will help support people and businesses through change. The approach will continue to maximise the impact of current support available and that to be implemented in 2021.
  - iii. support and approve the updated timeline for completion and sign off of the one-year plan, which allows for the latest Government skills and employment support to be reflected in the plan.

Reason: To continue to help support people and businesses through change over the next 12 months and highlight the role of skills in supporting York's economic recovery from Covid-19 in the longer term.

## **Introduction**

8. Economic forecasts are still predicting a significant number of job losses across the global economy but with the recently announced extension to the Job Retention Scheme, the peak of unemployment is now expected in early summer 2021. For York, current estimates suggest a potential rise in benefit claimant count to around 10,000 at that time.
9. York's current benefit claimant rate is 4,775 and has remained relatively consistent in recent months (Oct 2020 Vs 4,995 July 2020). According to Centre for Cities, York has the lowest percentage of benefit claimants nationally, at a rate of 3.4%, a 2.1% rise since March 2020. Of this, around 1,100 claimants are in the 'youth' category (those aged 16-24), with a benefit claimant count of 3.1%

10. As work on the one-year plan continues through to end of January 2021, the council is already delivering on its commitment to help people through change by facilitating city-wide partnerships and communicating the support available to individuals and businesses.

## **Skills and employment support**

### Aligning and, where possible, adapting existing public-funded provision

#### Individuals

11. Public funded face-to-face skills support for individuals, including most Jobcentre Plus services, stopped during the first lockdown. The council's FutureGoals programme which supports those aged 15-24 into education and training and York Learning's adult, community and family learning offers quickly adapted to provide remote support.
12. Apprenticeship training providers also moved to delivering training online. The council's skills team utilised its apprenticeship provider network to gain an understanding of the emerging picture for learners, employers and the providers themselves.
13. Despite some providers needing to place their own business engagement and wider support teams on furlough, any apprentices made redundant during this time were supported. The council run York Apprenticeship Hub was also on hand to help source alternative employment and signpost to the National Redundancy Support Service for the small number who needed it.
14. The rapid move to digital learning and work has meant that work is continuing to address the challenges this has created for some learners. A key concern reported by a range of employment and skills providers continues to be that some learners do not have sufficient connectivity and/or access to access to IT equipment to support online learning. Where possible, providers have loaned equipment to their learners and as part of the council's digital inclusion strategy, a new city-wide scheme, designed to digitally connect residents through donated laptops or tablets, will provide further targeted support

#### Businesses

15. In February 2020, with the support of the Employment Related Services Association (ERSA) and Leeds University Business School, the council's skills team held a workshop with commissioners and delivery partners of public funded skills and employment support in the city. The ambition of

the ERSA project was to make engagement more effective for employers and through its York impact study, partners wanted to identify ways to make it easier for businesses to engage with and access support.

16. Whilst the pandemic disrupted the intended next steps for this project, the network continued to work together to identify the emerging needs of businesses and adapt provision in response. Providers across the city quickly moved to remote delivery and put much of their training for businesses online. Short-courses and topics such as business resilience, remote working and mental wellness were prioritised.
17. At the same time different national and regional initiatives were being announced so, in partnership with Make It York (MIY), the network developed '**The Skills Hub**'. The online hub is part of the Make It York website and brings together local, regional and national skills and employment support to make it easier for businesses to access the help they need, much of which is fully or part-funded.
18. At the same time, providers with Department for Work and Pensions (DWP), European Social Fund (ESF) or European Regional Development Fund (ERDF) contracts considered the impact of the pandemic on their programmes and engaged with their commissioners to, where possible, make adjustments to benefit the needs of local people and businesses.
19. A welcome addition to the local network is the Business Partnership Adviser (BPA) under the Leeds City Region (LCR) ESF-funded **Skills for Growth Programme**. The role of the BPA is to work with individual SMEs (Small and Medium-sized Enterprises) to help them identify their skills and training needs, signpost them to relevant provision and help develop strategic partnerships with colleges and universities to meet their current and future skills needs. Throughout 2020, the council's skills team worked closely with the programme manager at Leeds to support recruitment of the advisers and ensure the programme supports local priorities.

#### Shape local implementation of new national initiatives

20. Key to the government's economic and fiscal strategy is ensuring it meets the immediate need to support workers and businesses as the UK recovers from the Covid-19 pandemic. Under its 'Plan for Jobs', the Government unveiled ambitious plans to support people in finding jobs, enable them to gain the skills they need to get jobs and provide targeted help for young people to get into work. National initiatives that the council and partners are helping to implement in York include:

21. **Apprenticeships** - employer incentives of between £1,500 and £3,000 (dependent upon age of the apprentice) for hiring a new apprentice introduced and then extended, as part of the Chancellor's spending review, to March 2021
22. The council run impartial Apprenticeship Hub continues to support individuals, businesses and training providers in York to make the most of apprenticeships.
23. Whilst the split between advertised apprenticeship vacancies at different levels has remained about the same (the majority of opportunities at level 3, continuing a trend of very few at level 2, and the number of higher and degree remaining about the same), the overall volume of advertised vacancies is around half of that in previous years.
24. The availability of level 2 apprenticeships is a national concern following the transition from apprenticeship frameworks to standards. However, the impact of the pandemic on retail, hospitality and tourism sectors in York has consequently affected the apprenticeship market.
25. In the last 10 months the predominance of hospitality, retail and tourism related apprenticeships, at about 30% of the previous 1,400 per annum market, has declined to near zero. Traditionally, these are also sectors in which people would have accessed entry level (level 2) opportunities.
26. In recent months, advertised apprenticeship vacancies have tended to be in pharmacy, dental, early years and care roles. Whilst manufacturing, particularly in the food supply sector, has remained at previous levels. The Apprenticeship Hub is therefore proactively working with employers in these sectors to support the creation of new apprenticeship opportunities.
27. **Kickstart Scheme** – £2bn fund to create high quality work placements for those aged 16-24 at risk of long-term unemployment. For each six-month placement (until December 2021), the Government covers the National Minimum Wage, associated employer National Insurance contributions and minimum automatic enrolment contributions for 25 hours per week. In addition, £1,500 per job placement is available for setup costs, support and training, which includes helping participants to develop the employability skills and experience they need to find work after completing the scheme.

28. The council's skills team has been working with DWP and York & North Yorkshire LEP to shape local rollout of this programme. In particular, advising local organisations about the process of becoming a Gateway organisation and guiding businesses with fewer than 30 placements to appropriate support.
29. The early bids for placements by employers with 30 or more vacancies were the first to be reviewed and York was one of the first areas in the DWP district to receive live vacancies. Bids from Gateway organisations and those more recently submitted by employers are still being considered.
30. Kickstart is still in a very early phase but there are some encouraging signs of potential placements with large local employers, and support from the Federation of Small Businesses (FSB) as a Gateway organisation.
31. York Learning also submitted an early expression of interest to become a Gateway organisation and is working with local businesses to develop their employability support offer and initial bid of at least 30 placements.
- 32. Traineeships** – additional funding for traineeships in England to fund high quality work placements and training for 16-24 year olds. Trainees do not receive a salary but the Government will fund the employer £1,000 per trainee.
33. Traineeship opportunities in York are limited with fewer than 5, in a 10 mile radius of York, advertised via the national find a traineeship service. Through the Apprenticeship Hub, the council continues to work with providers and employers to promote the need for additional opportunities.
34. York Learning has recently secured additional funding to deliver a small number of traineeships in Business Administration and Customer Service for those aged 19 – 24.
- 35. Industry Placements: T-levels** - £162 million in 2021-22 to support the rollout of T Levels wave 2 and 3.
36. York College was selected to deliver T-levels for 16-19 year olds from launch in September 2020 and in 2021/22 will offer courses in digital, construction, education & childcare and health.

- 37. Expanded Youth Offer** – increased intensive support offered by DWP in Great Britain to young jobseekers, to include all those aged 18-24 in the Intensive Work Search group in Universal Credit
38. To help make this support more accessible to young people, the skills team has been working with partners at Job Centre Plus and Aspire-igen on plans to implement a Youth Hub in York. The hub will look to bring together a range of youth services, starting with a dedicated Jobcentre Plus Youth Employment Coach and advisers from the council's FutureGoals and Aspire-igen's Accelerate programmes.
39. Plans to develop a physical hub in the city centre were impacted by the second national lockdown and DWP is now considering whether the hub should initially be launched as a virtual offer.
- 40. Job finding support service** – £40m for private sector capacity to introduce a job finding support service in Great Britain. This online, one-to-one service helps those (of any age) who have been unemployed for less than three months increase their chances of finding employment.
41. Throughout November and December, York successfully trialled this service ahead of the national rollout planned for January 2021.
- 42. New funding for sector-based work academies** – additional £17m this year to triple the number of sector-based work academy placements in England in order to provide vocational training and guaranteed interviews for more people, helping them gain the skills needed for the jobs available in their local area.
43. In York these are being well-received by employees across a variety of sectors and are supporting people to change sector through developing transferable skills. Academies have included training for roles in rail engineering, customer service, civil service, manufacturing and security.
- 44. Flexible Support Fund** – increased funding by £150m in Great Britain, including to increase the capacity of the Rapid Response Service. It will also provide local support to claimants by removing barriers to work such as travel expenses for attending interviews.

#### Communicate support available to residents, young people and businesses

45. As detailed in the council's Skills and Employment Recovery Communications Plan, a key strand of work was to develop an online

information hub where residents and employees can find information about and access skills, training and employment support.

46. The Skills Hub, hosted on the Make It York business-facing website (see section 17), brings this information together for employers, whilst support for people looking for employment and training can be found on the council's website at <https://www.york.gov.uk/LetsBeYorkSkills>
47. A variety of council and partner channels are being used to signpost to these hubs to help build reach and engagement. These include the council's regular resident and parents' newsletters, and the Family Information Service for signposting to the Let's Be York webpage and FutureGoals programme. The Skills Hub and specific programmes are promoted to businesses via the council, business support partners and Make It York newsletters and social media channels.
48. The skills team also plays a key role in providing information to support positive transitions for those leaving secondary or further education. Working with education, training and business partners, in August, the council hosted a Facebook #AskTheLeaders Q&A for college and school leavers who had questions about local opportunities. The '*Planning your Future Post-16 - A guide for parents, carers and young people*' has also been updated to reflect the local impact of the pandemic and help those currently in Year-11 to make informed choices about their next step in education, training or employment.

Signpost York's emerging and future skills needs to influence the development of York and & North Yorkshire LEP plans.

49. The council continues to work closely with the skills team at York and North Yorkshire LEP to improve local delivery and shape recovery and skills plans.
50. To respond to the challenges of upskilling and reskilling our workforce, the council has already set out a need for £10m to support adult learning and skills development and enable 5,000 people to get better jobs.
51. Through 2020 the council and LEP skills teams have jointly engaged with providers, business support partners, DWP and ESFA to share updates on national initiatives and gather local feedback.



52. A shared priority is to understand and maximise the opportunities in our area for job creation as set out in the Government's 'Plan for jobs'. In particular, how to support the development of suitable expertise in the construction supply chain to deliver the Green Home Grants Scheme.
53. In addition, the city is to benefit from investment from the Government's Getting Building Fund, following a bid by the LEP in June which outlined a list of local projects capable of boosting economic recovery from Covid-19. Askham Bryan College's project to construct a Digital Skills Academy to support skilling and reskilling opportunities, and York College's plan to help increase technical skills capabilities in electric vehicle technologies support key priorities within the Council Plan 2019-2023.

### Skills and Employment Board

The skills team Manager has supported Lee Probert, Chair of the Skills and Employment Board, to engage new board members. A list of members is provided (Appendix A) and the first meeting is planned for December 2020.

### Task and Finish Group

54. Over the past three months, key skills and education partners in York – Askham Bryan College, York College, University of York, York St John University, York Learning and the council – have been working together as a Task and Finish Group to build an evidence base that will underpin the one-year skills plan and 10-year skills strategy.
55. This work has strengthened the city-wide partnership approach that had been adopted during the early phase of the pandemic, to understand and respond to the changing skills needs of people and businesses.
56. Chaired by The University of York, the Task and Finish Group meets on a monthly basis, with the Chair and City of York Council's Skills Team Manager having regular contact.
57. The main area of work for the Task and Finish Group has been shaping skills summaries for each of the sectors engaged through the roundtables earlier in the year. Building on the output of those discussions, each partner has drafted a localised summary for one or more of those sectors.
58. Where the partnership has strong connections into a sector, especially with microbusinesses and SMEs, they have spoken with those businesses to gather supplementary and 'real-time' qualitative feedback.

59. Seven teams of University of York students complemented this work by conducting in-depth, qualitative interviews with 17 prominent employers from across the city. However, to ensure a robust evidence-base, it's key that feedback is also gathered from those who are seldom heard or hardest to reach.
60. Recognising that many businesses are currently time poor and have areas of concern before skills (as outlined in the *Sector Roundtable Update – Output and Next Steps* paper presented at the Executive Member's Decision Session on 24 November 2020), a simple online survey has been created to gather quantitative data and provide businesses with an opportunity to opt in to sharing their views.
61. Key skills questions from the Make It York business survey (Q2 2020) were included to ensure consistent measures and where possible, allow themes or broad changes to be identified. To help reach businesses of varying sizes and sectors, the survey will be promoted via social media and shared directly with business support agencies and intermediaries.
62. Through the survey, businesses will be able to ask for support with their workforce, skills or training needs by 'opting in' to being contacted by an experienced (council skills team or Make It York) business adviser.
63. In line with the original strategy development timeline, this feedback along with other evidence (outputs of the roundtables and York Business Week discussions, LEP and sector skills academy reports) is being reviewed and a gap analysis prepared which will inform the next phase of the group's work.
64. During this period, the partnership also delivered an interactive **Talent and Skills Event** as part of York Business Week. Supported by local employers and stakeholders including the York & North Yorkshire LEP, Education Skills Funding Agency (ESFA), Confederation of British Industry (CBI) and Federation of Small Businesses (FSB), this was a key opportunity to raise awareness and connect businesses with the skills and training support available to them. The breakout sessions and panel discussion not only encouraged best practice sharing but provided the opportunity to gather feedback about the current and future skills needs of York's businesses.

#### Updated timeline – one year plan

65. The partnership remains strong but the capacity of partners has been reduced, particularly through the second period of lockdown. Priority was given to the research work streams to help build the evidence base and

procuring the support of a consultant to keep the development of the 10 year strategy on track.

66. Progress in developing the one-year plan has therefore been slower than set out in the original timeline. However, as demonstrated in sections 11 – 64, the city-wide partnership is working hard to respond to the emerging needs and to connect people and businesses with the skills and employment support that can help.

67. As the one-year plan will focus on maximising and aligning activity to help people and businesses through change, a benefit of the updated timeline (Appendix B) is that it allows for the latest Government skills and employment support (announced in the Chancellor's spending review) to be reflected in the plan.

### **Consultation**

68. Members of the Task and Finish group and the Chair of the Skills and Employment Board are engaged in the work to develop the one-year skills plan, 10-year skills strategy and deliver activity on the ground. At its meeting on 4 December, the Task and Finish Group agreed the one-year plan would be drafted by end January 2021. Jobcentre plus and York Learning have also had input.

### **Council Plan**

69. The Council Plan identifies eight priorities, four of which are relevant to this work:

- Well-paid and an inclusive economy;
- A better start for children and young people;
- Safer communities and culture for all;
- An open and effective council.

### **Implications**

70. The following implications have been considered:

- Financial – no implications
- Human Resources (HR) – no implications
- Equalities – no implications.
- Legal – no implications
- Crime and Disorder – no implications.
- Information Technology (IT) – no implications.
- Property – no implications.

### **Risk Management**

71. No risks identified.

## Recommendations

72. The Executive Member is asked to:

- i. review and support the activity detailed in the skills and employment update report including, the formation of the Skills and Employment Board and the progress made by the Task and Finish Group towards building a robust evidence base.
- ii. approve the approach taken to develop the one-year skills plan which is to prioritise activity that will help support people and businesses through change. The approach will continue to maximise the impact of current support available and that to be implemented in 2021.
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Reason: To continue to help support people and businesses through change over the next 12 months and highlight the role of skills in supporting York's economic recovery from Covid-19 in the longer term.

## Contact Details

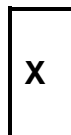
### Author:

Alison Edeson  
Skills Team Manager  
Education & Skills

### Chief Officer Responsible for the report:

**Maxine Squire**  
**Assistant Director – Education & Skills**

Report  
Approved



Date 13 December 2020

Background Papers: None

Annexes:

Appendix A\_York Skills and Employment Board Membership 2020\_21

Appendix B\_One-year plan and 10-year skills strategy timeline