

Worcestershire's Local Skills Improvement Plan

Summary Report

Funded by Department for Education

May 2023





Foreword

"Prior to the pandemic, businesses could already see that societal and technological changes were starting to drive a need for them to be much nimbler and deliberate in how they approached change, ensuring they had the right skills to de-risk future business operations. As our economy recovers there continues to be an intense impact on the labour market with many organisations accelerating digitisation, reporting a shortage of skilled workers, and seeing the post 50 workforce choosing to withdraw at pace.

Global research tells us that more than half of workers worldwide need reskilling, more than a third of businesses are currently short staffed, and only 30% of businesses having any formal workforce planning processes. When adding the need to address climate change, which will only be achieved via our people, the challenge gains speed.

The skills gap created by all this change begins to affect the resilience of our local businesses and the wider systemic impact of that gap should not be overlooked. The Worcestershire LSIP set out to collaborate with employers and our post-16 education providers to constructively challenge and discover what they really need to thrive. The Board has pushed our County to tell us what they really need, not what we want to hear. The following report set out the authentic feedback across the whole system in a County which is not immune to the global economy but has its own unique challenges.

The priorities we have identified will make real change for all stakeholders in this area. Maximising the impact of these priorities in an agile and innovative way is key to the success of the next stage of this work.

I should like to thank the Board, the Herefordshire and Worcestershire Chamber of Commerce delivery team, our employers, all the post-16 education providers who have engaged in this research and our partners across the system in Worcestershire who have worked with us to determine what we need and our next steps. There may be some surprises in here, and not what some expected to see, but this is a true representation of our local economic system and together we must take up the call to action."

Gail Hatfield, Chair of Worcestershire LSIP Board, Group People Director, KIMAL

This is the summary version of our Local Skills Improvement Plan report. You can find the full report and further information here:

https://hwchamber.co.uk/lsip/

This Local Skills Improvement Plan has been approved by the Secretary of State in line with the approval criteria set out in the <u>Skills and Post-16</u> <u>Education Act 2022</u>, and in accordance with the <u>LSIP statutory</u> <u>guidance</u>. "We need to better equip our workforce (both present and future) with the technical skills that employers really need *and* be better at articulating these needs to our education and training providers in a meaningful way.

This can only be done through collaboration, mutual respect and innovation – something which Worcestershire has excelled at in recent years.

Worcestershire is a county that can already be hugely proud of its achievements, which have provided the LSIP with an excellent starting position. But, we have more to do.

Our LSIP reaches out to the businesses of Worcestershire to understand their most compelling skills needs, not just for the present but for the future."

Lauren Ashford, LSIP Project Manager

What is a Local Skills Improvement Plan?

Herefordshire and Worcestershire Chamber of Commerce is the designated lead for the Worcestershire Local Skills Improvement Plan (LSIP). The Department for Education (DfE) state that "LSIPs will set out a clear articulation of employers' skills needs and the priority changes required in a local area to help ensure post-16 technical education and skills provision is more responsive and flexible in meeting local labour market skills needs."

The Worcestershire Local Enterprise Partnership (LEP) and Worcestershire County Council (WCC) are strong ambassadors for the improvement of technical skills delivery, instigating successful programmes to support young people to access careers information and pathways into vocational training, linking to the Careers and Enterprise Company and the backing of local business. They have worked closely with organisations such as the Department for Work and Pensions (DWP) to ensure that those at risk of long-term unemployment are supported to find work and they have created long lasting and meaningful relationships with many stakeholders around the County to support this work. The LSIP connects directly to the priorities set out by the LEP and WCC in the 2022 Worcestershire Skills Report and targeting the same priority sectors: Advanced Manufacturing and Agri-Tech, Construction, Business Services and Health and Social Care.

Our research over the last six months shows that whilst there are technical skills gaps within our local economy, there are barriers preventing us from instigating change that are much bigger issues and need to be addressed first. We have found that what employers are not telling us is as illuminating as what they are, enabling us to infer further skills needs.

If we take Net Zero as an example, whilst we have had conversations with employers about very specific skills needs within this area, most business owners do not fully comprehend what Net Zero actually is, and therefore have little understanding of the implications for their business. This lack of understanding of skills needs within our businesses is one of biggest findings - how can an employer possibly address skills needs they do not know exist?

The LSIP is therefore a call to action to tackle these bigger issues and for every partner – employers, training providers and supporting organisations - to play their part in helping to remove the multiple barriers to delivering the skills our businesses need.





We used various methods to gather intelligence from employers: 12 events across the region, a business survey which secured 416 responses, creating an LSIP Board with representation from both employers and educators, and a steering group of education and training providers. The detailed findings are all available <u>here</u>¹, the main conclusions were:

Employers across Worcestershire feel that overall, the training they need is available, but they struggle to access it in a format that works for them.

Herefordshire & Worcestershire Chamber of Commerce

> Employers called for modifications, such as more modular training, the ability to mix disciplines, to be able to access training in a wider variety of places across the County, for clearer information about what training is available and, critically, what is possible – if an 'off the shelf' solution is not immediately available. These perspectives were reflected in the desire for stronger links and collaboration mechanisms with providers to support modification and 'co-design' to tailor requirements.

Employers *really* struggle to diagnose skills issues and there is little strategic forward planning for skills in their businesses and organisations.

This means employers tend to frequently be in response mode when it comes to skills needs, tackling shortterm pressing issues with quick fix solutions as they arise, rather than in planning mode, anticipating and mitigating risks with longer-term skills solutions and workforce plans. This is itself a skills issue related to leadership and management, which is reflected in the LEP's Skills Action Plan. There isn't a common language in which to talk about and describe skills and this can hold back finding solutions.

For example, employers are likely to focus on the common skills and behaviours they need from their staff, whereas training providers are more likely to focus on technical skills. These differences are understandable but need to be accounted for in the process of engagement and partnership working. This means thinking about solutions across different types of skills and what type of provision, provided when, and by who – including when that is best delivered by the employer – works best. Provision <u>now</u> is only part of the answer. Our system must support employers to tackle their short-term challenges in ways that also provide a step to long-term change.

This means balancing 'cure' – training to resolve immediate issues – with 'prevention' – actions that aim to reduce the number of issues that arise. For example, many of the skills issues employers have around common skills and behaviours could be curbed in the long-term by modifications to the pre-16 and 16-18 curriculum and careers interventions and activities, but most importantly stronger workforce planning and development by employers will allow for pro-active rather than re-active skills development.

Our LSIP priorities

Herefordshire & Worcestershire Chamber of Commerce

	Resolving short-term priorities		Developing long-term plans		Building partnerships
Priorities	Equipping workers with technical skills & knowledge needed to alleviate employers' skills shortfalls and enable individuals to progress in their career	Developing the common skills and workplace behaviours that will promote employability and progression opportunities	Promoting a culture where business leaders recognise the strategic importance of proactively developing people & talent to the productivity of their businesses	Developing the workforce planning capabilities of managers to enable businesses to identify their skills needs and providers to adapt training accordingly	Encouraging a collaborative skills system in which provision can be tailored to the needs of employers
Outcomes	Employers can identify training solutions that meet their needs, both in terms of content and delivery format Individuals can identify training opportunities to develop their skills and knowledge to meet current employer demand for skills	Employers no longer identify a lack of common skills and appropriate workplace behaviours as a problem amongst new recruits and education leavers Individuals understand the common skills and behaviours they need to deploy alongside technical skills and knowledge to enable progression	Employers recognise the benefits to their business of developing the skills and knowledge of their workers	Employers can articulate the different skills they need currently and how this is likely to change over the coming years Providers can develop curriculum content that will mean future workers have the relevant core skills	Employers actively participate in the skills system and there are clear mechanisms through which employers and providers engage to shape and co- design training provision



Theme:

Acting on short-term priorities to address employers' current, pressing skills needs

Priority:

Equipping workers with technical skills & knowledge needed to alleviate employers' skills shortfalls and enable individuals to progress in their career

Outcomes:

Employers can identify training solutions that meet their needs, both in terms of content and delivery format

Individuals can identify training opportunities to develop their skills and knowledge to meet current employer demand for skills

Objective 1: Equipping workers with technical skills and knowledge

We have considered changes to training provision using the categories described in the table below.

	Context	Action	
Deploy	Employers asked for training that is already available, but	Promote availability and understand	
	take-up is low.	barriers to take-up required.	
Adapt	Employers asked for training that is already available in	Explore options for adaptation, test and	
	Worcestershire, but some change is required to content or	review new formats.	
	format.		
Import	Employers asked for training that is available outside of the	Establish provision within the County.	
	County, but not currently provided within it.		
Develop	A requirement has been highlighted, for which we have not	Work with appropriate partners to develop	
	been able to identify existing provision.	solutions.	

Feedback from our employers pointed to modifications in the mode of delivery to the existing training offer, rather than designing new. At this stage, we have not identified any specific skills requirements for which some element of provision does not appear to already exist, most action will therefore be around wider deployment and adaptation.

We are aware that vocational pathways are a complex concept to those outside the education system. Our role here will be to support and enable translation between what employers want and providers [can] offer, aiming to establish a common language that connects skills needs with available training.

Action: We will support our FE, HE and Independent Training providers in the modification of courses to open access to existing training, in preferred delivery formats.

Objective 2: Developing common skills and workplace behaviours

Throughout the process of engagement our employers have consistently highlighted the need for candidates and employees to have the right combination of technical and transferable skills, along with an understanding of the workplace environment and attitudes and behaviours aligned to the needs of the workplace and industry context.

Who is responsible for developing these skills was arguably one of the most contentious issues in our discussions. Moving forward, it is critical that we build an understanding that this responsibility is shared – by employers, providers and the individuals themselves. Each has a particular role to play, and it is by ensuring that these happen in combination that we move to a position whereby employers no longer identify these skills as an issue, partly because people will have them – or there is a clear route to developing them – and partly because employer expectations are more realistic.

Actions:

Herefordshire & Worcestershire

hamber of Commerce

- Support employers to develop the skills of their employees
- Make available specific training courses and programmes to support the development of common skills
- Embed employer interactions within educational pathways and the learning environment.
- Support transitions between education and work and job moves.

Theme:

Acting on short-term priorities to address employers' current, pressing skills needs

Priority:

Developing the common skills and workplace behaviours that will promote employability and progression opportunities

Outcomes:

Employers no longer identify a lack of common skills and appropriate workplace behaviours as a problem amongst new recruits and education leavers

Individuals understand the common skills and behaviours they need to deploy alongside technical skills and knowledge to enable progression



Theme:

Putting in place long-term plans which enable employers to actively plan skills needs for the future

Priority:

Promoting a culture where business leaders recognise the strategic importance of proactively developing people & talent to the productivity of their businesses

Outcome:

Employers recognise the benefits to their business of developing the skills and knowledge of their workers

Objective 3: Promoting a culture of developing people and talent

Employers have high expectations when it comes to the work readiness of new employees and the skills and capabilities of their current staff. Education and training providers are already working on these 'behaviours' and will continue to ensure this is a focus, but employers need to take on appropriate responsibility for their own staff in developing these skills. We must move to a position where employers recognise they are both consumers and producers of skills.

Many employers do not have a workforce plan in place to deliver the skills they need in the future – generally they either don't have one at all or only look between six to twelve months into the future. Whilst the focus on day-to-day is understandable, it is critically important for our businesses to look further forward and develop a more pro-active stance when it comes to skills.

This will be a significant change in mindset for many leaders and owners. As such, the point of this objective in the LSIP is to activate strategic buy-in for the need to care about people development and for it to become as integral to businesses as accounting.

Critical to this will be a co-ordinated campaign focussed on senior leaders and owners to stimulate demand amongst businesses to engage in the skills system in Worcestershire.

Action: We will establish an awareness raising campaign to communicate the importance of training staff and workplace culture to business owners around the County.



Objective 4: Developing workforce planning capabilities

With clear linkage to objective 3, once senior leaders and owners have recognised the need to act on people development and skill production, objective 4 is about helping them to understand what to do and how to ensure that the outcomes from planning processes can be fed back to providers.

One of the many programmes being developed and run to support businesses in the County is through Worcestershire Growth Hub around Workforce Planning, under the Specialist Business Advisor Programme. WCC are developing a new tool for Workforce Planning to support businesses to self-analyse their organisations and consider the actions they need to take to develop a workforce plan for their business and provide them with a clearer understanding of the skills they will need over the coming years.

Actions:

- Use insights from the campaign research and activity to further inform our understanding about the support employers need to embed workforce planning.
- Link with Worcestershire Growth Hub and WCC's workforce planning offering, referring as many businesses as possible to the scheme.

Theme:

Putting in place long-term plans which enable employers to actively plan skills needs for the future

Priority:

Improving the workforce development and planning capabilities of managers to enable businesses to identify their skills needs and providers to adapt training accordingly

Outcomes:

Employers can articulate the different skills they need currently and how this is likely to change over the coming years

Providers can develop curriculum content that will mean future workers have the relevant core skills



Theme:

Building effective skills partnerships and working together to identify and address skills needs

Priority:

Encouraging a collaborative skills system in which provision can be tailored to the needs of employers

Outcome:

Employers actively participate in the skills system and there are clear mechanisms through which employers and providers engage to shape and co-design training provision

Objective 5: Encouraging a collaborative skills system

The core intention of the LSIP is to improve partnerships between employers and providers, encouraging a collaborative skills system in which provision can be tailored to the needs of employers. This will require employers to take a more active role in the skills system, with regular engagement. It also requires training providers to try doing things a little differently. The point here is that everyone needs to be willing to accept and embrace some change. We cannot continue doing the same things and expecting to get different results.

Worcestershire benefits from having a group of education and training providers who have spent many years building relationships and already work very collaboratively. The strength of our existing partnerships and collaborations provides an ideal starting point on which to build further and should give us confidence to try new things, to work together with long-term goals in mind and take small steps together that will lead to a better situation for everyone - and to accept that we still might not get it quite right first time and need to try again.

Actions:

- Develop county-wide industry skills councils with representation in each from representation in each from industry leaders and education and training providers.
- Develop a Skills Innovation Lab take a test and learn approach to developing new training formats
- Support further collaboration mechanisms, such as data and intelligence aggregation, sharing and simplification

What happens next?

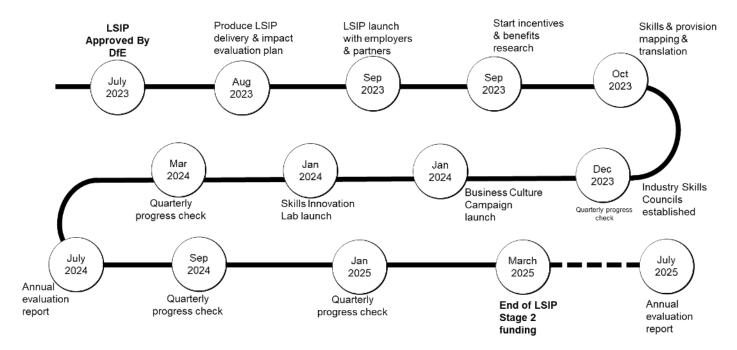
Herefordshire & Worcestershire Chamber of Commerce

We want to put Worcestershire at the heart of high-quality skills delivery in England and be a leading voice in lobbying for improvements to our skills system nationally. As we move forward over the next three years with the delivery of the LSIP we will retain the collaborative approach that has been at the core of its development.

Guided by our LSIP Board, our LSIP delivery team will work with employers, providers, WCC, the LEP and other local stakeholders. Together we will put together an LSIP delivery plan that will:

- Maximise what is possible with the resources currently at our disposal, which means explicitly linking to related activities and projects already in motion that have shared objectives.
- Target and deploy additional funding and investment where it can best build our collective capacity and capability; and
- Advocate for wider change that could further enhance delivery of our objectives, outcomes and impacts.

Ongoing monitoring and evaluation will enable us to understand progress as we implement the LSIP, communicate outcomes and, critically, modify our approach to delivery where required. We will provide quarterly progress briefings to the LSIP Board, as well as annually published evaluations and impact reports. Below we set out our high-level roadmap for delivery of the LSIP. At this point in time it focusses on the initial establishment of tasks for the next six months, which are critical to our activities over the coming years. As delivery progresses, further detail on actions will be added.





Severn House Warndon Business Park Prescott Drive Worcester WR4 9NE

01905 673600

Lauren Ashford LSIP Project Manager laurena@hwchamber.co.uk

Steve Collins LSIP Exec Assistant <u>stevec@hwchamber.co.uk</u>