



Lancashire
Enterprise Partnership

**The Lancashire Skills and Employment
Strategic Framework
2016-2021**

February 2016



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Introduction

The purpose of this Strategic Framework is to make the skills and employment system more responsive to the needs of Lancashire, and, in particular, provide the necessary foundations for achievement of the Lancashire Strategic Economic Plan (SEP)¹. It provides a framework for public investment in skills and employment activities in the County, and it outlines the direction skills and employment providers need to take to best address need.

The Strategic Framework identifies the key priorities and actions that should be addressed to tackle labour market failure in the County and its localities, and to address the strategic imperatives of the SEP. It is informed by local needs and opportunities - and challenges providers to be responsive to them. It covers issues of economic inactivity and unemployment; low and basic skills issues; technical skills gaps and skills shortages; apprenticeships; and, higher level skill needs.

The purpose of the Strategic Framework is to:-

- a) Increase prosperity and economic growth;
- b) Deliver SEP Priorities;
- c) Address issues of unemployment and economic inactivity; and,
- d) Promote social inclusion, social cohesion, and equality and diversity.

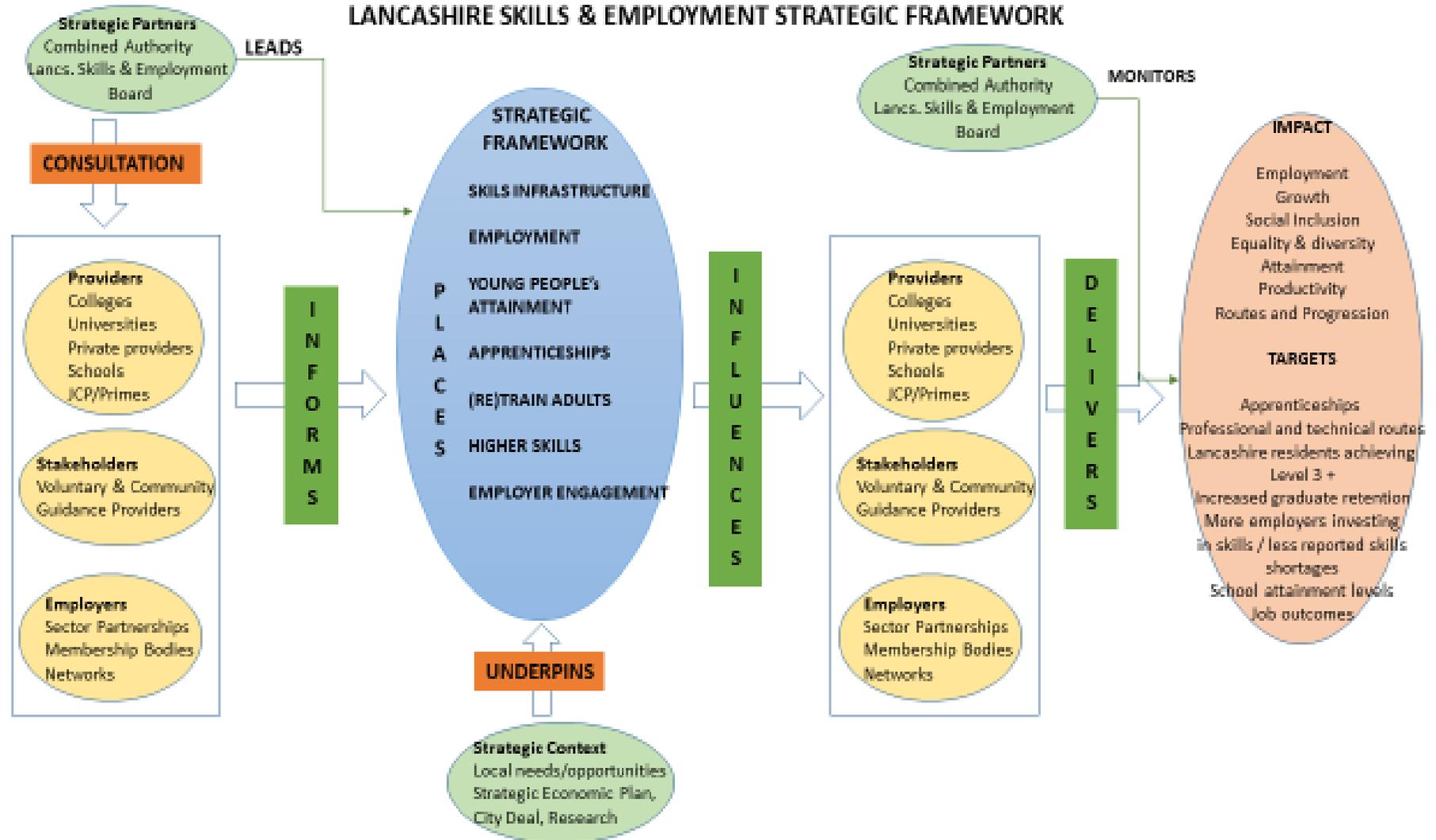
The Framework seeks to influence the improvement of service delivery for the county's employers, young people (14-19) and working age adults. The delivery in scope includes welfare to work programmes; all 14-16 and 16-19 education and training; all apprenticeships; all adult skills and further education; higher education; and, careers information, advice and guidance services for adults and young people.

Where the Lancashire Skills and Employment Board or Local Authorities have direct authority or a role in particular skills budgets (e.g. European Social Funds (ESF), Growth Deal Skills Capital, 16-19, young people 'Not in Education, Employment or Training' (NEET), Information, Advice and Guidance (IAG) etc.), it is intended that the Strategic Framework will inform and underpin the investment decisions made in relation to these budgets. In addition it is expected that the Strategic Framework will influence the utilisation of all post-16 education, skills and welfare to work budgets. Providers making use of these budgets in Lancashire will be invited to set out how their delivery will contribute to achieving the Framework's priorities. In delivering the strategic priorities, the Lancashire Skills and Employment Board and other strategic partners will also work with employers to leverage greater levels of employer engagement and investment in key areas.

The framework will be reviewed and refreshed on an annual basis and progress assessed.

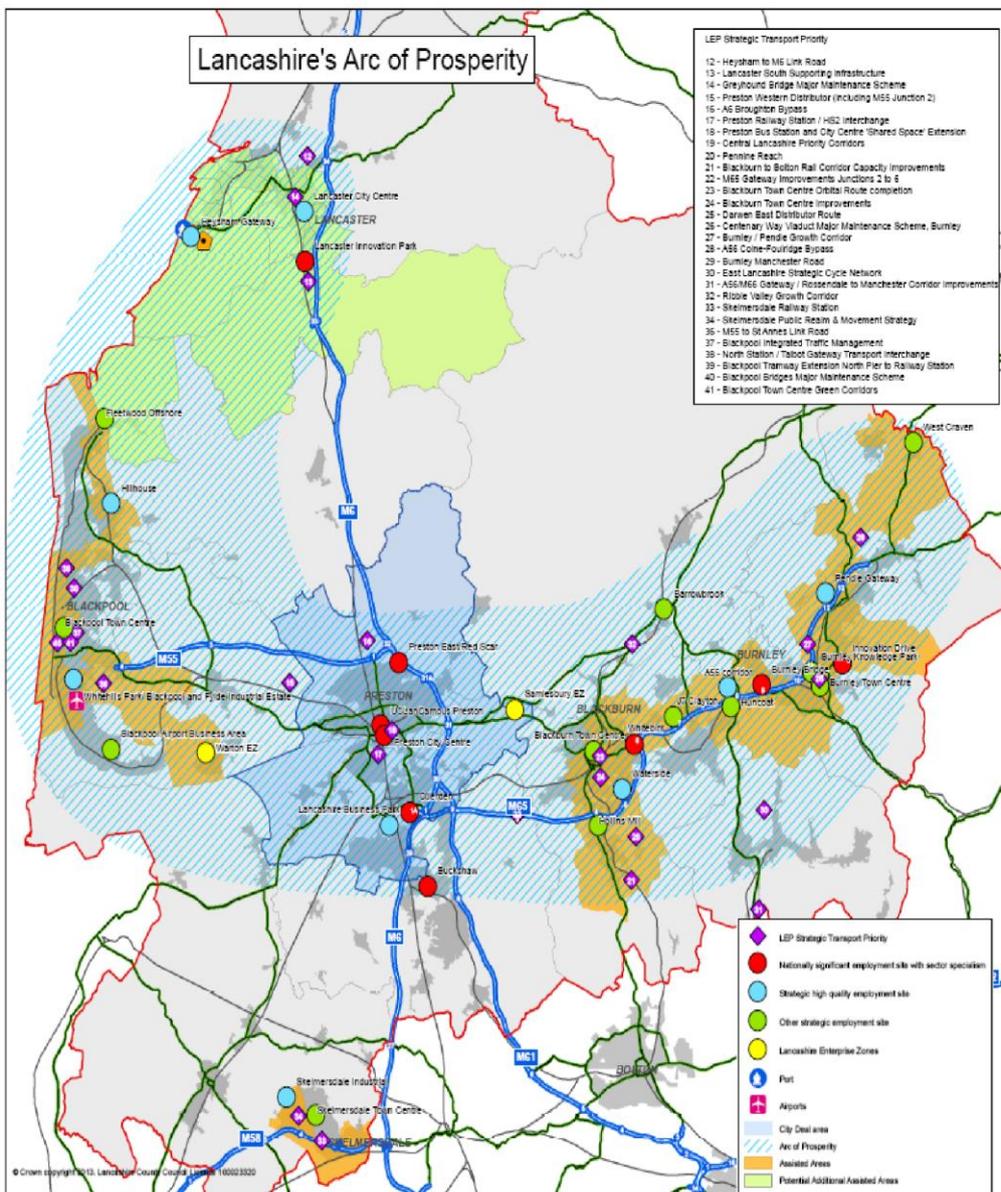
¹ <http://www.lancashirelep.co.uk/media/8856/LEP-strategic-economic-plan.pdf>

LANCASHIRE SKILLS & EMPLOYMENT STRATEGIC FRAMEWORK



Lancashire's Strategic Economic Plan - Delivering the *Arc of Prosperity*

The overarching purpose of the SEP and Growth Deal is to re-establish Lancashire as an economic powerhouse and a national centre of excellence in advanced manufacturing by maximising its clear competitive strengths and capabilities in the aerospace, automotive, energy and health science related sectors. By realising the value of an *arc of prosperity*, which sweeps across Lancashire, the LEP will harness the power and potential of our national industrial hotspots; our key strategic sites; our key clusters of high value activity; and our internationally recognised centres of excellence in research and innovation.



The contribution of Lancashire's visitor and rural economies and heritage assets is acknowledged by the LEP, as is the complementary role these sectors play in delivering the Lancashire Growth Deal. The former is of particular importance to the renewal of Blackpool, where a strengthened visitor economy will be critical to the town's renewal.

Businesses in Lancashire export their goods and services across the world. The area is rightly identified as one of the UK's strongest export performers, with the likes of BAE Systems' military air operations playing a central role in delivering the UK's largest ever international trade deal. Despite this, Lancashire as a location has failed to consistently attract significant new occupiers and investors in recent years. Failure to deliver key strategic sites, a constrained transport infrastructure, and an under-powered strategic marketing capacity, have all contributed to this.

The LEP is now making progress to address these key limitations. Lancashire's Growth Deal will restore more rapidly Lancashire's ability to compete in the international marketplace for new investment, jobs, learners and visitors.

The Growth Deal is specifically designed to address transport infrastructure issues and establish for the first time a transport investment programme, under the direction of TfL, commensurate with Lancashire's economic and housing growth opportunities and challenges. This investment programme will ensure key locations can fulfil their potential as growth corridors and major industrial, commercial and transport hubs for Lancashire as well as neighbouring economies. It will also maximise the connectivity opportunities afforded by new national and regional initiatives, including HS2, Airport City, Media City UK, Northern Hub, Atlantic Gateway and Liverpool SuperPort.

The SEP recognises that places such as Skelmersdale, in West Lancashire, and Rossendale, in East Lancashire, are equally capable of taking advantage of their adjacency to growth opportunities in neighbouring city-regions, especially in Liverpool and Manchester. The Growth Deal positions the connectivity solutions necessary to maximise these key cross-boundary opportunities.

Partners are working harder to unlock constrained growth opportunities in all parts of Lancashire to create a more balanced economy, especially in terms of re-establishing the local growth trajectories of East Lancashire and Blackpool. The LEP's work to bring forward high quality opportunities consistent with market requirements indicates East Lancashire can grow its existing advanced manufacturing clusters and attract new industrial occupiers, if there are significant improvements in the local transport infrastructure.

The economic success of Lancashire both depends upon, and supports, a new approach to housing growth. Although local partners consider housing regeneration still to be a key issue in certain parts of Lancashire, and especially in Blackpool, the Growth Deal provides the opportunity to bring forward housing growth ambitions in areas that were previously characterised as failed housing markets. The LEP's growth

ambition for the Lancashire economy is such that, allied to our own strategic investment plans and those of others, we envisage housing build completion rates returning to levels not seen since the mid-1990s.

The *arc of prosperity* currently generates around 75% of Lancashire's wealth and provides the primary focus of our economic and housing growth plans. The SEP therefore concentrates economic activity and Growth Deal investment in this arc.

In spatial terms, *the arc of prosperity* captures:

- The importance of **Lancaster** as a major location for economic and housing growth, underpinned by its world-class research intensive university, a renewed city centre, and the prospect of further growth as an energy centre and port serving Lancashire and the wider region;
- In **Wyre and Fylde** the truly global excellence of an established base of growing polymer science, nuclear and renewable energy focused companies including AGC, Victrex and Vinnolit and the recently announced Enterprise Zone (EZ), **Hillhouse Business Park** at Thornton-Cleveleys, on the Fylde coast;
- **Blackpool** remains one of the UK's leading visitor destinations, but it is vital this competitive advantage is further strengthened and its social and economic renewal accelerated, including maximising the EZ at **Blackpool Airport**.
- The 2 additional Central Lancashire EZ sites at **Samlesbury and Warton** focused on the growth of advanced manufacturing, aerospace and automotive;
- **Central Lancashire** is home to some of the UK's leading automotive companies, including supply chain clusters with companies such as Clean Air Power and Torotrak, and Tier 1 OEM companies including PACCAR (Leyland Trucks);
- **Preston**, the county's largest urban centre, the focal point of our City Deal 10-year infrastructure and development programme and home to UCLan; and
- The **M65 Growth Corridor** which forms the economic spine of **East Lancashire**, and includes, Blackburn as its key gateway location, Burnley, the UK's most Enterprising Area, and Pendle, which has the largest concentration of employment in advanced manufacturing in England.

The *arc of prosperity* clearly signals where the new jobs and housing growth in Lancashire will be generated, supported by key economic and transport interventions. More than 90% of the county's forecast additional employment

opportunities will be located on sites, and at locations, within the arc. Almost all of the county's large single-site housing development schemes are also within the arc. Delivering the *arc of prosperity* is central to achieving the LEP's strategic vision, providing a platform from which the SEP's strategic objectives and priorities can be clearly articulated.

The skills and employment system is a key cross-cutting enabler, underpinning sector development and growth, inward investment and the development of employment sites and the EZs, individual business growth and social mobility.

Key Issues in the Lancashire Labour Market

Critical Constraints

The Lancashire workforce is ageing, as it is elsewhere in England, and combined with modest population growth, this presents the biggest challenge to the LEP meeting its economic targets. Four factors - the current population size, demographics, economic activity and skills profile will make it more difficult for Lancashire to attract the inward investment needed to support the employment targets set out by the LEP. The skills and employment system can make a real impact on two of those factors – economic activity and skills.

A lower proportion of employment in the current business base in higher level occupations than nationally, will make it difficult for employers to recruit skilled workers, particularly for a number of the priority sectors. Reskilling the existing workforce will go some way to addressing this.

Although a significant number of young people from Lancashire go on to higher education, many people are not staying in Lancashire or returning to Lancashire when they complete their qualification; the low numbers in the workforce aged 21-34 years old is a serious weakness in the workforce profile.

In the future, employers are likely to find it difficult to recruit higher skilled and experienced personnel, and increasing demand for construction is likely to lead to more severe skills shortages in skilled trades, with the potential for the displacement of skilled workers from other sectors.

There are major challenges in creating new employment opportunities in East Lancashire. There are also considerable challenges with regard to Blackpool, Fylde and Wyre.

Employment Growth and the Lancashire Workforce

Growth sectors in the Lancashire economy will create circa 45,000 jobs over the next ten years, and this will increase to over 55,000 if the LEP's ambitions for economic growth are met. In terms of recruitment and skills to support this employment growth:

- A marked increase in construction employment is likely to be inhibited by skills and recruitment challenges.
- A large proportion of the recruitment for the forecast increase in logistics and distribution, the visitor economy and leisure can be met by local residents supported by relevant occupational training.
- The growth in business and professional services and ICT related business may be affected by a limited pool of labour of well qualified younger people, and this may have an impact on inward investment.

The challenges facing companies recruiting for new jobs will be exacerbated by the need to replace existing workers as they retire, change jobs or leave the labour market. Replacement demand will create much greater requirements for training provision than absolute employment growth, much of it in higher level occupations.

The economic forecasts suggest that manufacturing employment will decline by some 10,000 jobs over the next ten years. Initiatives are underway to ensure this does not happen and that manufacturing sub-sectors with the potential to grow are fully supported. This will require:

- New inward investment linked to Lancashire manufacturing specialisms and supply chain.
- The continual upskilling of the workforce.
- A long term programme to bring new apprentices and graduates into the industry.

Given the need for Lancashire to address the ageing of its workforce and to stop the talent drain of younger workers, Lancashire needs to develop best in class apprenticeship and graduate retention programmes.

The overall competitiveness and sustainability of the Lancashire economy is linked to a wider move to a higher skilled and more productive workforce in both manufacturing and the service sector. This will require, at every level, a better educated and qualified workforce, with both life and professional & technical skills.

Employability

The Lancashire economy currently has too few jobs to provide the employment opportunities to increase employment rates to a level which would significantly raise low household incomes in many communities. A considerable number of people are without employment in Lancashire, and this number has been affected by the slow employment recovery compared to other parts of England. As jobs growth begins to take hold in the County, linking those out of work with these opportunities may help to decrease economic inactivity levels.

A lower employment rate, particularly amongst certain age groups (and older people) and the doubling of unemployment since the onset of recession, with 50,000 currently unemployed, presents a challenge in an economy where employment growth has been limited recently. As the employment recovery picks up in the County, it is imperative that these increasing opportunities are linked to local people who can benefit from them.

While the workforce is ageing, many people will need to remain in employment for longer due to changes in pension arrangements. This could indirectly lead to fewer employment opportunities for young people, unless new jobs are created in the economy. Successful delivery of the LEPs growth plans will be fundamental.

There is a strong link between qualifications and employment, and too many people, including those affected by Welfare Reform, have qualifications below Level 2. These people are vulnerable to becoming trapped in low-paid and insecure employment, leaving some communities experiencing low incomes and multiple deprivation. Adults achieving employment-linked qualifications at Levels 2 and 3 provides a route to more secure employment options.

There is a need to improve the educational performance of school students in many parts of Lancashire. With current attainment levels, too many school students will be unable to take up the employment and training opportunities in the sectors which will create new jobs.

Skills and Employment Provision

Lancashire has a number of highly regarded Further Education Colleges, private providers and Higher Education Institutions, providing substantial work-related education and training each year to young people and adults. Whilst provision attempts to match market demand, there are some areas where increased provision could be considered.

Considerable numbers each year are provided with life and work skills, although workplace learning opportunities are limited. Apprenticeships continue to provide work based training opportunities; there is scope to increase the level of employer engagement through apprenticeship reforms and the apprenticeship levy and increase the number of opportunities available, reversing the decline in numbers since 2010. Careers Education, Information, Advice and Guidance also needs to promote apprenticeships to young people with the required capabilities and attitudes so that apprenticeships are seen as a valuable work-based professional and technical alternative to academic routes and higher education.

The Work Programme is the largest back to work programme in Lancashire, although less than one in four of the substantial number of participants successfully attain a job outcome.

Priority Issues

The provision of training needs to take account of both the challenges in supporting employment growth and the need to strengthen the existing business base through a better skilled workforce. The emerging priorities are:

- **Young People's attainment:** improving the attainment rate of schools students to above the national average, with a focus on those schools where students are seriously lagging behind.
- **Careers Advice and Guidance:** provision of advice and guidance to young people and adults, underpinned by robust labour market intelligence, highlighting the career opportunities in the County and employability in a changing economy.
- **Apprenticeships and work-based training:** increasing the number, range and quality of apprenticeships and encourage greater levels of provision at higher and degree level, reaching more employers in sectors with high replacement demand and growth.
- **Graduate and Higher-level skills retention:** developing new and innovative mechanisms including increasing internships and graduate placements across the Lancashire business base, increasing the number of workers with higher level skills.
- **Construction:** given the need to complete major infrastructure works and increase residential development, develop new initiatives to address requirements and skills challenges in construction and increase the number of partnerships in skilled trades.
- **Skills Provision:** working with Further Education Colleges, private providers, universities and employers to target professional and technical education at areas of high replacement demand and future employment growth in-line with local labour market information and trends.

- **Employer engagement:** there is a need to increase employer engagement in skills, and encourage greater commitment to workforce development, as well as encouraging employers to work with education providers to influence work-based professional and technical education.
- **Employability:** there is a need to increase efforts to link young people and adults seeking employment with the regular opportunities made available through replacement demand, and tackle employability issues before they become entrenched by reducing the number of young people becoming NEET, and working with those at risk of redundancy to re-train or transfer their skills to other sectors / employers.
- **Work Programme:** Lancashire needs a more effective Work Programme capable of generating higher than average outcomes for local residents.

Lancashire Skills and Employment Framework

The Lancashire Skills & Employment Board commissioned a range of studies to bring together a robust evidence base to develop the Lancashire Skills and Employment Framework. This included: a comprehensive review of skills and employment issues in Lancashire (summarised in the critical issues section above); six sector studies focusing on areas of high replacement demand and growth potential (Advanced Manufacturing; Energy and Environmental Technologies; Creative and Digital; Health and Social Care; Finance and Professional Services; and Visitor Economy) and, in addition a skills and employment study commissioned by the City Deal Executive highlighting the critical skills and employment issues in the Construction Industry.

The framework draws together the key priorities identified through the studies, bringing together common themes and issues. **The framework is structured into 4 themes: Future Workforce, Skilled & Productive Workforce, Inclusive Workforce and An Informed Approach.** These themes are underpinned by a number of key objectives, plus a common set of outcomes for the framework as a whole. Page 13 provides the overview of the framework by theme. The themes and objectives articulate the priorities for Lancashire.

The themes and objectives are broken down further into a number of actions on pages 14-18.

The draft framework was consulted upon prior to finalisation. The consultation involved two workshops targeting a) employers and b) partners and providers ('The Lancashire Skills Conversation'), meetings with Council Chief Executives, discussion with the Lancashire Youth Council and presentations and discussions at a variety of network meetings.

It is intended that the Strategic Framework will inform and underpin the investment decisions made in relation to discretionary funding (for example, ESIF funding and Growth Deal Skills Capital) and influence the use of mainstream skills and employment budgets. Providers making use of these budgets in Lancashire will be invited to set out how their delivery will contribute to achieving the Framework's priorities. In delivering the Strategic Priorities, the Lancashire Skills and Employment Board and other strategic partners will also work with employers to leverage greater levels of employer engagement and investment in key areas.

An action within the framework is to establish Sector Skills Development Partnerships. The partnerships will evolve from the stakeholders involved in the development of the sector evidence bases and allied action plans. The Sector Skills Development Partnerships will oversee the implementation of sector specific action plans which will feed into the achievement of the actions and objectives detailed in the Framework, and are referred to against the actions as relevant.

Finally pages 19-20 articulate the overarching outcomes and targets for the lifetime of the framework. These will be tracked annually, or as data comes available.

The framework will not remain static, but will be reviewed on an annual basis against the Lancashire evidence base and evolving policy and refreshed as necessary and up-dated on the LEP website.

Lancashire Skills and Employment Framework – Overview

<p style="text-align: center;">FUTURE WORKFORCE</p> <ul style="list-style-type: none"> • Inspire young people in schools and post-16 learning through engagement with business and the 'world of work'. • Enhance employability and enterprising skills, attitudes and behaviours throughout the education journey. • Improve routes from classroom based provision and apprenticeships to higher level professional & technical education. • Ensure that our post-16 learning infrastructure is fit-for-purpose, and aligned to our economic priorities and labour market demands. 	<p style="text-align: center;">SKILLED AND PRODUCTIVE WORKFORCE</p> <ul style="list-style-type: none"> • Increase the number of apprenticeships (including higher level and degree) across our priority sectors. • Increase retention of graduates through engagement with business during and after studies. • Increase the number of employers undertaking workforce / succession planning and engaging with skills provision. • Increase leadership and management capacity in small to medium sized enterprises.
<p style="text-align: center;">INCLUSIVE WORKFORCE</p> <ul style="list-style-type: none"> • Improve the employability and skills of unemployed adults and NEET young people and progression towards learning and work. • Facilitate routes into employment through sector specific initiatives targeted at areas with labour market demand and/or to support inward investment opportunities. • Raise digital skills to improve social mobility and engagement with public services, and to increase employability. • Incorporate social value into LEP-driven capital programmes to gain added value for Lancashire. 	<p style="text-align: center;">AN INFORMED APPROACH</p> <ul style="list-style-type: none"> • Engage with employers, providers and partners through 'Sector Skills Development Partnerships' to oversee, facilitate and deliver sector skills actions plan in priority sectors. • Maintain the skills and employment evidence base and continue to develop the framework. • Use the framework and allied intelligence to influence, prioritise and direct the use of mainstream and discretionary funding. • Connect with other LEP areas to influence, collaborate and share good practice.

Future Workforce		
Actions	Ownership	Mechanisms
<p>1a Inspire young people through industry role models, materials and activities to motivate them to achieve higher attainment levels in primary / secondary schools and Colleges.</p> <p>2a. Gain an overview of CEIAG activity across Lancashire to gain an understanding of strengths and weaknesses and areas requiring intervention.</p> <p>2b. Work with the Careers and Enterprise Company, the National Careers Service (NCS) and local CEIAG providers to increase interactions between employers and schools and post-16 providers in sectors with high replacement demand and growth through a range of activities.</p> <p>3a. Providers to work with employers to ensure that curriculum is fit for purpose and to improve professional & technical and non-traditional routes (inc. traineeships & higher level apprenticeships).</p> <p>4a. Increase the number of Lancashire-based businesses offering work based projects, placements, internships and KTPs to Lancashire (under) graduates and graduate level vacancies with good terms and conditions.</p> <p>5a. Map the enterprise education journey with view to reinforcing curriculum and activities which develop enterprising skills, attitudes and behaviours.</p> <p>6a. Invest Growth Deal (skills) capital in projects which will enhance Lancashire's education and learning facilities in-line with employer demand.</p>	<p>1a-2b: Lancashire Skills Hub, NCS, SSDPs, CEIAG providers, Schools, Sixth Forms, Colleges and Providers, Employers.</p> <p>3a: Skills Providers, Employers, SSDPs, sector bodies.</p> <p>4a: Lancashire Higher Education Institutions (HEIs) and FE Colleges offering Higher Education, Employers, sector bodies.</p> <p>5a: Lancashire Skills Hub, NCS, Schools, Colleges, HEIs.</p> <p>6a: Lancashire LEP and Lancashire Skills & Employment Board.</p>	<p>1a-2b: Lancashire Skills Hub to undertake a mapping exercise of current CEIAG activity to provide an overview of activity. Establishment of a Lancashire CEIAG Forum to encourage a cohesive and collaborative approach. Launch of a City Deal IAG Taskforce to raise awareness of immediate and future construction opportunities. Collaborate with the National Careers Service and the Careers & Enterprise Company in regard to the 'Careers Inspiration' agenda to support schools to interact with industry, LMI and to develop local approaches to CEIAG.</p> <p>3a: LEP expectation of all skills providers. SSDPs to drive engagement between skills providers and employers to develop curriculum and apprenticeship standards where there are gaps.</p> <p>4a: HEIs and FE to embed opportunities in programmes of learning. Use of ESIF funds to support growth in placement opportunities and employer engagement.</p> <p>5a: Use of ESIF funds to support enterprising skills. Journey to be mapped in year 2.</p> <p>6a: Implementation of the Growth Deal funding programme.</p>
<p>Sector Priorities: All sectors raised the need to promote their industry to young people, in terms of breadth, career/progression pathways, to break myths and to promote opportunities in Lancashire. Advanced Manufacturing, Energy & Environment and Construction raised the need to increase numbers of students choosing STEM subjects in school/post-16. Creative & Digital (digital), Energy & Environment, Advanced Manufacturing and Construction specifically raised the need to attract females to their industries; activities should thus be integrated into 1a and 2a to address this issue. Graduate attraction and retention was cited as a particular issue for all sectors apart from Visitor Economy. Visitor Economy, Energy and Environment, Finance and Professional Service and Creative and Digital specifically raised the need to improve work readiness, softer skills and enterprising skills. The need to invest in up-to-date equipment and technology to ensure learning is fit-for-purpose was a cross-cutting theme.</p>		

Skilled and Productive Workforce

Actions	Ownership	Mechanisms
<p>1a. Drive the engagement of employers in the development of apprenticeship standards to increase the number of relevant L3+ (advanced, higher and degree) apprenticeships on offer in Lancashire.</p> <p>1b. Increase capacity in post-16 providers and universities to offer L3+ apprenticeship routes and develop robust progression routes from classroom based vocational provision.</p> <p>2a. Increase the attractiveness of Lancashire for 'growth' companies, supply chain development, and ambitious graduates and professionally qualified people.</p> <p>3a. Increase the number of Lancashire-based businesses offering work based projects, placements, internships and knowledge transfer partnerships to Lancashire (under) graduates and graduate level vacancies with good terms and conditions.</p> <p>4a. Integrate a workforce/succession planning service into the Lancashire Growth Hub, alongside a skills brokerage service to increase the number of (new) employers investing in skills.</p> <p>4b. Consider the development of a 'skills pledge' model to encourage the engagement of employers.</p> <p>5a. To integrate specific sector skills needs into programmes such as 'Skills Support for the Workforce' and feed intelligence into the supply side to influence curriculum.</p> <p>6a. Provision of a Lancashire wide leadership and management programme targeting owner managers of SMEs, aimed at improving leadership capacity and innovation / creativity to enhance business growth.</p>	<p>1a: SSDPs, sector bodies, Employers, Lancashire Skills Hub, Skills Providers and HEIs.</p> <p>1b: Skills Providers and HEIs, sector bodies.</p> <p>2a: Lancashire LEP & Marketing Lancashire.</p> <p>3a: Lancashire Higher Education Institutions (HEIs) and FE Colleges offering Higher Education, Employers, sector bodies.</p> <p>4a: LEP Business Support Management Board, Lancashire Skills & Employment Board, Lancashire Skills Hub, Lancashire Growth Hub.</p> <p>4b: Lancashire Skills Hub, Lancashire Growth Hub.</p> <p>5a: Lancashire Skills Hub, Skills Providers.</p> <p>6a. Lancashire Skills Hub, Lancashire Growth Hub, Skills providers and HEIs.</p>	<p>1a - 1b: Apprenticeship Growth Plan – developed in partnership with the Work Based Learning Forum for Lancashire and the Skills Funding Agency. The plan will include actions allied to the introduction of the Apprenticeship levy and supporting larger employers in Lancashire to make best use of the levy. SSDPs to work with providers to grow apprenticeship engagement and provision and to develop progression pathways to higher levels.</p> <p>2a: Development of the 'Lancashire Story' and promotion of Lancashire.</p> <p>3a: HEIs and FE to embed opportunities in programmes of learning. Use of ESIF funds to support growth in placement opportunities and employer engagement.</p> <p>4a: Use of ESIF funds to support workforce planning and skills brokerage.</p> <p>4b: Commence in year 2, after reviewing best practice and partnership approaches elsewhere and existing good practice e.g. Investors in People.</p> <p>5a: Use of ESIF funds to support sector-specific training in priority sectors. Retain skilled people in redundancy situations by brokering relationships with companies that would benefit. SSDPs to ensure intelligence from employers is shared with providers to fill gaps in provision.</p> <p>6a: Use of ESIF funds to support leadership & management, and innovation capacity in SMEs.</p>

Sector Priorities:

All sectors stated the need to increase the number of advanced, higher and degree apprenticeships to support progression and retention. Health and Social Care and Visitor Economy also encouraged the use of traineeships as a route into apprenticeships.

Advanced Manufacturing and Energy and Environmental emphasised the need to support the development of the supply chain.

Graduate attraction and retention was cited as a particular issue for all sectors apart from Visitor Economy.

Advanced Manufacturing, Health and Social Care, Visitor Economy and Energy and Environment encouraged employer engagement through a brokerage service and/or a skills pledge model.

A number of sector specific needs need addressing including: care certificate, health and care interdisciplinary training, advanced IT and software skills, cyber-security, cloud-based computing, QA, data science, energy and environment-related engineering skills, sales and marketing, project management, social media, customer service and other technical skills.

Creative and Digital, Visitor Economy and Energy and Environment cited the need to improve leadership and management skills and entrepreneurialism. Finance and Professional Services focused on the need to support the growth of family owned businesses through succession planning, mentoring and the use of non-executive directors.

Inclusive Workforce		
Actions	Ownership	Mechanisms
<p>1a. To facilitate improvement in Work Programme outputs by correlating activity with areas of high replacement demand and identifying interventions which would be complimentary and improve outcomes.</p> <p>1b. Employability and skills development programme incorporating CEIAG for adults not in work and not claiming benefit and those at risk of redundancy (targeting individuals outside of the Work Programme and mainstream provision).</p> <p>1c. Employability and skills development programme incorporating CEIAG targeting NEET young people.</p> <p>1d. 'Hard to reach' programme(s) aimed at the disadvantaged and the furthest from the labour market (incorporating an escalator model which will feed into 1a, 1b, 1c as appropriate or other relevant activity which will provide a pathway into learning or work).</p> <p>2a. Incorporate the Social Value Act (2012) into LEP capital programmes to create skills and employment opportunities aimed at the unemployed, disadvantaged and NEET.</p> <p>3a. Sector specific 'ready for work' programmes building on models like Sector Based Work Academies, targeting areas of high replacement demand and inward investment opportunities.</p> <p>4a. Review viability of a 'Wheels to Work' scheme for rural areas of Lancashire, building on good practice in Cumbria.</p> <p>5a: Incorporate digital skills into employability and skills programmes to improve social mobility, engagement with public services and ultimately employability.</p>	<p>1a: Lancashire Skills & Employment Board, DWP, Work Programme Providers.</p> <p>1b: Lancashire Skills & Employment Board, DWP, JCP, SFA, Providers (including third sector).</p> <p>1c: Lancashire Skills & Employment Board, Local Authorities, SFA, Big Lotter, Providers (including third sector).</p> <p>1d: Lancashire Skills & Employment Board, Big Lottery, Local Authorities, Providers (including third sector).</p> <p>2a: Lancashire Skills & Employment Board, Growth Deal Management Board, City Deal Executive, recipients of capital funding.</p> <p>3a: Lancashire Skills & Employment Board, JCP, Providers, SSDPs.</p> <p>4a: Lancashire Skills & Employment Board, Lancashire Skills Hub.</p> <p>5a: Local Authorities, Providers, sector bodies.</p>	<p>1a: Work with DWP/JCP and prime contractors to influence local delivery and alignment with areas of high replacement demand. Influence the development of the successor programme via DWP and through a Lancashire devolution ask.</p> <p>1b – 1d: Use of ESIF funds to support unemployed adults and NEET to develop their employability and skills and progress into learning and work. JCP Pathfinder in schools, targeting young people at risk of NEET. Use of mainstream skills budgets to up-skill local residents e.g. Adult Community Learning (ACL) and Adult Skills (ASB) budgets.</p> <p>2a: Development of a Social Value toolkit - to be used with organisations benefiting from LEP capital programmes to incorporate added value outcomes.</p> <p>3a: Use of ESIF funds to support sector focused activity to move people into employment and support inward investment opportunities. Work with JCP and skills providers to direct activity at areas of need where labour market demand exists.</p> <p>4a: Review to commence in year 2.</p> <p>5a: Incorporate digital inclusion as a cross cutting theme in ESF funded projects. Use of ACL and ASB to support improvements in digital skills levels.</p>
<p>Sector Priorities: Health and Social Care and the Visitor Economy highlighted the potential for retraining and sector-based approaches to fill high levels of replacement demand and growth. The significant growth projections in construction would also apply. Visitor Economy highlighted the benefits of the 'Wheels to Work' programme to individuals working unsociable hours.</p>		

An Informed Approach (IA)

Actions (aligned to the objectives above)	Ownership	Mechanisms
<p>1a. Development of the Lancashire Skills Hub as a hub of intelligence in regard to relevant policy and LMI for local stakeholders, and to influence and position Lancashire in the Local Enterprise Partnership (LEP) network and nationally.</p> <p>1b. Use of the Skills and Employment Framework and related intelligence to influence, prioritise and direct the use of mainstream and discretionary funding (e.g. ESIF, Growth Deal, Area Review, devolution agenda).</p> <p>2a. Development of 7 Sector Skills Development Partnerships to oversee, facilitate and deliver sector action plans in Advanced Manufacturing, Energy and Environment, Creative and Digital, Visitor Economy, Health and Social Care, Finance and Professional Services and Construction.</p> <p>3a. Create relationships and collaborations with other LEP areas facing similar challenges to influence mainstream provision lobby and influence and develop collaborative projects.</p>	<p>1a. Lancashire Skills & Employment Board, Lancashire Skills Hub.</p> <p>1b. Lancashire Skills & Employment Board, Lancashire Skills Hub, Local Authorities.</p> <p>2a. Lancashire Skills Hub, SSDPs sector bodies.</p> <p>3a. Lancashire LEP, Lancashire Skills & Employment Board, Lancashire Skills Hub, sector bodies.</p>	<p>1a – 1b: Maintain evidence base via annual refresh of data (in accordance with availability). Use SSDPs to gain sector specific intelligence from employers and providers to feed into the evidence base. Lancashire Skills & Employment Board and Lancashire Skills Hub to maintain an oversight of policy and position Lancashire accordingly.</p> <p>2a: Lancashire Skills Hub to work proactively with partners to develop and identify leads for SSDPs to take forward sector skills action plans.</p> <p>3a: North west LEP network of skills and employment leads. Establishment of relationships with other LEPs to influence policy and collaborate on areas of mutual interest.</p>
<p>Sector Priorities: Cross sector call to maintain local labour market intelligence and oversight of policy to drive local provision and to influence / position nationally. Proposed that Sector Skills development Partnerships are put in place to drive sector-focused activity, building on the steering groups which oversaw the initial baseline studies and the development of sector action plans.</p>		

Outcome Measures

The Lancashire skills and employment evidence base (2015) provides a baseline measure for the framework. The baselines vary by year in accordance with the availability of data. The framework covers a 5 year period (2016-2021). Outcomes will be tracked annually (as data becomes available).

1. Improved school attainment levels in under performing schools across Lancashire.
2. Reduction in Lancashire NEET figures.
3. More Lancashire residents skilled at Level 3 and above.
4. Greater number of apprenticeships at L3 and above.
5. A greater number of graduates choosing to work in Lancashire.
6. Less reported vacancies / skills shortages in key LEP sectors and areas of high replacement demand and growth.
7. Greater number of employers investing in skills.
8. A reduction in Lancashire unemployment figures.

Outcome	Baseline	Target (2020/21)
1. Improved school attainment levels in under performing schools across Lancashire	DfE (2013/14): over 40% of young people fail to achieve 5 A*-C grades including English and Maths	Increase the percentage of young people achieving 5 A*-C grades including English and Maths in areas currently performing below the England average: Blackburn with Darwen, Hyndburn, Blackpool, Pendle & Burnley (p92). <i>Note: this measure will need to be reviewed as 'Progress 8' is introduced and the changes in GCSE grading.</i>
2. Reduction in Lancashire NEET figures	NEET count (2014): 2700 (5.2%)	Maintain downwards trajectory for NEET count, with view to reducing numbers to be equal to or less than the national average in 2021 (2014 – 4.7%) (p51).
3. More Lancashire residents in the working age population skilled at Level 3 and above	Annual Population Survey (2013): 461,800 (51%) people in the working age population have L3+ skills.	The percentage of people in the working age population with L3+ skills has grown by 5% between 2004 and 2013. Maintain this growth trajectory and increase by a further 3% between 2016 and 2021 (p56).

Outcome	Baseline	Target (2020/21)
4. Greater number of apprenticeships at L3 and above	SFA Data cube (2013/14): 11,540 L3 apprenticeship starts SFA Data cube (2013/14): 280 L4+ apprenticeship starts.	Increase the number of L3 and L4+ apprenticeship starts by year (p104). <i>Note: include measure on completions and destinations (e.g. skilled sustainable employment).</i>
5. A greater number of graduates choosing to work in Lancashire	DLHE (2012/13): 70% of graduates in Lancashire go into employment; 73% of which are retained in the North West (p115).	<i>Meeting planned with HEfCE to review student mobility heat maps to gain a more localised measure of graduate-level employment for students graduating from the Colleges and universities in Lancashire.</i>
6. Less reported hard-to-fill vacancies / skills shortages in key LEP sectors and areas of high replacement demand and growth	UKCES Employer Skills Survey (2013): 17% of employers reported a skills gap & 31% of employers reported hard-to-fill vacancies.	Reduce the number of employers reporting skills gaps and remain below the national average (England average in 2013: 15%) and reduce the number of employers reporting hard-to-fill vacancies and remain below the national average (England average in 2013: 34%) (p78/79).
7. Greater number of employers investing in skills	UKCES Employers Skills Survey (2013): 66% of employers fund or arrange training (50% off-the job and 17% on-the-job).	Increase the percentage of Lancashire employers investing in training to above the national average (66%).
8. Reduction in Lancashire unemployment figures.	JSA claimant count (2015): 16,062 in Lancashire (1.7% of working age population) ESA and Incapacity benefit count (2014): 72,670 (7.9% of working age population)	Maintain reduction in JSA claimants since 2013 (i.e. keep below 1.7%) and aim to achieve a further percentage reduction; seek to reduce percentages which are above average for Lancashire - Blackpool, Fylde and Wyre (2.4% of working age population) and East Lancashire (1.9%) (p48). Reduce the number of ESA and Incapacity benefit claimants with view to increasing the number of Lancashire residents that are economically active. <i>Note: measures may need to be revised following the roll out of Universal Credit.</i>