

# Cheshire and Warrington Skills Report 2022

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#### 01 Foreword

Cheshire and Warrington is a great place to live, work, study and relax. It is also a brilliant place to start, scale and internationalise a business. We have the key assets, including a skilled workforce, that contribute to business success. For many years we have been one of the fastest growing economies in the country. Our productivity is high, and we provide more employment opportunities than we have working-age residents.

Our strong and diverse economy includes manufacturers such as Bentley; major life science companies like AstraZeneca and Recipharm; significant energy and utilities companies including Engie, Sellafield and United Utilities; major retail finance centres, including the headquarters of M&S Bank and the credit card operations of Lloyds Bank; the global Innovation Centre of Barclays Bank; and the UK's largest outlet shopping centre at Cheshire Oaks.

Our region has shown resilience through the pandemic. At the end of 2021, there were more people on local payrolls than there were directly prior to the onset of the pandemic. Even at the height of the pandemic, employment grew by more than 500 in eleven wards compared to 2019. At the end of 2021, there were fewer people who had been claimant unemployed for less than a year than there were in February 2020.

The level of our resilience is also reflected in the strength of our local partnership and the extent to which local employers are at the heart of our skills and employment agenda. The Skills Report which we published at the beginning of 2021 has provided a firm foundation to address the critical skills and employment issues in our local economy. Hundreds of employers have been at the centre of inspiring young people and adults; Our investment in higher technical skills capacity has now been added to with the announcement of our Institute of Technology and Skills Development Fund investment; and thousands of people have been supported with on-line jobs fairs and the launch of our Jobs Portal.

However, we have also been scarred by the pandemic. At the end of 2021 claimant unemployment was 55% higher than pre-pandemic levels an increase driven, in particular, by a three-fold rise in the numbers unemployed for 3 years or more. Record numbers have become economically inactive due to (early) retirement. The latest available data shows that our employment rate fell by 3%, and self-employment reduced by c9k (13%). This refreshed plan adds focus in this area.

At the end of 2021, there were c20k claimant unemployed and c25k vacancies. It is imperative that we link people receiving unemployment benefits to jobs and that employers recognise the changing nature of the labour market and, where appropriate reshape the ways in which they work. Skills and job search support are important pieces in this jigsaw, but they are not the only things required. In particular, Cheshire and Warrington's geography means that we need better (public) transport to link need and opportunity.

We may be witnessing a long-term change in the nature of work as increasingly more people seek to work from home. For the last 6 months of 2021, workplace mobility data for Cheshire and Warrington hovered at around 30% below prepandemic levels. Employers in some sectors report increased expectations of home and flexible working.

Almost half of Cheshire and Warrington's jobs are in industries that will be significantly impacted by the low carbon agenda. These industries will need to reshape what they do – what they produce, how they consume energy, how they mitigate emissions – leading to changes to the nature of work. This will need much of the existing workforce to reskill.

Our economic strengths are founded on a skilled and talented workforce, with more people qualified at Level 3 and above than the national average. This is a competitive advantage we are committed to retaining. We need to make use of all our talent and with an ageing population and a demand for 71,000 more people qualified to Level 3 or above by 2027, this will be a challenge which cannot be met by the current levels of new entrants to the labour market - it will only be achieved if we skill our existing workforce and ensure that all our young people are able to access good quality learning and the opportunity to progress. We know from our analysis that the gap for Level 3+ skills is being felt now. Employers in Cheshire and Warrington are more likely to have skills shortage vacancies in high skill roles and more likely to have bottom line business impacts because of skills shortages.

To meet future challenges, all our stakeholders must build on our progress to date - with employers leading our work with young people and adults in work as well as those seeking work. Together we are working to establish a better understanding of the labour market and to inspire more of our residents to acquire higher level skills, with better attainment and progression for our young people, particularly disadvantaged young people. At Alderley Park we are part of the Pledge Partnership<sup>1</sup>, a local initiative that connects employers, schools and youth groups to inspire young people from diverse backgrounds with the opportunities available and support them to gain the necessary skills. Many of the companies across our network are offering apprenticeship opportunities and developing powerful relationships with schools and colleges. We want young talent to see and be able to take advantage of the careers the sector has to offer.

High skills and high employment will allow us to deliver on our vision for a healthy, sustainable, inclusive, and growing region:

- We will deliver locally on the government's healthy ageing mission to 'achieve an additional five years of healthy, independent life by 2035, while narrowing the gap between the experience of the richest and poorest'
- We will demonstrate leadership on sustainable growth. We recognise the value of our natural environment and will work to ensure that whilst securing sustained growth the environmental benefits of our activities outweigh the costs.

- Cheshire and Warrington will be a place where people, regardless of their background or circumstances, are helped to 'live their best lives'
- We will be the UK's fastest growing economy, making the most of new opportunities inside and outside of the EU, driven by innovation and a top location for people and business to live, work, invest, and relax

Recent events have served to emphasise that no plan should be cast in stone, and that key actions should be kept under review. We need to be agile, work in partnership and move at pace to ensure impact, cutting through the noise of multiple overlapping initiatives by providing a clarity of focus on the things that need to be done. The Cheshire and Warrington Employers' Skills and Education Board has led the review of the Plan published early in 2021 and will lead regular reviews of this Plan.

Working with skills, education, and employment stakeholders and with support from Government, I am confident that the employers and residents of Cheshire and Warrington can build the high skilled, healthy, inclusive, sustainable, and growing place to which we aspire.

Kath Mackay

Chair of the Cheshire and Warrington Employers' Skills and Education Board

<sup>&</sup>lt;sup>1</sup> The Pledge is an initiative that puts employers at the heart of inspiring and informing young people in Cheshire and Warrington. More information

# 02 Skills Advisory Panels Introduction

#### 02.1 National Context

Since 2018, Skills Advisory Panels (SAPs) have been bringing together employers, skills providers, and key local stakeholders to better understand and resolve skills mismatches at a local level. SAPs are part of Mayoral Combined Authorities and Local Enterprise Partnerships and there are 36 in total across England. The Department for Education (DfE) has supported SAPs with grant funding primarily to produce high-quality analysis of local labour markets and publish Local Skills Reports, which set out the local skills strengths and needs and how the SAP proposes its area addresses its key priorities.

This second iteration of SAPs' Local Skills Reports comes at a time when DfE is Trailblazing new Local Skills Improvement Plans (LSIPs), in eight areas of the country. Developed by Employer Representative Bodies, LSIPs are part of a suite of reforms launched in DfE's "Skills for Jobs" White Paper that aim to put employers more firmly at the heart of the skills system. An evaluation of the eight Trailblazers will inform the national roll out of the programme. In the meantime, and before LSIPs are rolled out across the country, it is DfE's intention that Skills Advisory Panels and this Local Skills Report should continue to influence the behaviour of local partners and feed intelligence to central government, including to sectoral focussed skills teams and the nationallevel Skills and Productivity Board (SPB).

## 02.2 Cheshire and Warrington Employers' Skills and Education Board

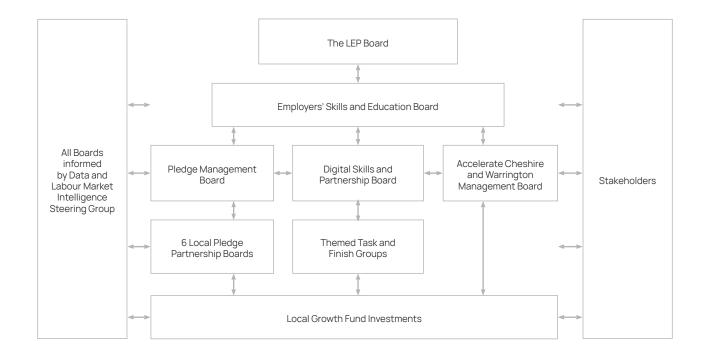
In Cheshire and Warrington, the Skills Advisory Panel is the Employers' Skills and Education Board. As a sub-committee of Cheshire and Warrington's Local Enterprise Partnership (Local Enterprise Partnership), the Board focuses on the skills and education aspects of the Local Industrial Strategy, the Strategic Economic Plan and the Covid Recovery Plan. The terms of reference of the Employers' Skills and Education Board are published on the Local Enterprise Partnership website<sup>2</sup>.

The Board, supported by the Local Enterprise Partnership Executive, has the power to make investment decisions on skills and education of up to £1 million ensuring proper scrutiny to provide value for money and strategic fit with local priorities. However, its primary role is to exercise influence over the skills and employment systems and to provide strategic leadership. Members investigate key issues and challenges and share good practice to inform the development of local strategies, interventions, and investments. Key programmes of work which it oversees are described in detail in sections 4 and 6, and in Appendix 1. They include mitigating the impacts of the pandemic and leading the labour market recovery programme; the Pledge; the Cheshire and Warrington Digital Skills Partnership; and a comprehensive programme of Data and Labour Market intelligence that has been actively used by providers and partners to shape what they do.

The diagram below illustrates the relationship between:

- the Local Enterprise Partnership Board
- the Employers' Skills and Education Board
- the Cheshire and Warrington Digital Skills Partnership
- the Pledge Management Board and the Local Pledge Boards
- the Management Board of Accelerate Cheshire and Warrington
- the Data and Labour Market Intelligence Steering Group

<sup>&</sup>lt;sup>2</sup> The <u>Terms of Reference</u> for the Employers' Skills and Education Board



#### The current membership of the Board is:

- Kath Mackay (Alderley Park), employer representative and Chair
- \*Nicola Dunbar-Deputy Chair (Altens Lorry Park), employer representative
- \*Phil Atkinson (Science and Technology Facilities Council, Daresbury) employer representative
- Paul Colman (South Cheshire Chamber), employer representative
- Dhesi (Cheshire College South and West) representing the training providers
- \*Bill Carr (Carpe Diem), employer representative
- Kevin Hutchinson (Sisk Group), employer representative
- Tamara Barker (Engie), employer representative
- Maggie Chen (Deputy Chair of LEP's Engagement Board)
- Kim Hardman (Astra Zeneca), employer representative
- Nicola Johnson (Bentley Motors), employer representative

- Kurt Allman (University of Chester), HEI representative
- \*Eleanor Blackburn (Warrington Borough Council), local authority representative
- \*Cllr James Nicholas (Cheshire East Council), local authority representative
- \*Matthew Smith (Cheshire West and Chester), local authority representative
- Ben Longworth (BAE Systems), employer representative
- Julia Teale (Mid Cheshire Hospitals NHS Foundation Trust)
- \*Lucy Liang (AUE Ltd), employer representative
- Pat Jackson (LEP)

In addition to the Board and other relevant groups overseeing the refresh of the Skills Report there has been a broad consultation with a range of stakeholders.<sup>3</sup>

<sup>\*</sup>With voting rights

<sup>&</sup>lt;sup>3</sup> Consultees have included - 1) Employers' Skills and Education Board, 2) LEP Board, 3) Cheshire West and Chester Economic Inclusion Conference, 4) Pledge Board, 5) Pledge Team, 6) NHS and Wider Health and Social Care Sector, 7) Digital Connectivity Board, 8) Digital Skills Partnership, 9) Sustainable and Inclusive Growth Commission and 10) Members of the Data and Labour Market Steering Group

# 03 Labour Market and Skills Key Issues

The 2022 Cheshire and Warrington Labour Market Assessment contains an analysis of the Cheshire and Warrington Labour Market. It brigades key intelligence on labour market demand and supply issues and draws on a body of evidence about the Cheshire and Warrington labour market which has been developed over the last two years. Also, at this link can be found further detailed reports on employer demand; digital skills; the training infrastructure; young people; low carbon jobs; and the impact of Covid-19 on the Labour Market.

In addition to key information failures in the labour market, the following six key issues that can be addressed by local action were identified in our first Skills Report and have now been confirmed during the refresh. These are:

- 01. Whilst there has been a strong rebound from the pandemic, there are labour market impacts that must be mitigated.
- 02. There is, and will continue to be, strong and increasing demand for skills at Level 3+. The output of Level 3+ skills from our skills system needs to increase to address this.
- 03. Employers in Cheshire and Warrington are much more likely to have skills shortage vacancies in high skill roles and more likely to experience bottom line business impacts from this.
- 04. The attainment and progression gap between those young people in receipt of free school meals (FSM) and those not in receipt of FSM is too big and constrains our economic success.
- 05. Where young people live in Cheshire and Warrington links to their level of attainment. Young people tend to do less well in Ellesmere Port, North Warrington and Crewe.

06. There are significant gender disparities in learning in ICT, Engineering, Health and Social Care, and Construction across all learning routes. This embeds a structural deficiency in the labour market where some occupations only draw on the talents of half of the population. Female participation in digital skills is too low at every level and for all ages.

The underpinning evidence for these issues is summarised at section 4.1 below.

Our labour market intelligence constitutes a substantial body of analysis of the Cheshire and Warrington labour market which is being used by partners to ensure that they are more responsive to the current and future needs of employers and the wider local economy (which includes both growth sectors and the foundation economy). In particular, this intelligence is being used by:

- Our local colleges and training providers to help inform their curriculum planning and their investments in specialist equipment and other facilities (including the Skills Development Fund and the Institute of Technology). The curriculum planning for September 2022 has just started and our colleges were keen for the latest Labour Market Assessment to be produced by January so it could inform their planning
- The Pledge to provide our local schools with the labour market intelligence they need to inspire and inform their students about new technologies and career opportunities and to set their lessons within the context of real-life business problems/challenges and to shape the plans for a Careers Hub
- The Cheshire and Warrington Jobs Portal with over 20k job vacancies has had over 95k unique monthly user visits over the last 10 months from people searching for job and apprenticeship opportunities across Cheshire and Warrington

- Job Centre Plus and the various local organisations that support the unemployed and economically inactive. The Jobs Portal tells us what people are searching for and enables us to feed this information back to employers and providers
- Our Digital Skills Partnership to identify its' geographical and thematic priorities for action.
- The 17 Local Growth Fund skills investments that have recently started to deliver across Cheshire and Warrington

Over the last year there has been a step change improvement in our data and labour market work. In addition to historical data which can be 12 or more months old, members of the Cheshire and Warrington Data and Labour Market steering group are making increasing use of real-time data from local sources (eg Cheshire and Warrington Jobs Portal), from private providers (eg EMSI/Burning Glass vacancies data), and from official sources (eq HMRC real-time payroll data). This real-time data provides insight into the technical, employability and digital skills and certifications that our employers are currently seeking and enables greater agility by skills and employment partners in curriculum development and programme focus. It also provides intelligence for young people and adult job seekers to help them shape their CVs and develop the skills employers need.

Analysis of job postings data (EMSI Burning Glass) at the end of 2021 shows that the key specialist skills sought by employers are for customer service and teamwork; the key baseline skills sought are communication and organisational; and the key digital skills are for Microsoft (Office and Excel) and SQL. The most sought certifications are for Construction Skills Certification Scheme (CSCS) and various nursing and care qualifications.

The Institute for Apprenticeships and Technical Education (IFATE) has developed maps of occupational routes and pathways. As part of Cheshire and Warrington's Data and Labour Market programme, an analysis has been undertaken for those IFATE routes and pathways most relevant to Cheshire and Warrington. For each route/pathway there is a briefing for use by careers and teaching organisations that discusses:

- What sort of jobs are there in Cheshire and Warrington?
- How many jobs are there in Cheshire and Warrington and what do these jobs pay?
- Which Cheshire and Warrington employers are recruiting and where are jobs being advertised?

- What sort of skills are Cheshire and Warrington employers looking for?
- What sort of apprenticeships are available in Cheshire and Warrington?
- What sort of courses can young people and adults do in Cheshire and Warrington?

These briefings can be found <a href="here">here</a>. They are being used and developed by our local school to improve the way they present labour market intelligence to their students.

Government require that this chapter contains a table on 'Skills Strengths and Needs'. This can be found overleaf.

# Cheshire and Warrington Labour Market Summary Strengths and Needs

#### Strengths

**Numbers on payroll** - are now higher than pre-pandemic and the recovery in Cheshire and Warrington is faster than in some other areas.

 ${\bf Job\ density}$  - is high, and Cheshire and Warrington is a net importer of labour.

**Sector strength** - compared with England, Cheshire and Warrington has a higher percentage of employees employed in the Manufacturing sector, in the Retail sector, in Administrative and Support Service Activities, in Finance, in Transportation and Storage, and in the Professional, Scientific and Technical sector.

**Higher skilled** - more residents are qualified at Level 3+ in Cheshire and Warrington than in England.

Well-informed and responsive FE - our data and labour market intelligence is being used extensively by local partners and there is good alignment of FE delivery with those that need it, in the places where many of those people live. Additionally, more adults and young people travel into Cheshire and Warrington to learn than travel out, particularly at L3.

**Employer training** - a higher proportion of employers train their employees in Cheshire and Warrington than is the case in England.

**Quality FE** - the overall FE achievement rate and apprenticeship achievement rate for Cheshire and Warrington residents in 2018/19 was higher than for England, as was the achievement rate for 19+ FE and the achievement rates for 16–18 FE.

**Higher technical skills** - in 2019 we invested £5 million in the specialist equipment needed to deliver digital and STEM-related training and education. This is the foundation investment in our Institute of Technology which was announced in December 2021, and Skills Development Fund investments announced earlier in 2021.

#### Needs

Aligning supply and demand - At the end of 2021 there were c25k vacancies and c20k unemployed. The following maps 01 and 02 illustrate the proximity of unemployed people to job opportunities but there is a mismatch. There is a mismatch between the skills employers need and the skills individuals choose to acquire, because not enough people get the information to make informed decisions about the subjects to study and the careers to follow. Our real-time labour market analysis shows that skills currently in high demand from employers include communication and digital skills.

Covid-19 impact and recovery – claimant unemployment is high. Whilst the numbers of claimant unemployed for less than a year are now below pre-pandemic levels, the level of 3yr + unemployment is more than three times higher and nearly 900 people have been seeking work for more than 5 years. There have been large declines in self-employment. Workplace mobility in Cheshire and Warrington was 30% below pre-pandemic levels at the end of 2021.

Too few employees receive training - More than 10% of Cheshire and Warrington employees earn less than the Real Living Wage. A lower proportion of employees receive training in Cheshire and Warrington compared to England, and a lower proportion of Cheshire and Warrington employees are being trained towards qualifications than is the case for their English counterparts.

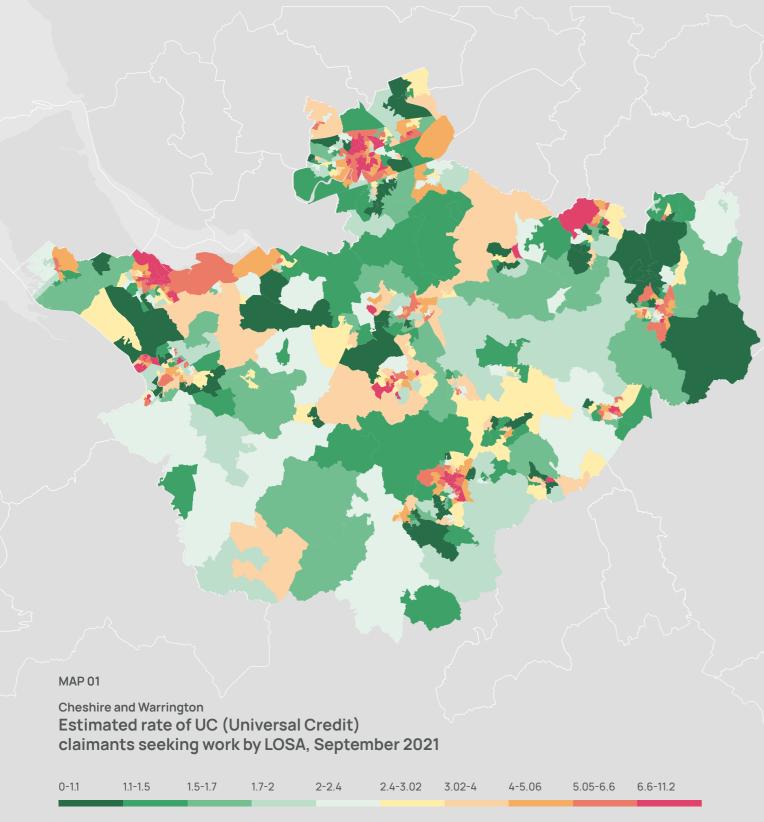
There is a growing gap for L3+ skills - Economic development and replacement demand will accelerate demand for L3+ skills (particularly digital and STEM). 71k more will be needed by 2027. Starts on substantial L3 qualifications for adults has been low and declining. The annual volume of adult L3 achievements (c4.5k) will not deliver the volume of people required for L3+ roles by 2027. Because the population is old and getting older, the number of L3+ people leaving the workforce will exceed the number of L3 19-year-olds joining it.

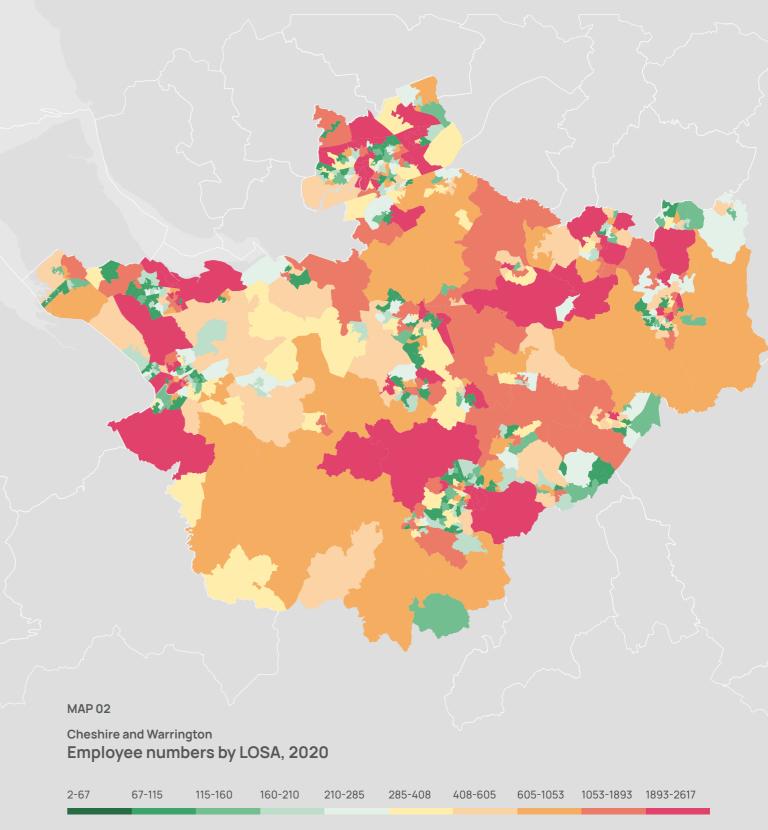
Skill shortage vacancies and hard to fill vacancies reflect the L3+ gap – the gap for L3+ skills is being felt now. Employers in Cheshire and Warrington are more likely to have skills shortage vacancies in high skill roles and more likely to have bottom line business impacts because of skills shortages.

Low attainment of young people linked to place - place of residence constrains young people's progression and achievement.

Low attainment of young people linked to disadvantage - disadvantage constrains young people's progression and achievement.

**Gender disparities in learning** - embed structural problems in the labour market - some occupations only draw on the talents of half of the population.





The following sectors are current priorities for Government:

- Manufacturing
- Construction
- Transport and Storage
- Information and Communication
- · Health and Care

To reflect this, there is a requirement from Government that supply and demand issues for these sectors are reported on in this chapter. There is also a requirement from Government that Net Zero issues are considered in this chapter.

#### 03.2 Manufacturing

The Manufacturing sector had over 2,000 employers employing 43,000 people in Cheshire and Warrington in 2020. The sector employs a slightly higher percentage of the workforce than is the case nationally with a location quotient (LQ) of 1.07 in 2021. The following wards all employed over 1,000 people in the Manufacturing sector in 2020: Crewe St Barnabas; Macclesfield Hurdsfield; Westminster; Crewe East; Winsford Wharton; Congleton West; Poynton West and Adlington; Bewsey and Whitecross; Birchwood; Rixton and Woolston; Brereton Rural; Haslington; and Gowy Rural.

Almost half of all the sectors' employment was in four sub sectors: Manufacture of Motor Vehicles, Trailers and Semi-trailers; Manufacture of Food Products; Manufacture of Fabricated Metal Products, Except Machinery and Equipment; Manufacture of Basic Pharmaceutical Products and Pharmaceutical Preparations. Astra Zeneca at Alderley Park is responsible for £8.1 bn of UK sales to global markets (2020) equivalent to 1.4% of total UK goods exports or 39% of UK pharmaceutical exports.

The average wage for a job in the sector in Cheshire and Warrington was £36,587, with average wages ranging from £57,616 in the 'Manufacture of Coke and Refined Petroleum Products' subsector to £27,529 in the 'Manufacture of Wood and of Products of Wood and Cork, Except Furniture; Manufacture of Articles of Straw and Plaiting Materials' sub sector. At 491, the 'Manufacture of Fabricated Metal Products, Except Machinery and Equipment' subsector had the highest number of employers.

In 2021, there were four Manufacturing subsectors

employing at least double the number of people that might be expected from national employment distribution. They were: Manufacture of Motor Vehicles, Trailers and Semi-trailers (LQ of 2.39); Manufacture of Basic Pharmaceutical Products and Pharmaceutical Preparations (LQ of 6.31); Manufacture of Chemicals and Chemical Products (LQ of 2.28); and Manufacture of Coke and Refined Petroleum Products (LQ of 6.84).

Analysis of EMSI Job postings for the occupations above in the period April 2021-October indicates that there was an average posting intensity<sup>4</sup> for these roles of 7:1 in this period, which is the same as for the Cheshire and Warrington economy as a whole. Roles with a higher-than-average posting intensity (suggesting employers may find it harder to fill these roles) were Production and Process Engineers; Metal Working Production and Maintenance Fitters; and Elementary Storage Occupations. The highest increases in job postings (compared to pre-pandemic levels) have been for: Food, Drink and Tobacco Process Operatives; Chemical and Related Process Operatives; and Elementary Storage Occupations.

#### 03.3 Construction

The Construction sector had over 4,600 employers employing 21,000 people in Cheshire and Warrington in 2021. The sector employed a lower percentage of the workforce than is the case nationally with an LQ of 0.82 in 2021. The following wards all had over 500 employed in the construction sector: Birchwood; Poulton North; Bewsey and Whitecross; Grappenhall; Haslington; and Central and Grange. At 2,560 the 'Specialised Construction Activities' subsector had the highest number of employers. In 2021, Construction of Buildings and Specialised Construction Activities subsectors employed a smaller proportion of the workforce than would be expected from the national distribution (LQs of 0.89 and 0.65 respectively). Whilst the Civil Engineering sub sector employed more (LQ of 1.37).

The average wage for a job in the sector in Cheshire and Warrington was £35,690, with average wages ranging from £31,478 in the 'Specialised Construction Activities' subsector to £40,922 in the 'Civil Engineering' sub sector.

Analysis of EMSI Job postings for the occupations above in the period April 2021-October 2021 indicates that there was an average posting intensity for these roles of 7:1 in this period, which

<sup>&</sup>lt;sup>4</sup> Average job posting intensity for a role or occupation is a measure available from EMSI Burning Glass that shows how often, on average, a unique job vacancy for that type of role is posted. Roles with higher average posting intensities are more likely to be hard to fill.

is the same as for the Cheshire and Warrington economy as a whole. Roles with a higher-than-average posting intensity (suggesting employers may find it harder to fill these roles) were: Book-keepers, Payroll managers and Wages clerks and Electricians and Electrical Fitters. By October 2021, the highest increases in job postings (compared to pre-pandemic levels) were for: Production Managers and Directors in Construction; Plumbers and Heating and Ventilating Engineers; and Construction Operatives.

IFATE has produced occupational routeways and maps. An analysis of the jobs and learning opportunities in Cheshire and Warrington for relevant pathways can be found at the links below:

Building Services Engineering →
Design, Surveying and Planning →
Onsite Construction →

#### 03.4 Transportation and Storage

The sector had about 1,850 employers employing about 29,000 people in Cheshire and Warrington in 2021. The sector employed a slightly higher percentage of the workforce than is the case nationally with an LQ of 1.14 in 2021. The following wards all had employment of more than 1000 in the Transport and storage sector: Great Sankey North and Whittle Hall; Crewe East; Birchwood; Grappenhall; Bewsey and Whitecross; Rudheath; Middlewich; and Crewe South. Many of the places are adjacent to the motorway network (M6/M56/M62).

In 2021, the 'Water Transport' and 'Air Transport' subsectors employed a smaller proportion of the workforce than would be expected from the national distribution (LQs of 0.31 and 0.08 respectively). The 'Land Transport and Transport Via Pipelines' subsector employed about what would be expected from national employment distribution. Whilst the 'Warehousing and Support Activities for Transportation' and 'Postal and Courier Activities' subsectors employed more (LQs of 1.19 and 1.78 respectively). At 1,104, the 'Land Transport and Transport Via Pipelines' subsector had the highest number of employers.

The average wage for a job in the sector in Cheshire and Warrington was £30,313, with average wages ranging from £21,013 in the 'Water Transport' subsector to £36,152 in the 'Air Transport' subsector.

Analysis of EMSI Job postings for the occupations above in the period April 2021-October 2021 indicates that there was an average posting intensity for these roles of 7:1 in this period, which is the same as for the Cheshire and Warrington

economy as a whole. Roles with a higher-than-average posting intensity (suggesting employers may find it harder to fill these roles) were confined to Elementary Storage Occupations. By October 2021, the highest percentage increases in job postings (compared to pre-pandemic levels) were for: Packers, Bottlers, Canners and Fillers; Postal Workers, Mail Sorters, Messengers and Couriers; and Elementary Storage Occupations. Staff turnover rates are high for some occupations and appear to reflect some dissatisfaction with current working practices. There are also some big gender disparities in some occupations.

IFATE has produced occupational routeways and maps. An analysis of the jobs and learning opportunities in Cheshire and Warrington for relevant pathways can be found at the links below:

Logistics pathway →
Transport pathway →

#### 03.5 Information & Communication

The sector had about 3,400 employers employing about 14,000 people in Cheshire and Warrington in 2021, with a much wider demand for digital skills across the rest of the economy. The sector employed a lower percentage of the workforce than is the case nationally with an LQ of 0.65 in 2021. The following wards all had employment of more than 500 in the Information and communication sector: Birchwood; Knutsford; Westbrook; Crewe East; Chester City and the Garden Quarter; Christleton and Huntington; Wilmslow West and Chorley; Wilmslow East; Poulton North; and Bewsey and Whitecross. When Location Quotients are considered, every subsector of the Information and Communication Sector is underrepresented in Cheshire and Warrington.

The average wage for a job in the sector in Cheshire and Warrington was £37,318, with average wages ranging from £23,757 in the 'Information Service Activities' subsector to £38,836 in the 'Computer Programming, Consultancy and Related Activities' subsector. At 2,703, the 'Computer Programming, Consultancy and Related Activities' subsector had the highest number of employers.

Analysis of EMSI Job postings for the occupations above in the period April 2021-October 2021 indicates that there was an average posting intensity for these roles of 8:1 in this period, which is higher than for the Cheshire and Warrington economy as a whole, which was 7:1. This suggests that the sector has more difficulty filling roles than average, with the highest posting intensity of 9:1 being for Programmers and Software Development Professionals. By October 2021, the highest

percentage increases in job postings compared to pre-pandemic levels were for: IT Operations Technicians; IT User Support Technicians; and Sales Accounts and Business Development Managers. There is a significant under-representation of females in digital jobs and in the learning that leads to digital jobs.

IFATE has produced occupational routeways and maps. An analysis of the jobs and learning opportunities in

#### Digital pathway →.

#### 03.6 Health and Care

The sector had about 2,400 employers employing about 60,000 people in Cheshire and Warrington in 2021. The sector employed a lower percentage of the workforce than is the case nationally with an LQ of 0.9 in 2021. The following wards all had employment of more than 1000 in the Health and Care sector: Upton; Bunbury; Bewsey and Whitecross; Broken Cross and Upton; Orford; Burtonwood and Winwick; Chester City and the Garden Quarter; Crewe East; and Mobberley.

The average wage for a job in the sector in Cheshire and Warrington was £25,543, with average wages ranging from £17,494 in the 'Social Work Activities Without Accommodation' subsector to £29,639 in the 'Human Health Activities' subsector. At 1250, the 'Human Health Activities' subsector had the highest number of employers. When Location Quotients are considered all three subsectors (ie Human Health Activities, Residential Care Activities, Social Work Activities Without Accommodation) employed numbers at or below the levels that would be expected from national proportions.

Analysis of EMSI Job postings for the occupations above in the period April 2021-October 2021 indicates that there was an average posting intensity for these roles of 10:1 in this period. which is significantly higher than for the Cheshire and Warrington economy as a whole which had a posting intensity of 7:1. This suggests that employers in this sector found it harder to recruit to roles than elsewhere. The occupations in the sectors with the highest job posting intensity were: Nurses; Care Workers and Home Carers; and Senior Care Workers. By October 2021, the highest percentage increases in job postings compared to pre-pandemic levels were for: Medical Secretaries: Receptionists; Senior Care Workers; and Cleaners and Domestics. Social care experiences high

levels of staff turnover of at least 30%. There is a significant under-representation of males in care sector jobs and in the learning that leads to those jobs.

IFATE has produced occupational routeways and maps. An analysis of the jobs and learning opportunities in

#### Care pathway →.

#### 03.7 Low Carbon

In September 2021 Cheshire and Warrington's Employers' Skills and Education Board published a report 'Low Carbon in Cheshire and Warrington and the Impact on Jobs and Skills'<sup>5</sup>. This report considered the policy context; carbon across the Cheshire and Warrington economy; and low carbon jobs in Cheshire and Warrington. The key findings of the report were:

- The national low carbon policy agenda is stimulating transitions from activities that emit CO2 to activities that do not. Electricity will increasingly be generated by renewables and nuclear rather than by using carbon-based fuels; vehicles will be powered by batteries rather than the internal combustion engine; houses will be heated by heat pumps rather than gas central heating and so on. Where there are activities that need to continue but do emit CO2, action will be taken to reduce the demand for these activities and emissions will be mitigated through carbon capture, for example through tree planting or the storage of carbon underground
- These changes to the way our economy operates will drive changes to what skills will be required. Almost half of Cheshire and Warrington's jobs are in industries which will be significantly impacted by the low carbon agenda. These industries will need to reshape what they do what they produce, how they consume energy, how they mitigate emissions leading to changes to the nature of work. This will need much of the existing workforce to reskill
- The current number employed in the 'Low Carbon and Renewable Energy Economy' (LCREE) in Cheshire and Warrington is estimated to be about 4,000. These numbers are set to grow. Ecuity has forecast a fourfold growth to 15,000 employed in the LCREE in Cheshire and Warrington by 2030. However,

<sup>&</sup>lt;sup>5</sup> This can be found on <u>Cheshire and Warrington LEP</u> <u>Labour Market Reports</u>

- this growth could be more significant if the project portfolio developed by Net Zero North West is delivered. This includes several significant projects that will deliver change at scale including E-Port, HyNet, Protos, and Project Vanguard. Many of the initial jobs created in the growth of the LCREE will be in construction. The Construction Industry Training Board (CITB) believes that the areas that present the greatest challenges are in retrofit and in heat pumps
- The growth of the Low Carbon and Renewable Energy Economy will be driven, in the first instance, by the reskilling of the existing workforce. For example, car manufacturers will transition from the assembly of cars with internal combustion engines to the assembly of cars with batteries; electricians will acquire the skills needed to install photovoltaic; plumbers will acquire the skills needed to install heat pumps; and oil might transition to the production of hydrogen. This means that net job growth will be lower than LCREE job growth

## 04 Skills Strategy

In 2018 when the Employers' Skills and Education Board produced its first Skills and Education Plan and then in early 2021 when it produced its first Skills Report and again most recently for this document, the Board has considered in detail the extent and growing depth of our labour market analysis and identified the key learning and labour market issues that should be addressed in refreshing our Skills Strategy. The Cheshire and Warrington Employers' Skills and Education Board has applied the same tests that it used for the first Skills Report:

- If the issue that has been identified is effectively addressed, will this make a significant contribution to delivering our vision for a growing, inclusive, sustainable, healthy place?
- Is there action that local partners can take that can make a substantial impact on the issue identified?

In applying these tests most recently the Employer's Skills and Education Board have been particularly concerned to establish more clarity around the impact they are seeking. As a result, the Employers' Skills and Education Board have recently agreed to establish a task and finish group of employers to look into this issue in more detail.

In addition to information failures in the labour market, the following six key issues that can be addressed by local action were identified in our first Skills Report and have now been confirmed during the refresh:

- 01. The labour market impacts caused by the global pandemic must be mitigated, and action continues to be needed to ensure a recovery that delivers growth and inclusion and meets employer demand including filling hard to fill vacancies, by linking the places with the highest levels of need to the (often adjacent) places with the highest levels of opportunity
- 02. Partners should build on the plans for an Institute of Technology and ensure that more employees are trained, and coherent curriculum pathways are developed. To meet

- current demand, we need to fill at least 20K vacancies, many at Level 3+; and to meet future employer demand, Cheshire and Warrington needs 71,000 more adults qualified to Level 3+, and 75,000 more qualified to level 4+ by 2027 compared to 2017. Many of these roles will require higher technical and digital skills
- 03. Employers in Cheshire and Warrington are much more likely to have skills shortage vacancies in high skill roles and more likely to experience bottom line business impacts from this. A range of action is needed to support employers, including skills support and support to develop flexible employment offers
- 04. The gap between those young people in receipt of free school meals (FSM) and those not in receipt of FSM for progression to a sustained place in education at Key Stage 4 is too big (12-14%), as it is for attainment of Level 3 at age 19 (29-36%). This failure to maximise the skills of our young people puts unnecessary constraints on economic growth. Work is already planned to ensure that the first year of the Careers Hub will focus on schools with the highest numbers of young people eligible for FSM
- 05. Where young people live in Cheshire and Warrington links to their level of attainment. Young people tend to do less well in Ellesmere Port, North Warrington and Crewe
- 06. There are significant gender disparities in learning in ICT, Engineering, Health and Social Care, and Construction across all learning routes. This embeds a structural deficiency in the labour market where some occupations only draw on the talents of half of the population. Female participation in digital skills is too low at every level and for all ages

The underpinning evidence for these issues is discussed below. The progress that has been made in addressing them and the lesson learnt since the publication of the 2021 Skills Report can be found in Section 6 and Appendix 1 of this document.

#### 04.1 Skills Strategy Underpinning Evidence

**04.1.1** Covid-19 continues to have adverse impacts on the labour market.

At the time of writing, the pandemic isn't over. Its impact on the labour market has been complex and will continue to be so. The immediate impact of the pandemic was significantly cushioned by the furlough scheme and other measures introduced by Government. Notwithstanding this, early in the pandemic there were significant volumes of redundancies, increases in claimant unemployment, increases of in-work benefit claims, and reductions in the business stock.

However, some key labour market indicators are now more positive:

- By the autumn of 2021, the number on payrolls in Cheshire and Warrington was 1.3% higher than was the case pre-pandemic (HMRC).
- In October 2021, the volume of UC claimants seeking work for a year or less in Cheshire and Warrington (DWP measure) was lower (5660) compared with February 2020 (8606)
- Even at the height of the pandemic, eleven wards had experienced jobs growth of more than 500 (2019 to 2020 BRES).
- By October 2021, the job were at 146% of the February 2020 levels, indicating a high level of labour market churn.

Other labour market indicators continue to cause concern:

- In October 2021 the number of UC claimants seeking work in Cheshire and Warrington stood at 18,472 55% higher than the prepandemic level (DWP). The number of UC claimants seeking work for more than three years was more than three times higher than the pre-pandemic level and when JSA claimants are considered alongside UC, the long-term unemployment problem is even larger (DWP).
- In Jul 20- Jun 21, the employment rate in Cheshire and Warrington was 3% lower than pre-pandemic (LFS).
- In Jul 20 Jun 21, the number of self-employed in Cheshire and Warrington had decreased by 8,700 (13%) compared to pre-pandemic levels (LFS).
- Between the summer of 2021 and early December 2021, workplace mobility data for Cheshire and Warrington (Google) hovered at around 30% below pre-pandemic levels, suggesting a long-term change in the nature of work.

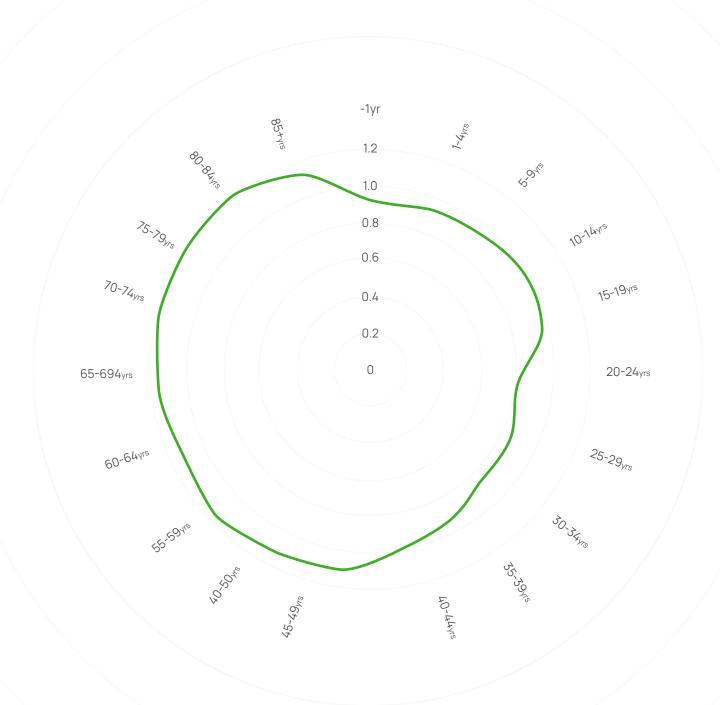
**04.1.2** The Cheshire and Warrington labour market needs more adult Level 3+ qualifications.

The population of Cheshire and Warrington is relatively old. In particular, the proportion of those aged between 0 and 44 (for every age band in this range) is lower than England, whereas the proportion of those aged 45 and above (for every age band in this range) is higher. This is why the working age population (aged 16-64) constitutes a lower percentage of the total population for Cheshire and Warrington and all three Local Authorities than is the case for England and the Northwest (ONS) See Chart 01.

The population is set to age further, increasing the number of retirements and so driving replacement demand in the labour market (ONS). Health, education and business professionals; Corporate managers and directors, and Other managers and proprietors; and Caring personal service occupations will all have replacement demand in excess of 35% between 2017 and 2027 (Working Futures, IER). Emerging evidence suggests that the pandemic may have accelerated replacement demand with record numbers of working age economically inactive declaring that they have retired (LFS).

Replacement demand in the Cheshire and Warrington labour market will drive a demand for higher level skills, with demand for skills at Levels 4 to 8 (higher to doctorate) forecast to significantly increase, demand for skills at L3 are forecast to be stable, and demand for skills below L3 are forecast to decline, see Chart 02. Demand at L3+ and above is forecast to increase from a stock of 333,000 in 2017 to a stock of 404,000 in 2027. (Working Futures, IER). Real-time data is supporting this analysis, with the five roles with the highest job posting intensity in Cheshire and Warrington at the end of 2021 being at Level 4 + (Nurses; Natural and Social Science Professionals; Physiotherapists; Teaching and Other Educational Professionals: Chemical Scientists; and Electrical Engineers).

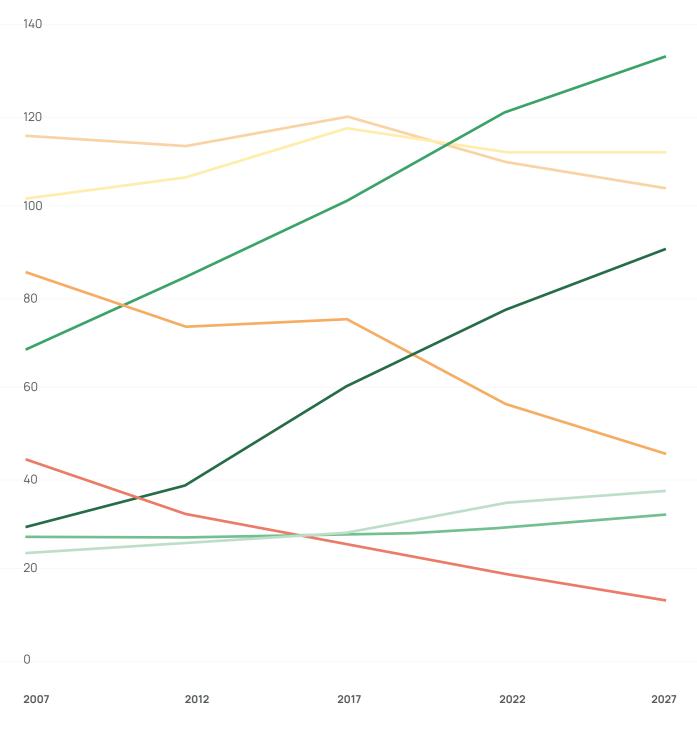
The estimated annual outflow of L3+ qualified residents (from LFS and ONS population estimates) is 7,500. The estimated annual inflow of L3 qualified 19-year-olds (from DfE SFR and ONS population estimates) is 6,000. The estimated annual L3 inflow from FE/Apprenticeships for adults (ESFA Localities data cube) is 4,500. This gives an estimated net inflow of L3+ qualified into workforce of 3,000. The IER forecast of annual replacement demand at L3+ is 13,000. This means that there is an estimated annual shortfall of L3 qualified inflow to meet IER forecast replacement demand of 10,000.



#### CHART 01

# Cheshire and Warrington Age profile compared with England (England=1)

Source: ONS Population estimates 2021



#### CHART 02

#### **Cheshire and Warrington**

#### Actual and Forcast Demand for Skill Levels 2007-2027

Source: Working Futures 2017-2027

RFQ5 RFQ4 RFQ3 RFQ 2 RFQ1 No GCSE (A-C)/ GCSE (C-)/ Higher Degree First Degree Foundation HE below A level / Qualifications degree degree level eqivalent eqivalent eqivalent

**04.1.3** Skill shortage vacancies are more prevalent than in England and constrain economic activity

It is reported in the Employer Skills Survey 2019 that employers in Cheshire and Warrington were more likely than their English counterparts to have at least one vacancy (19% vs 17%); to have at least one hard to fill vacancy (10% vs 8%); and to have a skill shortage vacancy (7% vs 6%). Of employers with at least one vacancy, 52% in Cheshire and Warrington had at least one vacancy that was hard to fill (England 44%) and 38% had at least one that was hard to fill because a skills shortage (32% England).

The proportion of vacancies that were attributable to skill shortages were much higher (46% vs 26%) in Cheshire and Warrington in high-skill roles and somewhat higher (28% vs 22%) for labour-intensive 04.1.4 The gap between disadvantaged and roles. When asked about the technical/practical skills that they found difficult to obtain from applicants for all their skill shortage vacancies, a much higher proportion of Cheshire and Warrington employers (78% vs 63% in England) found it difficult to obtain "Specialist skills or knowledge needed to perform the role" and a slightly higher proportion found it difficult to obtain "Advanced or specialist IT skills" (ESS2019). In April-October 2021, just less than half of the skills that had a high posting intensity in this period were for digital skills and most of the remainder related to health and care (EMSI Analyst).

Real-time data suggests that some employers are beginning to change job specifications to be more flexible (eg specifying that part-time working will be considered); although many are not doing so yet (Cheshire and Warrington Jobs Portal).

A higher proportion of Cheshire and Warrington employers felt that the impact of skill shortage vacancies on their business would be to lose business or orders to competitors than was the case in England (47% vs 41%) (ESS2019).

Analysis of job postings data (EMSI Burning Glass) at the end of 2021 shows that the key specialist skills sought by employers are for customer service and teamwork; the key baseline skills sought are communication and organisational; and the key digital skills are for Microsoft (Office and Excel) and SQL. The most sought certifications are for CSCS and various nursing and care qualifications.

Many hard to fill vacancies are seeking good digital and communication skills. Hard to fill vacancies with a high job posting intensity and high current volumes should be a priority for interventions from skills and employment partners. These interventions will vary from intensive vacancy-

focussed support to individuals to longer-term high-level skills programmes. On this basis, the following occupational areas (identified from EMSI Analyst) should be considered priorities for action: Nurses, Natural and Social Science Professionals, Physiotherapists, Teaching and Other Educational Professionals, Chemical Scientists, Electrical Engineers, Design and Development Engineers, Credit Controllers, IT Engineers

Actions will include skills interventions such as on the job training but will also need to include supporting employers to review specifications for jobs and changing terms and conditions. The Jobs Portal includes a page specifically for employers advising them on changes in the labour market and the need to change job specs and the Growth Hub can support on these issues.

non-disadvantaged young people is too big and constrains economic growth

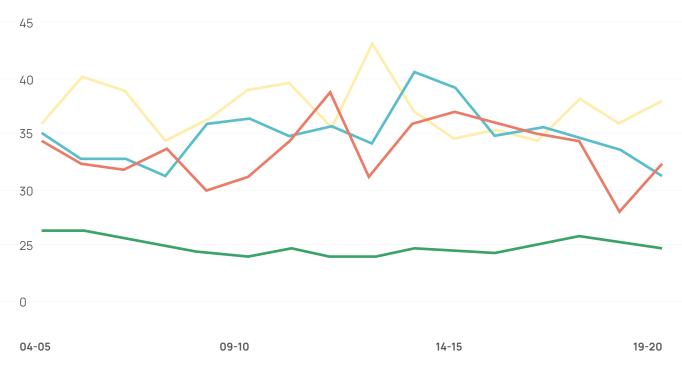
By the age of 11 there is already an attainment gap between children classified as disadvantaged and those who are not. This attainment gap in Cheshire and Warrington is larger than for England. The percentage of disadvantaged and nondisadvantaged pupils that achieved the expected standard in reading, writing and maths at Key Stage 2 in 2018/19 had an attainment gap of 24-26 ppt in the three Cheshire and Warrington local authorities, higher than England which stood at 20ppt.

This attainment gap carries through to attainment at 16 (Key Stage 4, Attainment 8 measure). The gap has been higher in all three local authorities than in England every year for the past three and widened in all three in 2020/21. At age 16, the gap between disadvantaged pupils securing a sustained education destination compared to all other pupils in 2019/20 was larger for all three local authorities (11.4% Cheshire East, 12.2% Warrington, 18.7% Cheshire West and Chester) than the English figure of 7.7%.

This may help explain, in part, the Level 2 and Level 3 attainment gaps at age 19, see Chart 03 (page 18). The gap between the proportion eligible for free school meals that achieved a Level 2 and the proportion not eligible for Free School Meals achieving a Level 2 has been smaller in England than in the three Cheshire and Warrington local authorities every year since 2004/5. However, in the last year for which there is data the gap narrowed for all three local authorities. This was the first year of examination disruption due to the pandemic.

The position is similar for the attainment of Level 3 at age 19. In England, the gap in attainment of Level 3 for those eligible and those not eligible for FSM has been approximately 25% between 2004 and 2020. The three Cheshire and Warrington local authorities have all consistently had a gap more than England, usually greater than 5ppt in any given year. In 2020, where examinations were disrupted by the pandemic, the gap increased in Cheshire East and Warrington and narrowed in Cheshire West and Chester.

The Level 3 disadvantage attainment gap at 19 can, in part, be explained by what proportion of disadvantaged learners were entered for Level 3 programmes. The disadvantage gap for disadvantaged and non-disadvantaged learners on Level 3 entries was 28ppt for providers in Cheshire East, 12ppt for providers in Cheshire West and Chester, and 30ppt for providers in Warrington.



#### CHART 03

Cheshire and Warrington

Level 3 attainment gap at 19, between FSM and non-FSM, Local Authorities and England 2005-2020

Source: DfE

England FSM	Cheshire East FSM	Cheshire West FSM	Warrington FSM

**04.1.5** Where young people live links to their level of attainment and progression

The Income Deprivation affecting Children Index (IDACI) measures the proportion of all children aged 0 to 15 living in income deprived families. It is a subset of the Income Deprivation domain of the Index of Multiple Deprivation (IMD) (2019). The highest levels of deprivation occur in Ellesmere Port, areas to the Northwest of Chester, parts of Warrington, parts of Winsford and areas of Crewe. Many of these areas are adjacent to areas of employment opportunity but continue to experience high levels of worklessness.

The indicators that are used in the IMD's Children and Young People Education sub-domain are: Key Stage 2 attainment; Key Stage 4 attainment; Secondary school absence; Staying on in education post 16; and entry to higher education. The areas that are deprived on this indicator are clustered in Ellesmere Port, Warrington, and Crewe with additional clusters in Winsford, Nantwich, Chester, and Macclesfield.

There are six parliamentary constituencies in Cheshire and Warrington where the percentage taught in schools rated 'Outstanding' or 'Good' by Ofsted is higher than for England (which is 80%), including four constituencies where 100% of students are taught in such providers - Congleton, Eddisbury, Tatton, and Warrington North. By contrast, only 35.6% of secondary school places in Ellesmere Port and Neston are with 'Good' or 'Outstanding' providers.

In 2020/21, three parliamentary constituencies – Ellesmere Port and Neston, Crewe and Nantwich, and Warrington North – scored below the English average for Attainment 8 at Key Stage 4. In 2019, four parliamentary constituencies – Ellesmere Port and Neston, Crewe and Nantwich, City of Chester, and Warrington South – scored below the English average on Progress 8.

**04.1.6** There are significant gender disparities in learning delivery

There were significant gender disparities in FE and apprenticeships by learners aged 16-18 in the subjects taken in 2018/19. There were high proportions of female starts in Retail and Commercial Enterprises, and in Health, Public Services and Care. There were high proportions of male starts in Engineering and Manufacturing Technologies; Construction and the Built Environment; and Information and Communications Technology.

In 2018/19, 58% of A Levels in FE were started by females. This proportion rose to 67% for A Levels in Arts, Media and Publishing, and 78% for A levels

in Languages, Literature and Culture. Conversely, 92% of A levels in Engineering and Manufacturing Technologies, and 85% of A levels in Information and Communication Technologies were started by males.

In 2018/19, males accounted for 52% of 16-18 Level 3 Diploma starts in FE. However, there were significant variations in the gender split for starts on individual Sector Subject Areas (SSAs). Males accounted for 65% of starts in Leisure, Travel and Tourism; 91% of starts in Information and Communications Technologies; 90% of starts in Engineering and Manufacturing Technologies; and 98% of starts in Construction, Planning and the Built Environment. By contrast, females accounted for 83% of the starts in Retail and Commercial Enterprise; 69% of the starts in Health, Public Services and Care; and 60% of the starts in Science and Mathematics.

Overall, 56% of starts by adults not funded by ESF were associated with female learners and 44% with male learners. The general population of Cheshire and Warrington splits 51% female, 49% male. However, only 24% of ESF-funded starts were by females. More work is required to understand the reasons for this and to ensure that the future Shared Prosperity Fund investment does not repeat this gender disparity.

Female participation in FE Digital skills programmes was 29% at Level 2, 29% at Level 3 and 25% at Level 4+.

There are highly gendered occupational areas in adult apprenticeships. Only 14% of adult apprenticeships in Health, Public Services and Care were started by males. Similarly, only 11% of apprentices in Engineering and Manufacturing Technologies were female and only 5% of apprentices in Construction, Planning and the Built Environment were female.

#### 04.2 Skills Strategy Priorities

Having reviewed the previous Skills Report published in the first quarter of 2021, and in light of the current evidence, the Cheshire and Warrington Employers' Skills and Education Board has confirmed that the vision and strategic priorities set out within it continue to apply:

Our vision is to be a healthy, sustainable, inclusive, and growing region. We will build a better and more resilient future together recognising the changing landscape. We are operating in a new, digital, and innovative world and therefore the Cheshire and Warrington Skills and Education priorities are:

- 01. Young People our employers will be at the heart of inspiring and informing people about future technologies, career pathways and learning so that they can make well-informed decisions about their futures
- 02. Employees employees will develop the skills and aptitudes that employers require to be able to grow, innovate and adopt digital. Highlighted skill gaps include amongst others green tech, life sciences, logistics, digital and STEM skills to support our key sectors
- Economically Inactive and Unemployed those who are out of work will be helped to access employment; those who are threatened with unemployment will be helped to stay employed; and those furthest from the labour market will be helped to move closer to it. We will align national and local programmes, and local investment (where available), to secure maximum impact

In delivering these priorities, we will be inclusive, agile, deliver with pace and keep it simple. We will be data and labour market intelligence and stakeholder feedback driven, recognising the changing environment.

Of particular concern to Cheshire and Warrington partners is information failure in the labour market. Labour market demand will not be satisfied unless it is mirrored by demand from learners which is underpinned by high-quality and inspiring information about what the economy will need in the future. It is important that there is a better convergence of the skills individuals want to acquire with the skills employers will need.

Successful delivery of our Plan is contingent on several factors:

- A strong economic recovery
- A strong and responsive Government policy framework
- Employers working together to inspire and inform demand from their employees and young people as well as those seeking work with high quality, inspirational, careers information resources
- Many more employers taking a flexible approach to how they specify and recruit to job vacancies; and taking action to reduce staff turnover
- Labour Market Information (LMI): to inform adults seeking work or seeking to upskill; as the foundation for inspirational careers work for young people; and to underpin curriculum planning and help focus programmes into specific geographical areas and particular cohorts of individuals

- Employers working with skills providers to codesign the curriculum and ensure it provides the skills they need
- Learners can access work experience and then progress from learning into job vacancies.
- Linking job opportunities from major capital investment to local people needing a job, including switching capital to revenue to support skills
- Flexible investment of skills budgets responsive to local need including the Adult Education Budget and the Shared Prosperity Fund
- Delivering world class facilities and kit to support skills and developing the capacity and expertise of the trainers (short term secondments)
- Government investment in those SAPs and Local Digital Skills Partnerships where there is a proven track record of embedding employers at the heart of inspiring and informing learners and where quality data and labour market intelligence is used by providers to improve their curriculum offer and the support they provide

In addition, key stakeholders and influencers will work together to support the delivery of flagship programmes that will deliver:

- Young People employer-led inspiration and better information, targeted at key geographies and key cohorts
- Employees Reskilling and upskilling the existing workforce
- Out of work Workforce recovery support to access jobs and skills

This will be underpinned by effective governance and stakeholder engagement provided by the Local Enterprise Partnership Board supported by the Employers' Skills and Education Board, and the Workforce Recovery Programme. See our stakeholder map →

#### 05 Skills Action Plan

Our vision is to be a healthy, sustainable, inclusive, and growing region. We will build a better and more resilient future together recognising the changing landscape. We are operating in a new, digital, and innovative world and therefore the Cheshire and Warrington Skills and Education priorities are:

- Young People our employers will be at the heart of inspiring and informing people about future technologies, career pathways and learning so that they can make well-informed decisions about their futures
- Employees employees will develop the skills and aptitudes that employers require to be able to grow, innovate and adopt digital. Highlighted skill gaps include amongst others green tech, life sciences, logistics, digital and STEM skills to support our key sectors
- Economically Inactive and Unemployed those who are out of work will be helped to access employment; those who are threatened with unemployment will be helped to stay employed; and those furthest from the labour market will be helped to move closer to it. We will align national and local programmes, and local investment (where available), to secure maximum impact

In delivering these priorities, we will be inclusive, agile, deliver with pace and keep it simple. We will be data and labour market intelligence and stakeholder feedback driven, recognising the changing environment.

We will retain a focus on addressing the key issues that have been identified through our labour market research and prioritised by the Employers' Skills and Education Board:

#### Key Issues in Cheshire and Warrington

#### Key Issue 1

The labour market impacts caused by the global pandemic must be mitigated, and action continues to be needed to ensure a recovery that delivers growth and inclusion and meets employer demand including filling hard to fill vacancies, by linking the places with the highest levels of need to the (often adjacent) places with the highest levels of opportunity.

#### Key Issue 2

Partners should build on the plans for an Institute of Technology and ensure that more employees are trained, and coherent curriculum pathways are developed. To meet current demand, we need to fill at least 20K vacancies, many at Level 3+; and to meet future employer demand, Cheshire and Warrington needs 71,000 more adults qualified to Level 3+, and 75,000 more qualified to level 4+ by 2027 compared to 2017. Many of these roles will require higher technical and digital skills.

#### Key Issue 3

Employers in the subregion are much more likely to have skills shortage vacancies in high skill roles and more likely to experience bottom line business impacts from this. A range of action is needed to support employers, including skills support and support to develop flexible employment offers.

#### Key Issue 4

The gap between those young people in receipt of free school meals (FSM) and those not in receipt of FSM for progression to a sustained place in education at Key Stage 4 is too big, as it is for attainment of Level 3 at age 19. This failure to maximise the skills of our young people puts unnecessary constraints on economic growth. Work is already planned to ensure that the first year of the Careers Hub will focus on schools with the highest numbers of young people eligible for FSM.

#### Key Issue 5

Where young people live in Cheshire and Warrington links to their level of attainment. Young people tend to do less well in Ellesmere Port, North Warrington and Crewe.

#### Key Issue 6

There are significant gender disparities in learning in ICT, Engineering, Health and Social Care, and Construction across all learning routes. This embeds a structural deficiency in the labour market where some occupations only draw on the talents of half of the population. Female participation in digital skills is too low at every level and for all ages

Many of these issues will feature to a greater or lesser extent at national level and in other localities, but they will not necessarily be priority issues for those places. The rationale for them being a priority in Cheshire and Warrington is set out, briefly, below:

**Covid 19:** The pandemic has created a huge shock in the local, regional, national and international economy. Mitigation of this impact must be a priority.

Level 3+: This is a national issue but from our local analysis, we know there is a significant gap between demand for, and supply of, level 3+ qualifications in the local economy. Cheshire and Warrington's economic and demographic structure makes this issue more pronounced now, and in the future, than will be the case elsewhere.

Skills shortage vacancies: From national survey evidence, it is clear that this problem is more acute in Cheshire and Warrington and is more likely to generate adverse bottom-line business impacts.

Young people's attainment gap: Whilst there is a gap in attainment in most places, the gap is larger in Cheshire and Warrington and has been so for almost two decades. This failure to maximise our talent is a drag on our local economy and our local productivity.

**Disadvantaged areas:** Our young people tend to do less well in Ellesmere Port, North Warrington and Crewe. Spatially targeted interventions can begin to redress this situation.

Gender disparities: This is a national issue, but national interventions aren't making the difference that is required. More needs to be done locally to combat this structural weakness in our local labour market and our local skills system.

The delivery landscape is complex with a multitude of delivery partners and programmes. The Board has identified a small number of transformational work programmes that can deliver the impact needed and that will report on progress to the Board regularly. These work programmes will build collaboration across all key partners in Cheshire and Warrington. This will be underpinned by effective governance and stakeholder engagement provided by the Local Enterprise Partnership Board supported by the Employers' Skills and Education Board and the Workforce Recovery Programme. It is possible that resources will not be available to deliver all the actions below. In this case we will seek to prioritise action that delivers growth by using all our talent - for example increasing the proportion of disadvantaged young people to acquire a Level 3 by age 19.

#### Skills Action Plan

The table below summarises the actions we will take, who will take it, who will be affected and the issue(s) that each action will impact. Many of the milestones reflect the urgency required to deal with the current labour market impacts of the pandemic.

1. Young People - Our employers will be at the heart of inspiring and informing people about future technologies, career pathways and learning so that they can make well-informed decisions about their futures.

Action	Who will this affect	Delivery Partners	Key Issues to be addressed	Milestones and Targets	Metrics
a) Inform and inspire - Subregional employers, voluntary organisations, schools and school trusts (including primary where possible) will inform and inspire our young people about the future technologies, jobs, career pathways (including T-levels) and development opportunities available across the local economy, amplifying technical and apprenticeship pathways.	Young People	The Pledge, Employers, Schools, Colleges, Higher Education Institutions (HEIs)	1, 4, 5 and 6	<ul> <li>Meaningful engagement of over 500 employers by December 2022 in the successful delivery of the Pledge programme.</li> <li>Seek additional resource to tailor LMI to be more accessible to schools.</li> <li>At least 100 employers engaged in activity promoting digital by December 2022.</li> <li>Work with the Pledge and Growth Hub to deliver 10 events to promote examples of the application of technologies to solve business problems by December 2022.</li> </ul>	Gatsby NEET KS4 progression KS5 attainment
b) Better links between employers and schools/colleges/youth groups – enterprise advisors from our businesses advising the senior leadership teams of all our schools and colleges on their strategic careers planning.	Employers, Young People, Schools, Colleges	The Pledge, Employers, Schools, Colleges HEIs	4, 5 and 6	Establish and maintain a calendar of events. Initial publication March 2022     Regularly share good practice amongst employers.	NEET KS4 Progression Gatsby Gender disparities
c) Careers Hub - deliver a Careers Hub that focusses support and resources on young people that ensures all our young people receive support - particularly those eligible for free school meals and in disadvantaged communities.	Young People	The Pledge, Employers, Schools, Colleges HEIs	1, 4, 5 and 6	<ul> <li>Initial phase of the careers hub working with 20 schools to be completed by July 2022. The overall objective is to raise aspiration levels, and as a result improve behaviour, attendance and progression and start to reduce the attainment gap between those schools with high numbers of pupils eligible for free school meals (FSM) and the pupils who not eligible for FSM.</li> </ul>	Gatsby NEET KS4 progression KS5 attainment
d) Online career fairs - build on the success and continue to deliver a programme of online career fairs. (online, face to face and hybrid).	Employers, Young People, Providers	The Pledge, Employers, Apprenticeship providers, Schools, Colleges, HEIs	1, 3, 4, 5 and 6	Work with local employers and local schools to establish a programme of events for 2022/2023.	Gatsby NEET KS4 progression KS5 attainment
e) Work experience and progression into work- support work experience and internships, with opportunities in all sectors, to underpin better informed choices and talent retention for all groups of people including those in disadvantaged communities and with complex needs.	Employers, Young People	The Pledge, Employers, Schools, Colleges, HEIs	1, 3, 4, 5 and 6	<ul> <li>Build on progress to date and, by September 2022, establish a coherent programme of work experience for our young people in Key stages 4 and 5.</li> <li>Increase the number of young people undertaking work experience in our priority sectors. In 2020 the figure was less than 5% but in 2021 the Pledge ran virtual work experience for 1,753 young people of which 68.5% were in priority sectors.</li> </ul>	Gatsby NEET KS4 progression KS5 attainment
f) Support employers - develop good practice to engage and recruit young local talent	Employers, Young People	The Pledge, Employers, HEIs	1, 3, 4, 5 and 6	Work with local employers including the Careers Hub cornerstone employers to identify and address key issues at monthly meetings.	NEET, Hard to Fill Vacancies

**2. Employees** - Employees will develop the skills and aptitudes that employers require to be able to grow, innovate and adopt digital. Highlighted skill gaps include amongst others green tech, life sciences, logistics, digital and STEM skills to support our key sectors.

Action	Who will this affect	Delivery Partners	Key Issues to be addressed	Milestones and Targets	Metrics
a) Inform and inspire - produce high quality labour market information that underpins individuals'	Residents (all age); Colleges, schools,	Data and Labour Market Intelligence Group	All	Undertake a programme of work as developed through the Data and Labour Market Steering Group and the plan submitted to DfE.	
understanding of local skills gaps and career opportunities; supports skills providers in delivering	and skills providers; employers; careers			Ensure the profile of students and beneficiaries of Local Growth Fund projects and the Skills Bootcamps	
an agile and responsive curriculum; and informs employers' workforce planning.	partners			• reflect the demographic profile in Cheshire and Warrington.	
b) Stimulate demand from employers and individuals - develop the skills our economy needs, underpinned by curriculum pathways (Level 2 to	Employers, employees	Skills providers, careers partners	1, 2 and 3.	Review effectiveness of Jobs Portal by March 2022 and decide next steps.     Subject to the availability of funding, continue to develop our Jobs Portal as a route to reducing unemployment and filling hard to fill vacancies.	Attainment levels, Hard to Fill vacancies,
Level 4+), developed in line with the White paper, that support an individual's progression in employment.				Share and promote the data and labour market intelligence about current and future vacancies and the contextualised IFATE pathways.	% of employees receiving training
				Work with DWP, local colleges, the Local Growth Fund skills projects and the Workforce Recovery Group to review	
c) Increase the number of employees trained -	Employees,	Skills providers	2 and 3	Submit bid(s) for skills bootcamps by mid-February 2022. Go live June 2022.	Attainment
ensure that training providers are aware of the training needs and we make the most effective use of the	and we make the most effective use of the g programmes available – for example, using rate to deliver training to employees at all levels,			• At least 100 employers engaged in promoting digital by December 2022.	levels, Hard to Fill vacancies, % of employees receiving training
training programmes available – for example, using Accelerate to deliver training to employees at all levels, as their roles develop.				<ul> <li>Develop more examples of best practice in the application of new technologies to solve business problems including how technologies can be packaged together. Share case studies.</li> </ul>	
d) Develop the capacity of our skills system – invest (as resources allow) in the estate and	Skills providers, learners, employers	Skills providers, employers	2 and 3	11k people and 540 businesses benefitting in digital skills training thorough the Local Growth Fund Skills Projects by December 2022.	2019/20 capital investment
equipment required to deliver digital and technical skills at the volumes required; and by supporting the creation of an Institute of Technology. We will also ensure that existing investment in digital and technical capacity over-delivers on outputs, and that good practice is shared		. ,		Support our local training providers to collaborate, share good practice and build capacity to successfully deliver outputs for the £2.7 million Skills Accelerator Strategic Development Fund (SDF), £13 million Cheshire and Warrington Institute of Technology (IoT) and if successful wave 3 skills bootcamps. The IoT will train-2,547 learners by year 5, of whom 86% are at level 4 and above.	delivers the impact contracted for IoT bid successful. L3+ delivery volumes
				• CPD programmes for teachers including a digital programme in spring 2022.	

**3. Economically Inactive and Unemployed** – those who are out of work will be helped to access employment; those who are threatened with unemployment will be helped to stay employed; and those furthest from the labour market will be helped to move closer to it. We will align national and local programmes, and local investment (where available), to secure maximum impact.

Action	Who will this affect	Delivery Partners	Key Issues to be addressed	Milestones and Targets	Metrics
a) Improve access to quality jobs, careers, and skills information - work with JCP and the National Careers Service to deliver online job fairs and develop an online Opportunities Portal that provides local information on job opportunities, apprenticeships, and learning.	economically inactive, threatened	JCP, careers partners, skills providers, employers	1	Subject to funding six online job fairs by February 2023, including supporting recruitment following DfE skills bootcamps if successful in bid.	Claimant count/rate, LFS unemployment, economic inactivity rate
b) Stimulate job creation - deliver wage subsidy programmes such as Kickstart and training for enterprise and entrepreneurship.	Unemployed, employers	JCP, providers, employers, chambers, local authorities	1	Work with the Growth Hub and training providers to influence the development of programmes to support more businesses in the subregion to grow and become sustainable beyond 4 employees.  Support employers in developing good practice to engage and recruit for hard to fill vacancies and work with the Local Enterprise Partnership's Growth Hub, local training providers and DWP to develop programmes of support that enable businesses to acquire the skills they need to grow and adapt.	Claimant count/rate, LFS unemployment, economic inactivity rate
c) Help people retain their jobs - support those being threatened with redundancy including access to retraining through for example, skills bootcamps that deliver programmes co-designed with employers	threatened with redundancy	Employers, providers	1 and 3	Support partners in Cheshire and Warrington in submitting proposals and delivering Skills Bootcamps as part of the DfE wave 3 expansion for 2022/2023.	Hard to Fill vacancies, claimant count/rate
d) Help the unemployed access employment - ensure AEB and national programmes for the unemployed (Restart, Kickstart, Job Entry Targeted Support (JETs) and the Work and Health Programme) are tailored to the needs of residents and designed to secure maximum impact and secure sustainable outputs including employment in local businesses	Skills providers, learners, employers	JCP, providers, employers	1	• Influence close partnership working with these programmes and the Local Growth Fund Skills investment projects to ensure the investments exceed their targets (ref 2d) so that as many residents in Cheshire and Warrington benefit from the investment in technologies and skills development.	Claimant count/rate, LFS unemployment, economic inactivity rate
e) Support those furthest from the labour market – deliver programmes to support those who are furthest from the labour market to move closer to it, including Journey First, Parents First, and key Housing Association Programmes	Economically inactive, unemployed	Local authorities, JCP, providers, housing associations	1	Continue the pilot work with DWP and Workforce Recovery Group that is targeting the c3k people who have been claimant unemployed for 3 years or more. This will link to other initiatives eg Town Fund and Careers Hub.  Working with the Digital Connectivity Board and other local partners continue to influence and support the development and delivery of a digital inclusion programme that provides equipment, connectivity and skills development opportunities, targeting activity in disadvantaged communities.	Claimant count/rate, LFS unemployment, economic inactivity rate

# 06 Assessment of Progress and Case Studies.

Cheshire and Warrington's previous Skills Report was published in the first quarter of 2021. The 2021 Action Plan has provided a framework for partners to mobilise the action required and to cut through the noise of multiple overlapping initiatives by providing a clarity of focus on the things that need to be done.

A detailed report on progress against the 2021 Skills Action Plan can be found at Appendix 1. Below is a reflection on three key initiatives of 2021, and case studies for each of the 3 priorities young people, employees, and economically inactive and unemployed.

#### 06.1 Young People

Our priority for Young People states:

"Our employers will be at the heart of inspiring and informing people about future technologies, career pathways and learning so that they can make well-informed decisions about their futures."

The Local Enterprise Partnership has led the development of the Cheshire and Warrington Pledge where over 400 employers are actively engaged in working with our mainstream secondary schools and alternative school provision to inspire young people about new technologies and career opportunities. The Pledge has a growing library of 176 videos that employers have created for local schools. The videos are used by career leads as well as other teachers to help contextualise their lessons.

The Pledge is already having an impact on the quality and range of work experience opportunities available to our young people. In 2019 and 20 less than 5% of young people in Cheshire and Warrington were undertaking work experience within Local Enterprise Partnership priority sectors. The Pledge facilitated 5 highly successful Sector Specific work experience weeks in early 2021 three focusing on STEM Careers and 2 on Digital. During lockdown we supported 1,753 young people undertaking virtual work experience from 19 schools and colleges. 68.5% of those students (1,201

people) completed their work experience with Local Enterprise Partnership priority sectors including advanced manufacturing, digital, engineering, professional services and life sciences.

The Pledge was quick to adopt online technologies to run a series of career events with local employers and local schools. Our recent virtual apprenticeships event had 2,389 live viewers and the recent six localised autumn online career events had a combined audience of over 17,000 live viewers. All of these were held in the evenings and in many cases, this enabled parents/ carers to watch the events with their young people.

The rapid adoption of online working by the Pledge was also adopted by Jobcentre Plus (See case study).

# Case Study: Cheshire and Warrington Careers Hub

A key initiative in 2021 has been the development of the Cheshire and Warrington Careers Hub. The Careers Hub, which is supported by the national Careers and Enterprise Company, has been developed in response to two key issues identified in the 2021 Skills Report. Firstly, the gap between the progression of young people in receipt of free school meals (FSM) and those not in receipt of FSM to a sustained place in education at Key Stage 4 is too big, as it is for attainment at age 19; and secondly, here young people within the subregion links to their level of attainment.

Cheshire and Warrington LEP received the grant offer letter confirming the funding for the first phase of a three-year plan for the Cheshire and Warrington Careers Hub in June 2021, with spaces for 20 schools in the first phase and a plan to introduce all schools by 2023. For Phase 1 we successfully signed up 20 schools by targeting schools in Ellesmere Port, Crewe and North Warrington, those with the highest number of students in receipt of Free School Meals and those with a Grade 3 or 4 in their latest OFSTED Inspection. The Hub work started in September. We now have a Strategic Hub Lead developing this work. The Careers Hub will work as part of the Pledge.

The Pledge and the Digital Skills Partnership have provided links to employers for a range of activities to inspire females into choosing computer science as a subject and raising awareness of a range of digital roles and careers. Activities include a pilot programme with one of schools in Ellesmere Port working with 24 pupils (15 girls and 9 boys) from years 8 and 9, digital sector work experience, inspiration talks from females in digital roles, scholarships for students who are interested in choosing a career in technology from one of our SMEs in the cyber security sector, technology awareness raising sessions targeted at females delivered through our Local Growth Fund Projects. Employers involved included AstraZeneca, CF Fertilisers, DriveWorks, Encirc and IBM.

#### 06.2 Employees

Our priority for Employees states:

"Employees will develop the skills and aptitudes that employers require to be able to grow, innovate and adopt digital. Highlighted skill gaps include amongst others green tech, life sciences, logistics, digital and STEM skills to support our key sectors."

The Cheshire and Warrington Employers' Education and Skills Board has led a programme to develop detailed labour market intelligence on Cheshire and Warrington. This work was used to underpin the Cheshire Colleges' successful application for an Institute of Technology (IoT). Following a comprehensive and competitive process, Cheshire and Warrington has been awarded an IoT. The initiative is being led by Cheshire College South and West in collaboration with key employers, Warrington and Vale Royal College, Macclesfield College, Reaseheath College, University of Chester, Priestley College and employers. The region will benefit from over £13m investment. By year 5 the IoT will have nearly 2,547 students 86% of whom will be studying at Level 4 and above.

The IoT involves a range of leading businesses, such as Encirc, Warrington and Halton NHS Trust, Alderly Park Ltd and Case IH. It will offer world-class training and education and provide the skills that employers need to keep the region at the forefront of industry developments and address local skills gaps.

The IoT is a unique collaboration between employers and skills providers who specialise in offering high-quality higher technical education and training in subjects such as Computing, Engineering, Health and Life Sciences, Agri-Tech, Construction and the Built Environment, Science and Maths.

Those studying at the Institute will benefit from state-of-the-art equipment and facilities, providing them with an ideal environment for their learning. This investment in facilities and resources will be felt across all the participating colleges. Students will be provided with the skills, experience and qualifications they need to succeed. The involvement of key local employers will ensure the loT delivers the skills businesses want.

The IoT investments build on the £5 m

Local Growth Fund skills investments already made in specialist equipment.

#### Case Study: IDM Engineering

IDM Engineering is an SME manufacturer offering services in fabrication and welding; computer aided design and prototype manufacturing; and engineering maintenance. The Ellesmere Port-based company works across a range of industries, including nuclear, rail, automotive, chemical and aerospace, as well as food production, recycling and marine.

As a rapidly growing business and, having recently relocated to bespoke premises, IDM was keen to further adapt its offering to what its customers needed, including innovation to its product offering. Working with the Cheshire and Warrington Growth Hub, IDM was able to access a mixture of grant funding and training programmes to build its team's skillset and invest in new equipment. The Cheshire and Warrington Growth Hub has helped the firm to:

- Take part in the Accelerate scheme, offering three members of the senior management team funded further training in health and safety, as well as technical skills
- Access support from Total People a workbased training programme that gives employers apprentices
- Receive a grant to employ a university graduate as an intern for six months, via the Made Smarter Programme. This was the first time that IDM was able to run such a programme, with the intern being able to focus on digitalisation across the business
- Access grant funding from Blue Orchid to buy new welding equipment that, ultimately, allows the team to be efficient and increase innovation and quality

Neil Jones, business development manager at IDM Engineering, said:

"We started working with the Cheshire and Warrington Growth Hub at a pivotal moment for the company as a whole; we had just moved to new premises and had also undergone a series of management changes, so we were ready to enter our next chapter.

While we knew what we needed to do in order to invest in both our people and equipment, we found ourselves slightly overwhelmed by the process in which to access different funding programmes and identifying which schemes were relevant to us.

That's where our key account manager, Paul, was fantastic. He made everything so user-friendly and clear, ensuring we understood which pots of money or training programmes were available and which ones would benefit us the most. It can be a very complex process, especially for an SME like us where everyone is spinning lots of plates but having someone there to bridge the gap and make sure everything's ticked off was extremely helpful.

Being able to bring on board an intern and apprentice, as well as investing heavily in new equipment that enables us to meet specific standards and surpass customer expectations has been a major step forward to us and we're incredibly grateful for the support we've had."

#### 06.3 Economically Inactive and Unemployed

Our priority for the Economically Inactive and Unemployed states:

"Those who are out of work will be helped to access employment; those who are threatened with unemployment will be helped to stay employed; and those furthest from the labour market will be helped to move closer to it. We will align national and local programmes, and local investment (where available), to secure maximum impact"

The Cheshire Work Force Recovery Group (WRG) and Cheshire Into Work Board (IWB) have identified the challenges faced by the c3k longest term unemployed (at least 3 years) and those resident in deprived areas as a priority for support. This support will aim to break the cycle of long-term unemployment and limit the number of residents still likely to remain unemployed in a year's time. The pilot programme is targeting movement into some work, training or volunteering as its main priority outcome. Secondary outcomes will be seen with improvements to health and wellbeing.

Partners are investing relevant existing resources into the programme. The Pilot phase in Ellesmere Port, Crewe and Warrington is due to start by April 2022.

As part of the Pilot, all customers receive a baseline assessment of current circumstances, including establishing what support is currently being contractually provided. On a case-by-case basis, consideration will be given to a named

DWP Job Coach and Partner organisation Support Mentor jointly owning the customer journey. This involves joint case management including regular face to face cohort case conferencing with DWP. To ensure effectiveness, the approach taken is relational rather than transactional. The DWP Job Coach maintains the Claimant Commitment and mandatory requirements. A holistic employment support programme is provided by DWP and partners.

# Case Study: Online Jobs Fairs including North West Works 4U (NNW4U) and Kickstart

During 2020/21 Cheshire and Warrington's Employers' Skills and Education Board approved the investment of £15,000 to enable our local Jobcentre Plus team to deliver 10 online job fairs working in partnership with Jobs Live (Learn Live) and in collaboration with the private sector.

The online events have engaged both employers and jobseekers and the delivery model for the events has evolved with advice about how to find and get a job being provided by employers alongside details of current job vacancies.

The events are ground-breaking putting jobseekers directly in touch with employers and have attracted interest from across the country. Jobs Fairs have been supported by local politicians, Government Ministers and Blue-Chip Employers including McCann Medical. The first 9 events involved: 291 Cheshire and Northwest employers; 12,600 current local vacancies and 105,000 individuals who were looking for work - either live or on demand views

In November and December 2021 there were 3 Kickstart Jobs Fairs that were attended by over 120 job seekers, involved 24 employers and promoted around 250 vacancies at the events.

The Cheshire and Warrington Jobs Portal has a dedicated page promoting the Kickstart Scheme and through this page Cheshire and Warrington were the first region to have Kickstart Vacancies listed, this has been in place since 25th July 2021.

## 07 Looking Forward

The pandemic has had a huge impact on our labour market that requires on-going mitigation. However, transformative opportunities will be missed if we only focus on this.

Our aim is to reshape the labour market so that it better supports our vision of Cheshire and Warrington becoming the healthiest, most inclusive, most sustainable, and fastest growing place in the country. This requires that our Plan be both ambitious and deliverable; it requires a unity of action/focus across our partnership drawing on the strength and capability of all our partners; and it requires that Government takes the action needed to enable the delivery of our priorities. We are clear regarding the different contributions of key stakeholders and partners locally:

Local Employers (individually and through their networks) will continue to:

- Lead the agreement of strategic skills priorities, and review their delivery, through the Employers' Skills and Education Board (the employer-led Skills Advisory Panel for Cheshire and Warrington) and the associated Pledge Board, the Digital Skills Partnership, and the IoT governance arrangements
- Co-invest, alongside employees and the Government, in delivering the skills needed in the local economy
- Respond to the changing labour market by adjusting their job specifications and work practices
- Be at the heart of the Pledge inspiring and informing our young people about careers/ opportunities and support schools to develop a more strategic approach to the careers curriculum
- Provide role models to combat the gender stereotyping of occupations and learning routes.
- Create jobs, apprenticeships, and other opportunities to experience the world of work

The Local Enterprise Partnership will continue to:

- Broker the regional and subregional strategic partnerships, and exercise the influence, required to deliver the plan at local level to the benefit of local residents
- Invest in the capacity of our skills system to deliver what is required, as resources allow including the further development of labour market data and intelligence
- Work through the Growth Hub to support employers to understand/meet their skill needs.
- Lead partnership action to better understand the local labour market
- Work closely with Jobcentre Plus, the Local Authorities and other partners to drive the inclusion and levelling up agenda and flex support programmes in a way they target areas of greatest need in Cheshire and Warrington
- Manage a careers hub to secure a more strategic approach to the careers curriculum in schools
- Work with transport, digital and other partners to ensure access to employment opportunities for the areas with greatest need

Local authorities will continue to:

- Ensure strategic infrastructure developments deliver inclusive opportunities for people and businesses
- Work with employers, schools, and careers partners to close the attainment gap and work with the areas of greatest need
- Work with employment partners and housing associations to ensure learning and employment support is delivered to those furthest from the labour market

Colleges, the University, and skills providers will:

- Be agile and responsive in understanding and responding to employer skill needs, including acting to address skills gaps and needs that have already been identified by our data and labour market intelligence
- Be collaborative sharing good practice, expertise and resources to develop centres of expertise and ensure wider, more inclusive access by local people, with a focus on the areas of greatest need
- Put employers at the centre of the curriculum and teaching and learning.
- Stimulate demand for skills from learners and employers, with a focus on skills gaps.
- Establish clear vocational pathways from entry Level to Level 4+ in the occupational areas needed by employers

Jobcentre Plus, voluntary sector and employment partners will continue to work in partnership through the Workforce Recovery Group and the Into work Board to:

- Provide employment support which is led by real vacancies.
- Tailor support for individuals according to their distance from the labour market.
- Ensure appropriate action to support all people who are newly unemployed as well as those further from the labour market. Key cohorts most affected by the Covid crisis include the long-term unemployed, young people and those aged 50+

Local Schools, Youth Groups, Careers and Guidance partners will continue to:

- Ensure employers are at the heart of inspiring and informing our young people about careers/ opportunities.
- Work with schools to attain the 'Gatsby' standards for good careers guidance.
- Support action to challenge gender stereotyping, close the attainment gap, stimulate progression, and amplify technical skills and apprenticeship pathways.
- Obtain feedback from our young people.
- · Focus on the areas of greatest need

The Digital Skills Partnership Board will continue to:

 Work with employers through the LEP and other local partners/programmes (Pledge, Accelerate, Local Growth Fund), to promote the adoption of new technologies and digital skills, share good practice and support the building of capacity

- Ensure local actions address the key issues identified in the refreshed Skills Report and the associated Labour Market Assessment
- Work with employers and other partners to develop case studies to demonstrate best practice in the application of new technologies in industry and to combat the gender stereotyping of occupations and learning routes
- Continue to inform the development of the digital curriculum and job seekers through the use of real-time data and a more in-depth study of the changing nature of the digital labour market
- Leverage additional funding to support the development of digital skills

The Pledge Board will continue to:

- Develop a more strategic approach to careers advice and guidance
- Provide more communication about the benefits of apprenticeships with different messages to students and parents. Employers in direct contact with career leads in schools
- Ensure that everything that the Pledge does is led by the needs of local employers
- Support more employers to see the benefits of employing young talent
- Share best practice with employers in supporting the recruitment and engagement with young people, especially those from deprived and under-represented backgrounds

The IOT Board though not an independent legal entity will:

- Be accountable for the development and delivery of the IoT to the Accountable Body as the Licensee
- Establish specialist groups for each sector to review the curriculum offer including apprenticeships, matched to the industry need both in terms of volume, content and the learner experience and monitor delivery
- Work with HE partners who will use their research capability to inform and challenge assumptions regarding future developments and will help the partners to think about the type of skills, knowledge, equipment and pedagogies that will be needed to address future sectoral challenges

#### Our asks of Government:

Certain types of action or intervention are out of scope for our Skills Strategy because local partners do not have the powers to make some things happen. So, for example, local action cannot be taken to change the composition or priorities of skills providers operating in the subregion because responsibility for procurement and management of skills providers has not been devolved to Cheshire and Warrington. Similarly, funding rates are determined nationally; the eligibility of what qualifications and which learners are funded is determined nationally; and support and challenge to improve the quality of skills delivery is a national responsibility.

These are all responsibilities of Government, and Government is an important partner in ensuring the skills system in Cheshire and Warrington can respond more effectively to the challenges that we have identified. Last year's White Paper 'Skills for Jobs' was underpinned by a national analysis which is very similar to our own local assessment and provides a policy framework for tackling the fact that the current output of Level 3+ qualifications in Cheshire and Warrington is too low to meet the current and the forecast demand from employers. This is a significant constraint on our economy that requires urgent action.

The agreement by Government to our proposals for an Institute of Technology provides an important component to the solution of this problem. The support to our colleges from the Skills Accelerator Strategic Development Fund provides another piece of the jigsaw. However, other developments will also be required:

- To address the acute issue of hard to fill vacancies at higher skills levels in Cheshire and Warrington that has been identified from our labour market analysis, we would urge the rapid roll out of skills bootcamps and accelerated learning. As part of this, we would ask that Government consider piloting innovations in Cheshire and Warrington including:
  - Aligning age eligibility for bootcamps with current practice for apprenticeships.
  - Piloting extension of the use of the apprenticeship levy to support skills bootcamps. Our proposal is that, in the first instance, this flexibility be extended to a small number of Cheshire and Warrington employers to support skills bootcamps; some of which could be positioned as pre-entry programmes for higher-level and degree apprenticeships.

- Our analysis is clear that the skills system needs to deliver many more L3+ qualifications in Cheshire and Warrington than is currently the case if replacement demand in our local labour market is to be satisfied over the next few years. A high proportion of these qualifications will support technical and digital skills. For this reason, we would ask:
  - That Cheshire and Warrington participates in the early roll out of Higher Technical Qualifications (HTQs)
  - To make the market for HTQs with employers and individuals, Government pilots the use of apprenticeship levy to support the delivery of classroom-based HTQs in Cheshire and Warrington
  - Government allocates skills capital to the LEP to ensure that provider capacity continues to meet the needs of local employers, building on previous investments made by the LEP in digital and technical provider capacity
  - Key priorities in Cheshire and Warrington are to close the disadvantaged attainment gap at 19 which our analysis has demonstrated is more acute in Cheshire and Warrington; and to address the large gender disparities in vocational learning that we have identified. To these ends we would ask Government:
    - To work with us to better align Careers and Enterprise Company and National Career Service – building on our experience of our Jobs Portal, the work of our Pledge and our relationships with the National Citizen Service and the Office for Students' Uni Connect Programme
- From our analysis, we know that in 2019/20, over 25% of Government's Adult Education Budget (AEB) investment in Cheshire and Warrington was pepper-potted across more than 200 providers; with this part of the budget delivering an average investment of less than £10k per provider. There is a prima facie opportunity to secure a more focussed and impactful investment by Government in skills in Cheshire and Warrington.
  - To this end we would welcome further discussion with Government as to how AEB investment might be better aligned with local levelling up priorities
- The recent investment made by Government in the capacity of the Employers' Skills and Education Board in Cheshire and Warrington to analyse the labour market has been transformational. Partners in Cheshire and Warrington are now much better equipped

to tackle information failures in the labour market than was previously the case: labour market information (LMI) is being used by colleges and providers to plan and change their curriculum offer; careers partners and schools are using our local LMI to better inform and inspire young people; investments in our skills capacity and capability are now LMI-led; our strategic priorities and supporting actions have a sharper focus and are better evidenced because of our high quality LMI; and our employment partners are using our LMI to target cohorts and places blighted by long-term unemployment. We would ask Government:

- To continue with the levels of investment in labour market analysis that has underpinned these changes
- The investment of European Social Funding and funding from the Careers and Enterprise Company has enabled us to work with over 300 local employers and every secondary school and college across Cheshire and Warrington to tackle our information failures around ensuring our young people are inspired and informed about new technologies and career opportunities in particular the young people in our most disadvantaged communities.

  This is a long-term project. However current funding only takes us to Autumn 2023. We would ask Government:
  - To provide longer term funding to ensure our work with employers and local schools continues to inspire future generation, raise aspirations and help improve achievement rates and bring our attainment rate for our young people on free school meals in line with national average for all students – including those in primary schools

More generally, we would welcome a discussion with Government on the following policy areas that link to delivery of our local priorities:

Shared Prosperity/Levelling up funds – investment needs to be driven by local labour market intelligence more effectively than has been the case for ESF, so that support can be better targeted.

Levelling up skills as well as infrastructure – capital programmes designed to support levelling up should be top-sliced locally to support revenue investment in skills, including information, advice and guidance.

Apprentice achievement rates – there is evidence that subregional apprentices do better with subregion providers than with out-of-area providers. We would like further discussion with Government to better understand this issue and agree the action that needs to be taken.

Digital – we would like a forward commitment to secure the longer-term funding of local Digital Skills Partnership and a commitment from DCMS to work with us to explore how to extend the remit of Digital Skills Partnerships to secure better engagement of regional businesses in digital technology policy development and establish stronger links between our local businesses and national and international businesses experts that work regularly with DCMS.

Stimulating demand to meet future labour market need – the development of high-quality resources to help inspire informed choices by individuals and employers and breakdown stereotypes that put STEM skills and creativity in different silos.

Supporting the quality of statutory education – exploring how local partners might better work with the Schools Commissioner and Ofsted to support more of our schools to become 'good' and 'outstanding'.

Developing the capability of Further Education – exploring how innovative approaches might be used to utilise private sector expertise in the delivery of teaching and learning in Further Education. In particular we would like to explore whether approaches like 'golden hellos' and 'golden handcuffs' can be used to attract and retain talent.

Whilst it may be ambitious, working together local partners and national Government will deliver this Plan.

#### Appendix 1: Progress against the 2021 Plan

The tables below summarise the detailed information that is being used by the Employers' Skills and Education Board to continuously review and Update the Skills Action Plan.

**01. Young People** - Our employers will be at the heart of inspiring and informing people about future technologies, career pathways and learning so that they can make well-informed decisions about their futures.

Action	Milestones and Targets	Progress to date (December 2021)
a) Inform and inspire - Cheshire and Warrington employers and schools will inform and inspire our young people about the future technologies, jobs, career pathways (including T-levels) and development opportunities	• Engagement of 500 employers by December 2022 in the Pledge.	• 458 employers are engaged with the Pledge.
	• 6 case studies by December 2021 on digital roles in different sectors	• 23 video case studies produced for use with schools.
available across the region.	with at least 3 of these featuring females.  • Establish a team of 25 11–24-year-old digital champions by December 21.	• The digital champions team is behind schedule. The team will be in place by the end of January 2022
	• Establish at least 6 coding clubs by December 2021.	• 6 coding clubs not yet achieved. Target will be exceeded in Q1 of 2022.
b) Better links between employers and schools/colleges/youth groups – enterprise advisors from our businesses advising the senior leadership teams of all our schools and colleges on their strategic careers planning.	• Enterprise advisors with strong business experience in all our schools by December 2021 (currently 61% of schools have an enterprise advisor).	89% of schools now have an Enterprise Adviser.
c) Careers Hub - deliver a Careers Hub that focusses support and resources on young people that ensures all our young people receive support – particularly those eligible for free school meals and in disadvantaged communities.	• Initial phase of the Careers Hub working with 20 schools by July 2022.	21 schools are working with the Careers Hub, 21 schools are working with the Careers Hub with a Careers Hub launch involving all 21 schools on 26th January 2022.
d) Online career fairs - build on the success and continue to deliver a programme of online career fairs.	• 15 career events and a comprehensive library of videos by December 2021.	17 large events organised. A comprehensive video library (176 videos) has been established.
e) Work experience and progression into work- support work experience and internships to underpin better informed choices and talent retention for all groups of people including those in disadvantaged communities and with complex needs.	<ul> <li>By September 2022, a coherent programme of work experience for all our young people in Key stages 4 and 5.</li> <li>Increase the % of young people undertaking work experience in our priority sectors by 15% by September 2022.</li> </ul>	<ul> <li>During June and July 2021 the Pledge facilitated virtual work experience for 1,753 young people in Cheshire and Warrington with 97 employer engagements, of which 37 were with SMEs and 54 were with priority sectors.</li> <li>68.5% of those doing work experience were in priority sectors.</li> <li>We are now working with schools to help develop their work experience offer for the summer of 2022. This will include a mix of a) 1 to 1 traditional face to face experience, b) some face to face Pledge led sector specific work experience (including digital, STEM Green Skills) and hybrid Pledge face to face and virtual work experience</li> </ul>
f) Support employers - develop good practice to engage and recruit young local talent	Run at least 10 events with employers to share good practice in the next year.	, , ,

**02. Employees** - Employees will develop the skills and aptitudes that employers require to be able to grow, innovate and adopt digital. Highlighted skill gaps include amongst others green tech, life sciences, logistics, digital and STEM skills to support our key sectors.

Action	Milestones and Targets	Progress to date (December 2021)
a) Inform and inspire - produce high quality labour market information that underpins individuals' understanding of local skills gaps and	Produce reports on the impact of Covid-19 and deep dives into key issues e.g. sustainable clean growth skills needs, by end 2021.	Reports on Covid-19 impact, Low carbon jobs, and several curriculum pathway labour market maps have been produced.
career opportunities; supports skills providers in delivering an agile and responsive curriculum; and informs employers' workforce planning.	Develop 6 case studies by December 2021 on the use of new	• The new technology case studies are behind schedule.
	technologies in industry to inspire employers to adopt new technologies and develop employee skills.	<ul> <li>Between July and December 2021 referrals to digital Boost have grown from 3 to 33 businesses. 1 to 8 charities and 2 to 8 volunteer mentors.</li> </ul>
	<ul> <li>Increase the number of referrals for digital leader mentoring programmes such as Digital Boost by December 2021.</li> </ul>	monto to 35 basinesses, i to 6 charactes and 2 to 6 volunteer mentors.
b) Stimulate demand from employers and individuals - develop the skills our economy needs, underpinned by curriculum pathways (Level 2 to Level 4+), developed in line with the White paper, that support an individual's progression in employment.	Submit a business case for an IoT by April 2022.	• IoT status awarded in December 2021.
c) Increase the number of employees trained - ensure that training providers are aware of the training needs and we make the most effective use of the training programmes available - for example, using Accelerate to deliver training to employees at all levels, as their roles develop.	At least 1500 individuals trained by Accelerate by 2023.	• Up until December 2021 over 110 businesses in Cheshire and Warrington
	<ul> <li>Increase the number of high-level digital skills courses offered in the Accelerate programme from 5 to 30 by December 2021.</li> </ul>	have benefitted from training their staff through the Accelerate programme with 471 employees trained and a further 293 completing their training.
	Using Accelerate, deliver bootcamps for 40 furloughed people.	<ul> <li>The LEP in consultation with Local Authorities, employers, local colleges and other key partners are developing a submission for funding from DfE for the</li> </ul>
d) Develop the capacity of our skills system – invest (as resources allow) in the estate and equipment required to deliver digital and technical skills at the volumes required; and by supporting the creation of an Institute of Technology. We will also ensure that existing investment in digital and technical capacity over-delivers on outputs, and that good practice is shared.	11k people and 540 businesses benefitting in digital skills training thorough the Local Growth Fund Skills Projects by December 2022.	29k learners and 273 businesses to date.

**03. Economically Inactive and Unemployed** – those who are out of work will be helped to access employment; those who are threatened with unemployment will be helped to stay employed; and those furthest from the labour market will be helped to move closer to it. We will align national and local programmes, and local investment (where available), to secure maximum impact

Action	Milestones and Targets	Progress to date (December 2021)
a) Improve access to quality jobs, careers, and skills information -	Six online job fairs by February 2022.	3 Cheshire and Warrington jobs fairs delivered to date.
work with JCP and the National Careers Service to deliver online job fairs and develop an online Jobs Portal that provides local information on job	• Review of the Jobs Portal pilot and agree next steps in April 2021.	North West Works 4U Jobs Fair on 27th and 28th January.
opportunities, apprenticeships, and learning.		Jobs Portal extended to March 2022.
		<ul> <li>From June 2021 to January 2022 there have been 5,441 clicks on individual job opportunities listed on the Jobs Portal.</li> </ul>
<b>b) Stimulate job creation</b> - deliver wage subsidy programmes such as Kickstart and training for enterprise and entrepreneurship.	Work with the Growth Hub and training providers influence the development of programmes to support more digital businesses within the subregion to grow and become sustainable beyond 4 employees.	Work has started on this with the promotion of mentoring programmes from Digital Boost and Enterprise Nation and Google.
c) Help people retain their jobs - support those being threatened with redundancy including access to retraining through for example, skills bootcamps that deliver programmes co-designed with employers.	Subject to approval of DfE and ESF bids and using Adult Education Budget, deliver bootcamps for 40 unemployed people securing job interviews by December 2021.	Funding not secured. The LEP in consultation with Local Authorities, employers, local colleges and other key partners are developing a submission for funding from DfE for the delivery of skills bootcamps in Cheshire and Warrington, deadline for submission 14th February 2022.
d) Help the unemployed access employment – ensure AEB and national programmes for the unemployed (Restart, Kickstart, Job Entry Targeted Support (JETs) and the Work and Health Programme) are tailored to the	Influence close partnership working with these programmes and the Local Growth Fund Skills investment projects to ensure the investments exceed their targets (ref 2d) so that as many residents in Cheshire	Developed and shared data and labour market intelligence about job opportunities and skills requirements, used Jobs Portal as main route to sharing information.
needs of residents and designed to secure maximum impact and secure sustainable outputs including employment in local businesses.	and Warrington benefit from the investment in technologies and skills development.	<ul> <li>Worked with local DWP and the Into Work Board to develop pilots focussed on supporting long term unemployed in Warrington, Ellesmere Port and Crewe, delivery to start by April 2022.</li> </ul>
e) Support those furthest from the labour market – deliver programmes to support those who are furthest from the labour market to move closer to it, including Journey First, Parents First, and key Housing Association Programmes	Over the next 12 months narrow the digital exclusion gap by providing digital equipment, connectivity, and digital skills development opportunities as part of ESF and JCP programmes and linked to Local	The LEP and DWP have developed links between the support from DWP Job Centre Plus to get people online and the LEP's digital skills programmes promoted via the Digital Skills Partnership.
	<ul> <li>Growth Fund projects.</li> <li>Establish a team of 30 Digital Champions by December 2021 to support individuals in the Community.</li> </ul>	Work to establish the team is behind target.

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