**EMPLOYERS SKILLS AND EDUCATION BOARD – ACHIEVEMENTS AND FUTURE CHALLENGES**

At our last Employers’ Skills and Education Board meeting I promised to send you a note summarising our achievements over the last year and setting out our challenges for next year.

I also wanted to say a big thank you for all your contributions – our approach of focusing on one or two key priorities over the last year has really worked.

Over the last year we have held eight Board meetings including an extended meeting on 17th January when we invited representatives from local colleges, local authorities as well as other employers.

In addition, Members have worked outside our main Board meetings on a range of issues – for example Neil Warren led a fact finding visit to some logistics training providers in Manchester and St Helens, Julia Teale led a meeting of advanced manufacturing companies to establish their training needs, Margaret Cheshire chaired a series of meetings with energy companies to work through plans for training process engineers and Phil Atkinson hosted a session on digital skills needs.

The following summarises our progress to date and future challenges.

**PROGRESS IN 2018**

It was only in December 2017 that we published our Skills and Education Plan where we set out our two key priorities:

* Businesses being at the heart of a Pledge Network to inspire and inform young people to ensure they make informed decisions about the training and education and careers that they choose to follow.
* Employers driving the development of a virtual ‘Institute of Technology’, which will bring employers and local colleges together to design and deliver training and education packages - initially focused on digital and STEM skills. The key to success will be real time intelligence about the design and delivery of the skills businesses need.

We were clear that we wanted to focus on these two issues – if we succeed, we will also be addressing other issues such as:

* Retaining and attracting graduates and individuals with the right technical skills.
* Increase the number of individuals with the digital and STEM skills employers need.
* Enable individuals to find a job and progress in employment.

**PRIORITY NUMBER 1 – PLEDGE NETWORK**

Early in 2018 we studied examples of good practice where employers were heavily involved in inspiring young people about new technologies and career opportunities. The Crewe Pledge led by the South Cheshire Chamber was one of these good practice examples and following a series of discussions it was agreed that we should role out Pledges across Cheshire and Warrington.

It was also agreed that as well as focusing on young people in school we should also engage with young people in out of school activities run by various youth groups. The Youth Federation agreed to help coordinate this work.

After exploring different ways of funding the Pledge network, it was agreed that a bid for £1.1 million European Social Funds should be prepared. The Youth Federation agreed to lead the bid on behalf of local partners. The bid was submitted in September 2018 and the appraisal process is now almost complete. We expect a contract to be issued early in the New Year. This is excellent news – in only 12 months we will have gone from establishing our priorities for action to direct delivery on the ground.

The European Funding will enable us to recruit a small team that will deliver a more comprehensive service to young people, their schools and youth workers. In addition, we have secured a total of £100k funding from the Careers and Enterprise Company and Higher Horizons to enable us to fund an additional two Enterprise Coordinators who will work with the senior leadership teams in our secondary schools to help them develop career strategies and detailed delivery plans. Two Enterprise Coordinators (representing one full time equivalent member of staff) started work at the LEP on 19 November – they have really hit the ground running and have already been invited to meetings with 13 local secondary schools.

**PRIORITY NUMBER TWO – VIRTUAL INSTITUTE OF TECHNOLOGY**

To ensure employers have a pipeline of skills relevant to their future business demands we need to understand what the future skills needs are and how employers will be able to access the training needed to develop the skills.

So, we recognised the need to:

* collate employer skill demand across our critical regional sectors
* develop a pipeline of people with those skills as well as developing the skills of the existing workforce
* support the provision of training and development in the region
* enable individuals to make better informed decisions about the subjects they study and the training they undertake by having the right curriculum and training offers available to them.

As an initial focus of this work we agreed to concentrate on digital and Science, Technology, Engineering and Maths (STEM) related skills. From logistics, to automotive to financial services it was clear that Digital and STEM skills are fundamental to our local employer’s needs. During a number of our meetings early in 2018 we identified Digital skills as a key, cross-cutting skills need that form the cornerstone of every business in every sector.

In September a £29m outline bid to use European Social Funds to pump-prime the Virtual Institute of Technology was submitted on behalf of local partners by the University of Chester. To establish operational priorities the University will work with an employer-led Board, formed with the LEP.

The outline bid has been processed and we recently received confirmation that it had successfully passed the Gateway review. The University is now preparing a more detailed bid with a business plan for submission early in the New Year. Eighty percent of the European Social Funds will be matched with employer investments to deliver training packages that employers need with the remaining twenty percent to be spend on independent brokers who will work with groups of employers to aggregate demand as well as on developing new packages of training where needed. We have already asked for your help in completing the full business case by completing a demand survey form. Our aim is to start developing the skills packages employers need so that delivery can start as soon as the European Social Funds become available – hopefully in April 2019.

We have also agreed that the Virtual Institute of Technology will be embedded in the new Growth Hub so that the skills needs of our businesses will be addressed as part of a wider conversation about how to enable our local businesses to grow and prosper.

To further enhance the delivery of the digital skills that employers need, we prepared and submitted to Central Government an Expression of Interest in establishing a Digital Skills Partnership in Cheshire and Warrington. We heard only this morning (21 December) that Ministers have agreed that Cheshire and Warrington will be one of the three successful bids. What a great Christmas present! This will provide us with an extra person for a year to help drive forward the development and delivery of digital skills across our area. The funding starts in April 2019 so there is much to do before then to make sure we take full advantage of this opportunity.

**FUTURE CHALLENGES FOR 2019**

The list of future challenges is growing:

**Delivering our existing priorities -** we need to stay focused on ensuring the Pledge partnership and the Virtual Institute of Technology deliver the objectives that we have set. There is a range of different ways in which you or a member of your organisation can become involved in the governance and delivery of the Pledge network:

* **Governance** – membership of local Pledge Boards that oversee the delivery of the inspiration, information and communication programme of activities in different geographical areas across Cheshire and Warrington
* **Working with the senior leadership teams in local schools and colleges** to advise the schools on developing and implementing careers strategies for their students
* **Getting involved in a programme of activities where you work directly with young people** including: careers fairs, coaching and mentoring, work experience, apprenticeships, youth groups, etc.

The Government is particularly keen to encourage more work placements to support the roll out of T-level qualifications. We will follow up with you on this in the New Year.

We also need to consider how we can make the Pledge partnership and the Virtual Institute of Technology sustainable in the longer term. The Pledge needs a regular income streams from the private as well as public sectors and the Virtual Institute of Technology needs to deliver a step change in the way groups of businesses work together with training providers to design and deliver the skills needed for business growth. Today’s confirmation that we will become one of a few Digital Skills Partnerships across the country will provide a major boost to this work.

In addition, the LEP Board has indicated that it supports in principal our proposal to use the LEP’s £5 Local Growth Fund to invest in the specialist equipment needed to deliver our priorities – in particular, the digital and STEM related training packages that will be delivered through our Virtual Institute of Technology and the associated inspirational work of the Pledge Network.

**Skills Advisory Panels** – the Government has announced plans to establish Skills Advisory Panels across the country. These will advise on skills priorities and help to inform the distribution of central government funding – for example the Adult Education Budget.

The Government has said that we can build Skills Advisory Panels around our existing structures, but this does mean that our Employers’ Skills and Education Board will need to change. This will require a review of membership and a need for members with voting rights to be appointed following a formal selection process. We will need to discuss this at our first meeting next year.

As part of this work we need to consider what data and analysis we need to inform us about skills and education priorities. We need to consider how we can get a better picture of future skills needs and encourage more employers to work together with local training providers to ensure training is designed and delivered in ways that meet business needs

**Local Industrial Strategy -** by putting employers at the heart of our strategy, we have a much clearer understanding of the skills demanded by our local economy and the opportunities available to our local communities. This fundamental approach sits at the heart of our Skills and Education strategy and we need to ensure that it also features strongly in our Local Industrial Strategy. We had our first discussion on how this will be achieved at our December Board meeting. The Cheshire and Warrington Industrial Strategy is due to be published in the summer.