

HEY

Employment and Skills Strategy

A Skilled, Healthy and Inclusive Economy for Hull and East Yorkshire 2021-2026



YORKSHIRE & HUMBER
I N S T I T U T E O F
T E C H N O L O G Y





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●● Foreword

Jayne Adamson
Chair, HEY LEP
Employment &
Skills Board



“The HEY LEP’s Employment and Skills Board’s vision is an inclusive one and as a partnership, we are fully committed to ensuring that everyone, regardless of their backgrounds or circumstances, are given the opportunity to fulfil their potential in the workplace.”

LEPs play a crucial role in facilitating economic growth and prosperity.

Productivity is a key driver and to achieve this, local employers must have a workforce that is fully engaged, healthy, adequately skilled and serviced by a fully functioning labour market. The LEP’s Employment and Skills Board has responsibility for delivering on the aims and objectives set out in the LEP’s Economic Growth and Workforce Wellbeing Strategy. This takes a holistic view of workforce development, acknowledging the essential skills development needs in the area, including underpinning employability and digital skills but also the fundamental role that careers, education, information and guidance plays in directing people towards occupations where there are skills shortages.

The Board has set out its commitment to supporting health in the workplace and plays a leading role in championing this for the region. This Employment and Skills Strategy brings together what is a broad ranging and complex agenda and I look forward to supporting the LEP and our stakeholders to deliver on the outcomes contained within it for the benefit of the region.

**The Hull and East Yorkshire (HEY) LEP
Economic Growth and Workforce Wellbeing
Strategy sets out the strategic aims,
priorities, objectives and interventions**

which will be required to be actioned from 2021 to 2026 to grow the economy of Hull and East Yorkshire. People are key to achieving these aspirations.

“We cannot achieve economic growth without an appropriately skilled workforce. The ‘Skilled and Inclusive Economy’ priority within our strategy, coupled with our commitment to facilitate health and wellbeing in the workplace is crucial to the success of the HEY LEP’s vision for a stronger local economy.”

This Employment and Skills Strategy sets out the key elements of what we believe will be a successful programme and we are confident that, through the leadership of the HEY LEP Employment and Skills Board, these will make lasting and sustained improvements to skills within region.

**James Newman
Chair, HEY LEP**



A large blue industrial gas cylinder is positioned in the foreground on the left side of the frame. The background shows a clean, industrial environment with white machinery and equipment. A person wearing blue gloves is holding a tablet computer on the right side of the image. The overall scene is brightly lit, suggesting a professional laboratory or manufacturing facility.

1

Introduction



●● Our diverse and resilient economy includes a skilled workforce across all key sectors with opportunities for all.



The Hull and East Yorkshire (HEY) LEP area consists of two local authorities north of the Humber estuary – Hull and the East Riding of Yorkshire.



Scotland

Northern Ireland

England

Wales

North Yorkshire

East Yorkshire

North Lincolnshire



The region has a population of **609,600** living in diverse rural, urban, coastal and market town settlements.



The region is one of the UK's most significant industrial clusters and has a number of key industrial sectors with the potential to drive:



Productivity



Innovation



Higher-skilled employment



The region has:
annual economic output of **£13.1bn in GVA**
and encompasses **24,945 businesses**
supporting **249,000 jobs.**



The HEY LEP vision for Hull and East Yorkshire set out in the Economic Growth and Workforce Wellbeing Strategy 2021-2026:



‘Leading the UK with a dynamic net-zero economy, Hull and East Yorkshire is a region with prosperous, productive, and innovative businesses, across all communities. Our diverse and resilient economy includes a skilled workforce across all key sectors with opportunities for all. We are home to high quality services and facilities that meet the needs of our unique urban, coastal and rural geography, while supporting the health and wellbeing of everyone’





In the period to 2026, HEY LEP will deliver this vision by focusing on the following priorities and key objectives

The Hull and East Yorkshire (HEY) Employment and Skills Strategy has been developed in response to Priority 3, a 'Skilled and Inclusive Economy'. The aim of this priority is to lead the transformation of the HEY LEP area skills profile to deliver a highly skilled, healthy and productive workforce, reducing inequality and increasing life chances for our communities.

| Priority | Aim |
|--|---|
| Priority 1  Productive and Innovative Economy | To stimulate business growth, increase productivity and employment by developing the conditions in the HEY LEP area for business to start up, innovate, invest and trade |
| Priority 2  Clean Growth Economy | To maximise opportunities to drive economic growth in green industries whilst meeting targets. To be a net zero carbon industrial cluster by 2040, and significantly lower carbon by 2030 |
| Priority 3  Skilled and Inclusive Economy | To lead the transformation of the HEY LEP regional skills profile, to deliver a highly skilled, healthy and productive workforce, reducing inequality and increasing life chances for our communities |
| Priority 4  Competitive and Resilient Local Economy | To enhance the regions' infrastructure and natural assets to maximise contribution to the HEY LEP economy and generate competitive locations to invest, live and visit |

Key Objectives

- Support Key Sector Growth
- Drive Innovation in the HEY LEP Region
- Boost Trade and Investment
- Support Pre-Start / Micro / SME businesses and drive entrepreneurial culture

- Optimise clean energy generation
- Drive industrial decarbonisation
- Promote resource efficient businesses

- Driving higher level skills
- Upskilling and reskilling the workforce
- Maximising progressions to Higher Education
- Embedding Digital Skills
- Delivering a green recovery through skills development
- Retaining and attracting young people
- Supporting labour market participation
- Matching out of work people with sectors with labour need
- Economic inclusion
- A healthy workforce

- Enhance transport infrastructure & services
- Maximise digital infrastructure
- Promote flood resilience
- Delivery quality employment sites
- Provide an attractive Housing Offer
- Maximise use of Natural Capital
- Promote our locations



Relevant targets set by the Economic Growth & Workforce Wellbeing Strategy to achieve by 2026 frame our ambition to:



Increase GVA by 10.8% Based on pre-COVID 19 levels to achieve a full recovery from the pandemic and an **overall increase of £1.2 bn in GVA** above the 2019 position.



Create 6,500 new jobs.



Increase the total number of Hull and East Yorkshire residents with **qualifications at Level 4 or higher by 14,500** bringing the HEY LEP region in line with the current Yorkshire and Humber average.



Expand the HEY Careers Hub to include all 50 eligible schools and providers.



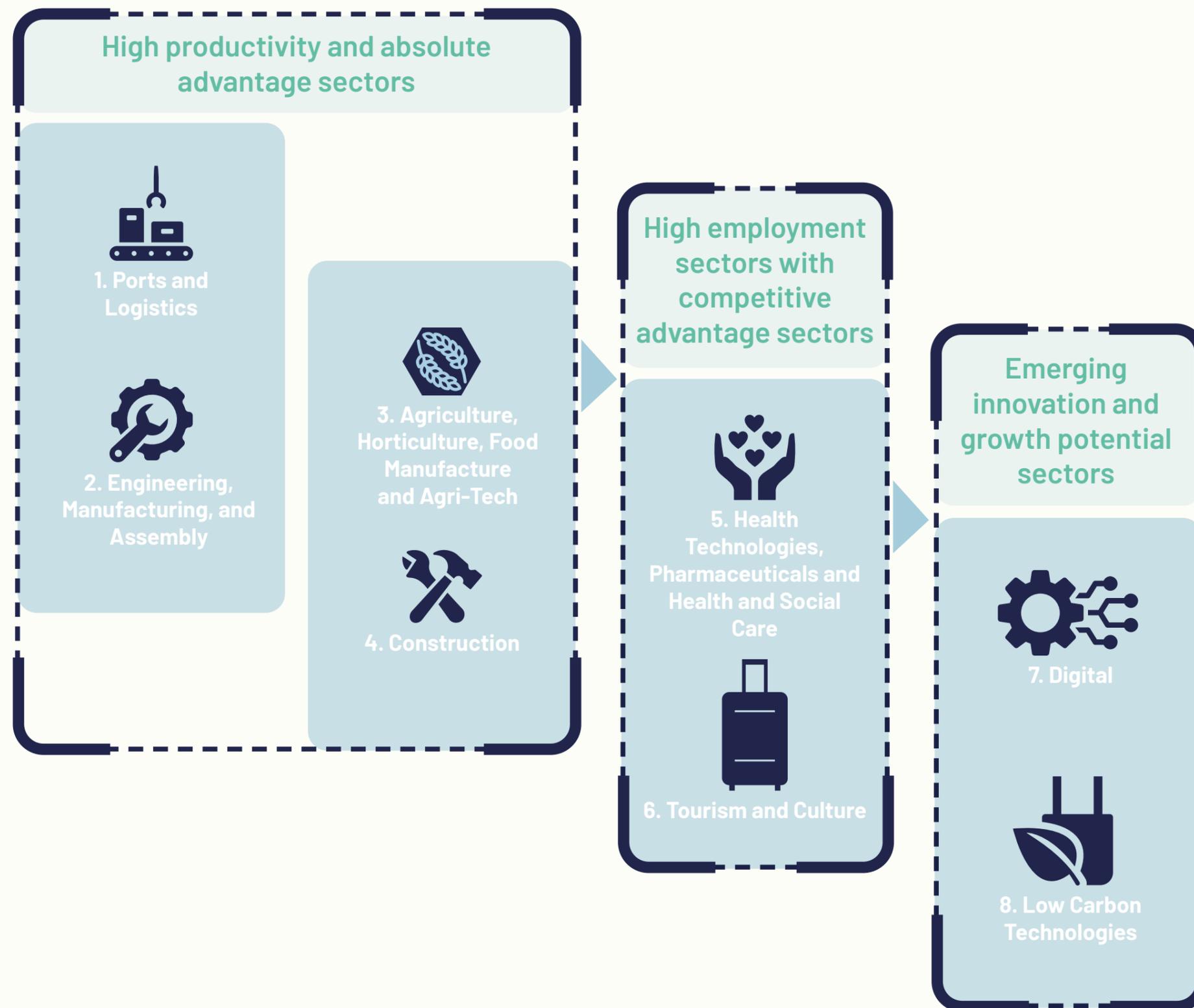
The HEY LEP Employment and Skills Strategy is responsive to the prevailing policy environment and provides a focus on ‘levelling up’ Hull and East Yorkshire through investing in ‘Human Capital’ including the skills, health and experience of the workforce and delivering upon national missions outlined in the Levelling Up White Paper to include:

- By 2030, pay, employment and productivity will have risen in every area of the UK, with the gap between the top performing and other areas closing
- By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK



The Employment and Skills Strategy aligns with local strategies and investment plans including the HEY Local Skills Report and the UK Shared Prosperity Fund Investment Plans for Hull and the East Riding. The HEY LEP is working closely with the Hull & Humber Chamber of Commerce on the development of a Local Skills Improvement Plan (LSIP) in response to the Department for Education's requirement.

There are nine key sectors identified by both central government and the HEY LEP Economic Growth and Workforce Wellbeing Strategy which will drive productivity and growth in the economy and require a supportive employment and skills environment to realise potential.





Delivering a highly skilled,
healthy and productive
workforce, reducing
inequality and increasing
life chances for our
communities.





2

Priority Areas

HETA
Engineering the Future
Mike Harman

HETA
Engineering the Future
Freddie Mills

The following priorities and actions summarise the detailed action plan contained in the Local Skills Report 2022. Collaboration and partnership will be key to the delivery of these priorities and success will be dependent upon the contributions of all partners and stakeholders.

Priority: Driving Higher Level Skills

There is a mismatch between the current qualification profile and future demands...



Below average proportion of higher level occupations, accounting for 43% of total jobs relative to 52% nationally



Only 33% of residents hold a qualification at Level 4 and above compared to 43% in England



52% of jobs in the wider Humber¹ region are predicted to require Level 4 qualifications and above by 2035 compared to 37% in 2020



Interventions are required to help close the higher-level skills gap to enable HEY residents to capitalise on higher wage employment opportunities and meet business needs.

Action Plan

- Collaborate with stakeholders to develop and support education progression pathways through careers inspiration, advice and guidance
- Work with employers, education, learning and skills providers to increase the number of residents with higher level skills through participation in education and training
- Support more residents to progress to higher and technical level apprenticeships and degrees, particularly in high growth sectors

Priority: Upskilling and Reskilling the Workforce

Skill gaps and shortages present a barrier to business competitiveness...



Hard-to-fill vacancies account for 41% of all vacancies relative to 36% nationally



23% of all vacancies posted in the Humber are **skill shortage vacancies** (compared to 25% in England)



The number of employees in the Humber receiving 7 or more **training days is lower than the national average**

Rapidly growing and evolving sectors such as Green Technology, Manufacturing and Engineering are exacerbating skill shortages. Reskilling the existing workforce, particularly those displaced from other occupations, industries and sectors, can help mitigate skill shortages. Lifelong learning opportunities need to be widely promoted to support upskilling and reskilling. Those most exposed to the effects of automation and digitalisation on the labour market need to be supported to upskill and reskill to access other opportunities.

Action Plan

- Work with stakeholders to develop strategies and interventions to actively facilitate the movement of displaced, unemployed or under-employed workers into occupations and sectors with identified skill gaps or shortages
- Capitalise on funding opportunities and work with education, learning and skills provider partners to support people to train, retrain and upskill throughout their lives to meet changing skills needs
- Facilitate digital skills provision to support inclusion, progression and technology adoption

Priority: Maximising progression to technical and higher education

There is a need to effectively communicate the scale and nature of opportunity within HEY key sectors to support progression to higher education...



Key sectors in HEY have the greatest potential to drive **productivity, innovation and generate higher-skilled employment**



Sector forecasts provide an indication of skills strengths and needs to support investment and **inspire young people to progress into growth sectors**



The HEY region has a high proportion of residents living in postcodes with **low or very low higher education participation for young people aged 18 and above**

Access to good quality careers, education, information, advice and guidance is key to inspiring young people, shaping their career aspirations and supporting them to realise their goals. This needs to be accompanied by a high quality skills infrastructure to attract and retain young people to participate and progress, alongside clear progression pathways in the curriculum to support upskilling and social mobility.

Action Plan

- Maximise and build upon the offer of the University Technical College, the Yorkshire & Humber Institute of Technology and higher education provision in partnership with further and higher education institutions and independent post-16 providers to attract and retain young people to participate and progress
- Support schools and all education, learning & skills providers with the skills, access to information and knowledge they need to ensure all young people make well informed choices at 16 and 18
- Encourage employers to upskill their workforce and recruit to meet requirements through active engagement with learning & skills providers to deliver higher and degree level apprenticeships

Priority: Embedding Digital Skills

The pace of technological change is driving digital skill requirements...



High dependency on sectors at most risk of undergoing automation or digitalisation transformation including transport and storage, manufacturing, and wholesale and retail



Transition to Industry 5.0 is driving **digitalisation and automated processes** in key sectors of the HEY economy



Digital poverty is prevalent, particularly in rural and coastal communities in the region

The increasing level of digital and technological advancements requires a commensurate investment in digital skills provision in all subjects and at all levels to meet employer needs, facilitate greater adoption of digital technology, and support digital inclusion of HEY residents. This will raise the ambition of employers, employees and residents to fully participate in the modern economy and drive productivity growth.

Action Plan

- Develop a digital framework for the HEY region to drive investment in skills, infrastructure and innovation
- Enhance the digital skills curriculum across all levels and raise digital skill levels across the HEY region
- Support businesses to adopt digital technologies and invest in upskilling employees to drive productivity

Priority: Delivering a 'Green Recovery' through skills development

There are major investments and identified growth in the Green Economy which have a significant skills requirement...



Two thirds of major capital investments planned in the Yorkshire and Humber region are within the **Green Economy**



23% of the Humber's economy and 1 in 10 jobs depend on energy intensive industries. The Humber Industrial Cluster Plan will help facilitate large scale decarbonisation and a green industrial revolution



There is a need to facilitate a labour market transition to net zero to meet demand for new skills through upskilling and reskilling



Low carbon technologies has seen a 75% growth in employment in the past 8 years



80% of LSIP survey respondents reported they were experiencing **low carbon/ net zero skill shortages to a great or some extent**

The region's education, learning and skills providers must continue to collaboratively plan future provision around major investments and identified growth in the Green Economy. Further investment in accessible training provision underpinned by capital infrastructure to support growth in new and emerging technologies is also required.

Action Plan

- Maximise investment in skills provision to drive growth in the Green Economy to meet the requirements of major investments and key sectors
- Identify green skills requirements and deliver a responsive curriculum
- Inspire young people to acquire green skills and progress into occupations and sectors in demand
- Offer decarbonisation and energy efficiency skills support to businesses through the LEP Growth Hub, advising businesses on how to access the skills they need

Priority: Retaining and Attracting Young People

A tightening labour supply due to ageing of the population presents a shrinking pool of labour for employers to draw on...



Slow population growth over past two decades at **11% compared to 15% nationally**



Shrinking working age population which is expected to account for 56% of the total population by 2040



Need to respond to increased demand for labour in **sectors such as health and social care, arts and entertainment, professional services and transport and storage** and inspire young people to progress into growing sectors

Education, learning and skills providers and employers must continue to work together to drive young people’s aspirations and convey the breadth of career opportunities available to young people. The skill requirements of important sectors in the region’s economy need to be effectively communicated to encourage young people to stay and work in the area after the completion of education and training, whilst also attracting new people to the region. Employers also need to be supported to provide work placements, work in partnership with schools and post-16 providers and contribute to the strategic development of careers related activity.

Action Plan

- Work with partners to continue to improve Careers, Education, Information, Advice and Guidance (CEIAG) provision ensuring parents & carers, teachers and professionals understand the range of education, training, and employment opportunities available in Hull and East Yorkshire
- Ensure clear education and progression routes to support pathways into priority sectors by working with schools and employers through the HEY LEP Careers Hub and with adult careers services with a particular emphasis on Science, Technology, Engineering and Maths (STEM)
- Work with local employers to facilitate progression into higher level jobs within HEY through placement and recruitment activity
- Support place making activities to attract ambitious and highly skilled working age people to live and work in the area

Priority: Supporting Labour Market Participation

Residents need to be supported to secure good employment and realise career aspirations...



Average earnings of HEY residents is **9% lower than the national average**



A high proportion of residents have **low or no qualifications**



Skill shortage occupations and sectors present an opportunity to **link people looking for work with opportunities**

Learning and skills providers, the voluntary and community sector and employers need to work collaboratively to develop a holistic partnership approach to match need with opportunity and ensure local people are able to secure the employment opportunities created by labour market replacement and expansion demand.

Action Plan

- Work with partners and stakeholders to boost the employability and skills of unemployed and economically inactive residents and support their journey into the workplace including the wider benefits to employment
- Work with young people in school who are at risk of becoming NEET and support those who are already NEET to participate in the labour market
- Work with employers and learning & skills providers to increase their ability to support young people with additional needs to make well informed choices and progress through appropriate learning pathways to fulfilling employment
- Raise resident aspirations and awareness of key employment sectors and occupations through CEIAG
- Work with the variety of Adult Education Providers to ensure that local provision meets the needs of communities and key target groups and that national government initiatives are available locally
- Encourage and support enterprising skills to promote self-employment and business ownership

Priority: Matching Out-of-Work People with Sectors with Labour Demand

The impact of the pandemic caused a significant increase in unemployment and economic inactivity...

 **Between January 2020 and 2021 the claimant count in HEY increased from 3.8% to 6.7% and this was particularly high within Hull (9.5%).** In line with national trends, the rate in HEY decreased but Hull remains high at 5.8% (13th highest in the UK)

 **Economic inactivity stands at 23% of residents aged 16-64 and this is particularly high in Hull (25%).** The inactivity rate amongst young people is also high in Hull, at 46% (compared to 40% nationally) whilst the East Riding of Yorkshire has 92% of those aged 65+ inactive (compared to 89% in England).

 **22% of neighbourhoods in HEY** fall in the 10% most deprived nationally for employment deprivation

 **Key sectors and planned investments are driving labour demand** and have skill requirements which must be met to support economic growth

Residents of Hull & East Yorkshire need to be supported to secure good employment and realise their career aspirations. Targeted interventions to help people into sectors and occupations where there are skill shortages will benefit employers by securing the talent they need to maximise productivity. This can be achieved through collaborative brokerage interventions to link people looking for work with opportunities.

Action Plan

- Partnership working with DWP and the Voluntary Community and Social Enterprise sector to link people looking for work with opportunities
- Ensure labour market information (LMI) and careers support is accessible to those of all ages seeking work
- Maximise programmes and services that provide funding and support services to target groups
- Work with partners to promote all age apprenticeships and returnerships as a route into sectors with high employment demand

Priority: Greater Economic Inclusion

High levels of deprivation limits social mobility and life chances...



22% of all neighbourhoods in HEY are in the **top 10% most deprived nationally for education, skills and training**



Significant differences in the earnings of residents and workers suggest **skill barriers to accessing higher wage opportunities in HEY**



Barriers facing learners and employers from investing in training includes **lack of funds, lack of physical and/or digital infrastructure, lack of time to organise training, and availability of staff time**

There is a need to facilitate an efficient and fair labour market where businesses can access a suitably skilled workforce and residents can secure good quality, well paid employment regardless of their background, and everyone in our community is given the opportunity to achieve their potential. Through collaboration and the pooling of collective resources we can improve outcomes for members of our community that need extra help to succeed.

Action Plan

- Stimulate demand and build capacity for technical education including Apprenticeships, T Levels and other work-based placements
- Embed employability and interpersonal skills into the curriculum and through volunteering and placement activity
- Support employers to adopt inclusive approaches to management and recruitment including equality and diversity policies, Supported Internships, and in adopting quality standards such as Mindful Employer and Disability Confident
- Work with education, learning, skills and employability providers to widen participation, ensure equality of access for all communities and promote lifelong learning opportunities
- Maximise social value opportunities for the benefit of HEY residents by working with investors and businesses to enhance social value by setting ambitious targets, creating jobs and placement opportunities

3
Delivery





The Hull and East Yorkshire LEP Employment and Skills Board (ESB) is responsible for overseeing the development and delivery of the Employment and Skills Strategy. Members of the ESB include representatives from colleges, universities, local authorities, voluntary, community and social enterprise sector, and businesses from the major sectors in the region. The ESB brings together these key stakeholders to pool knowledge on skills and labour market needs, and to work together to understand and address key local challenges.



The ESB is underpinned by project groups which provide a mechanism for the delivery for the ESB's aims and objectives.

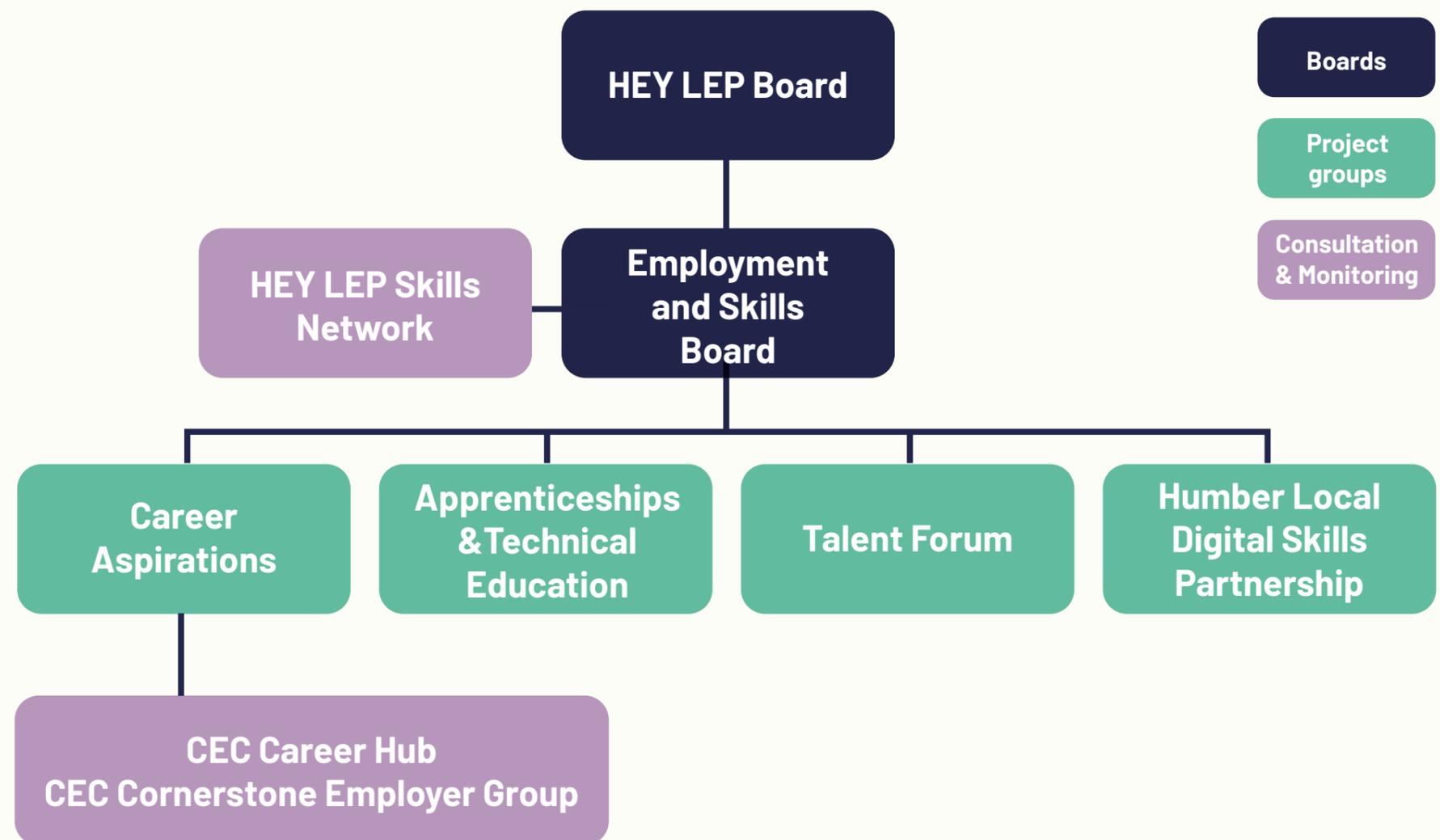
HEY LEP is working in partnership with Hull & Humber Chamber of Commerce who are leading the development of the Hull and East Yorkshire Local Skills Improvement Plan (LSIP). The HEY LEP has contributed to the LSIP which aligns with the priorities set out in this strategy and will inform future strategic skills planning.

Stakeholder support and partnership working is crucial to successful delivery of employment and skills interventions. The HEY LEP will act where appropriate as a lead partner and facilitator, working in partnership with others to realise the vision for Hull and East Yorkshire.





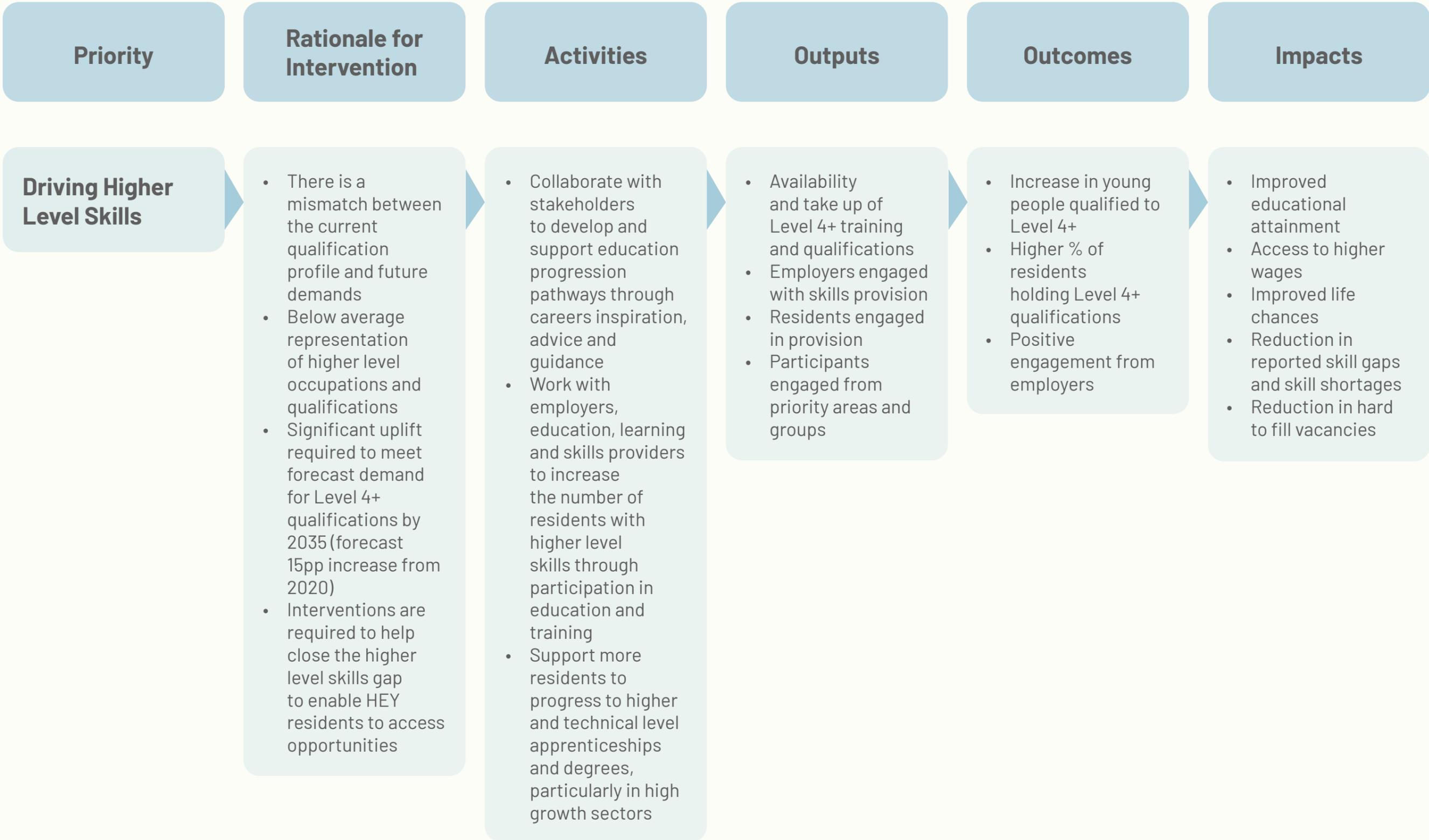
Driving growth of the Hull and East Yorkshire economy for the benefit of our communities

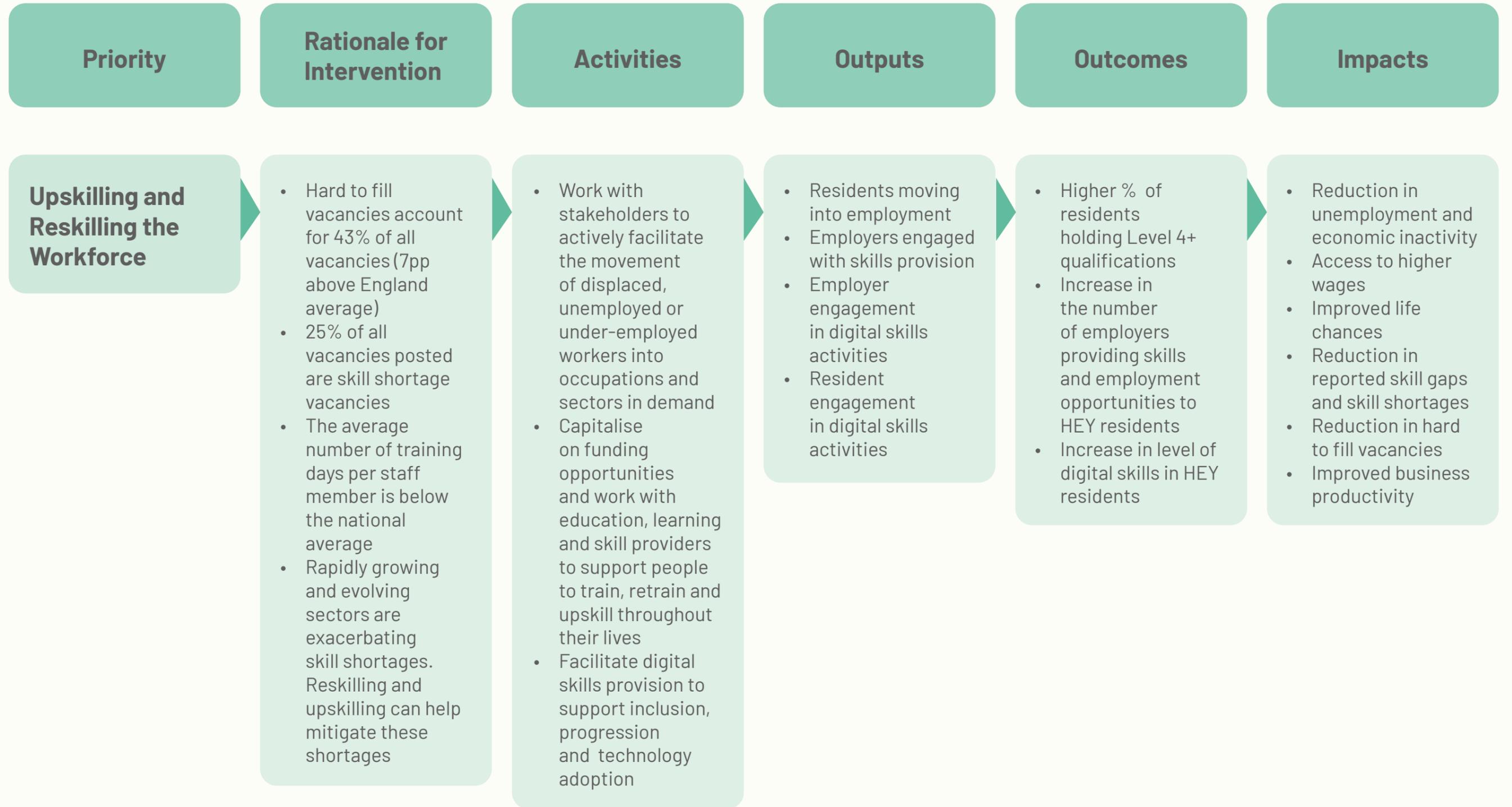


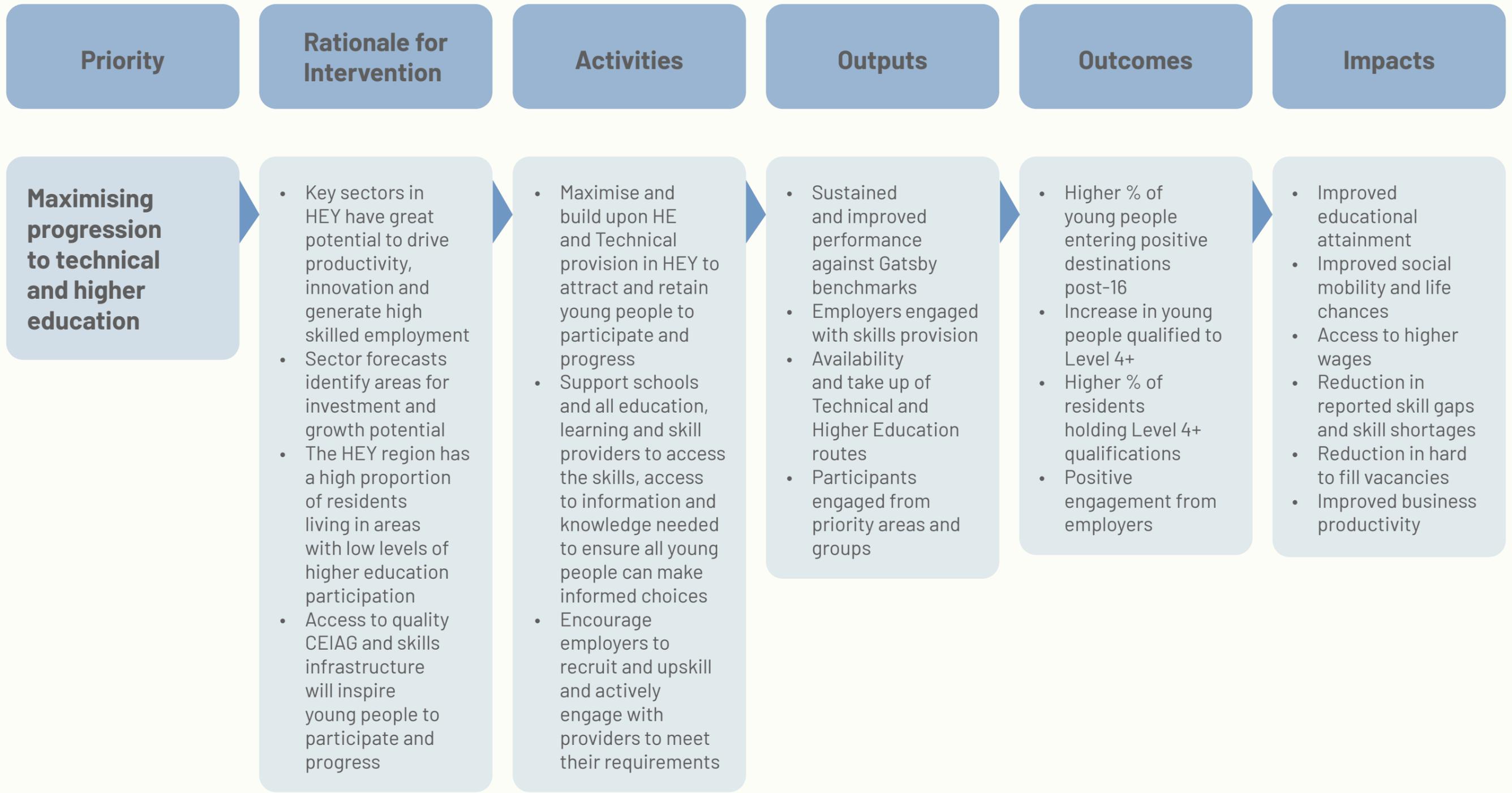


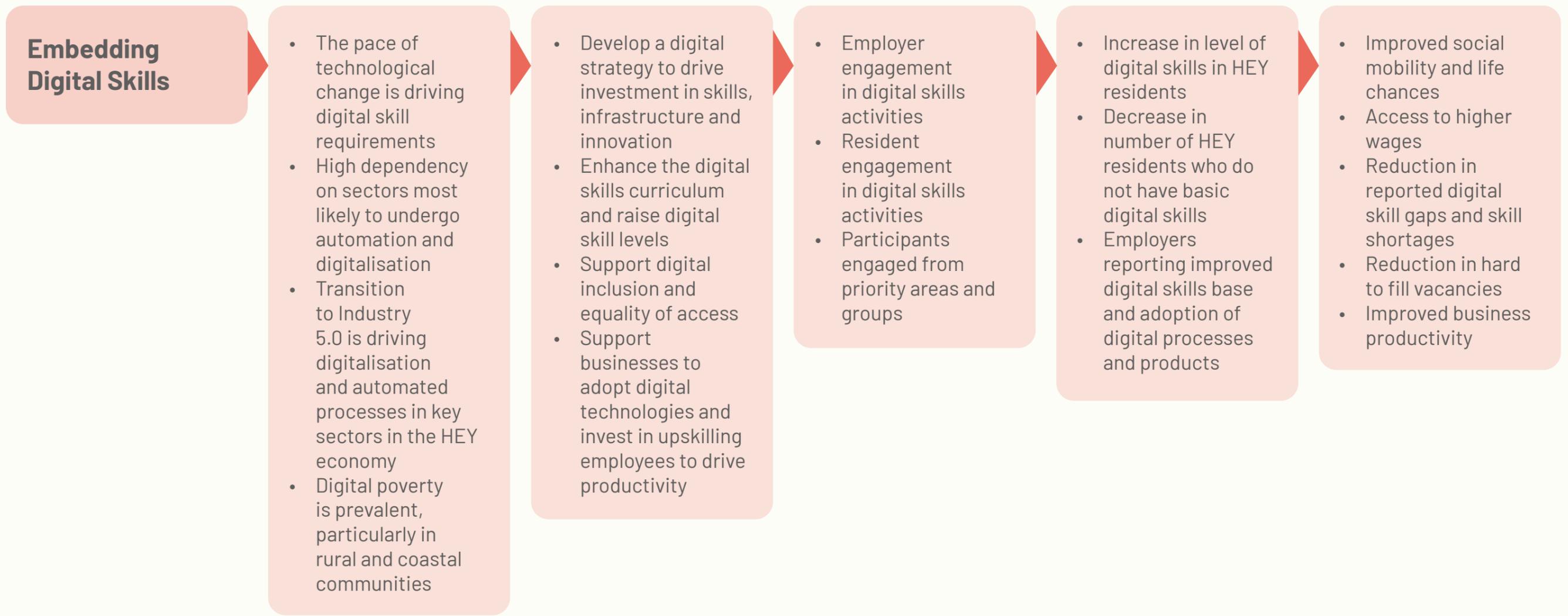
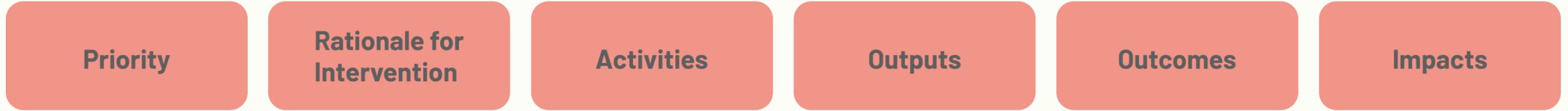
Monitoring and Evaluation

The approach to monitoring and evaluation aims to capture the full breadth of activity being delivered collectively by partners. A logic chain for each priority is established which tracks strategic priorities and the rationale for intervention through to areas of activity, outputs, outcomes and impact.

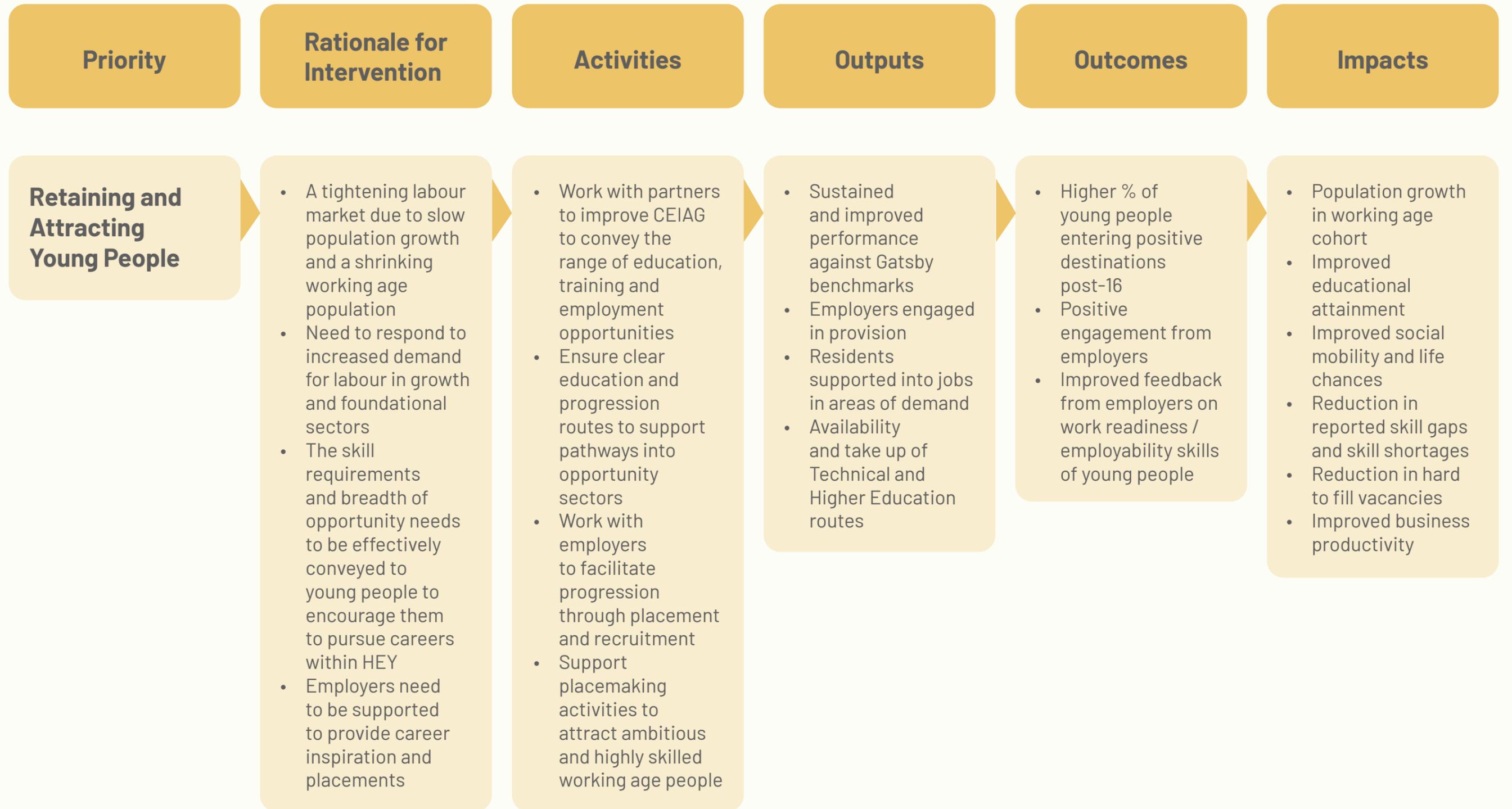


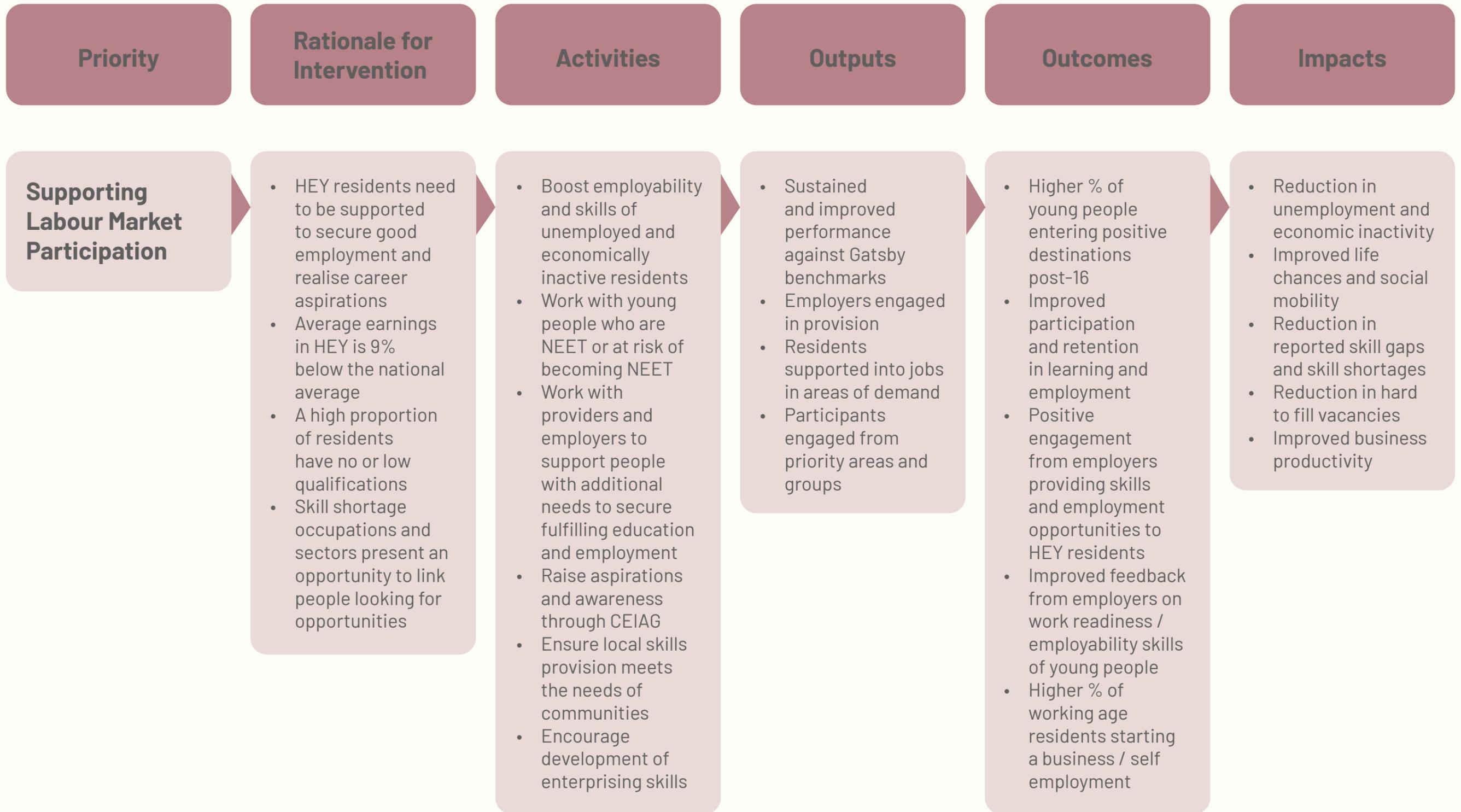


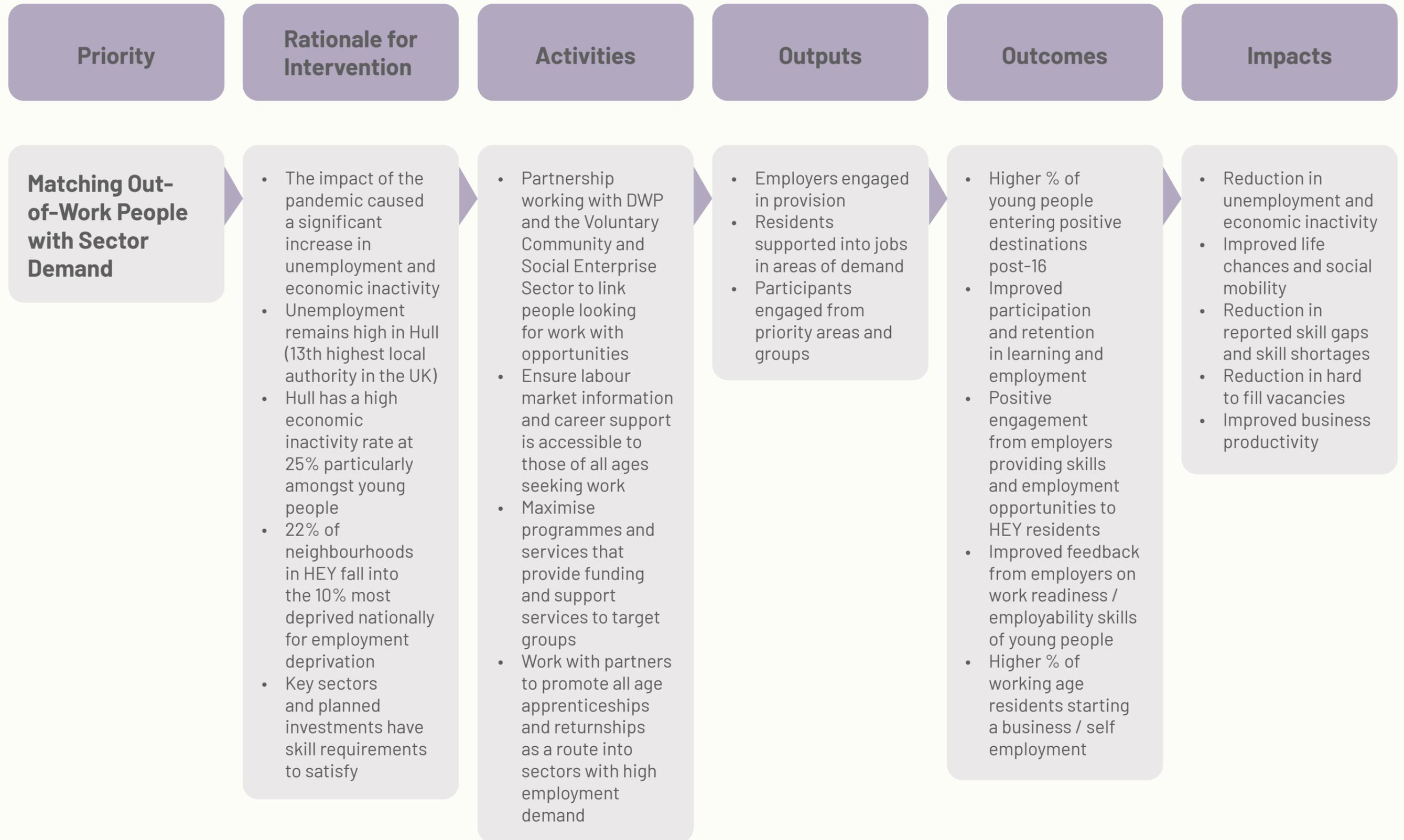


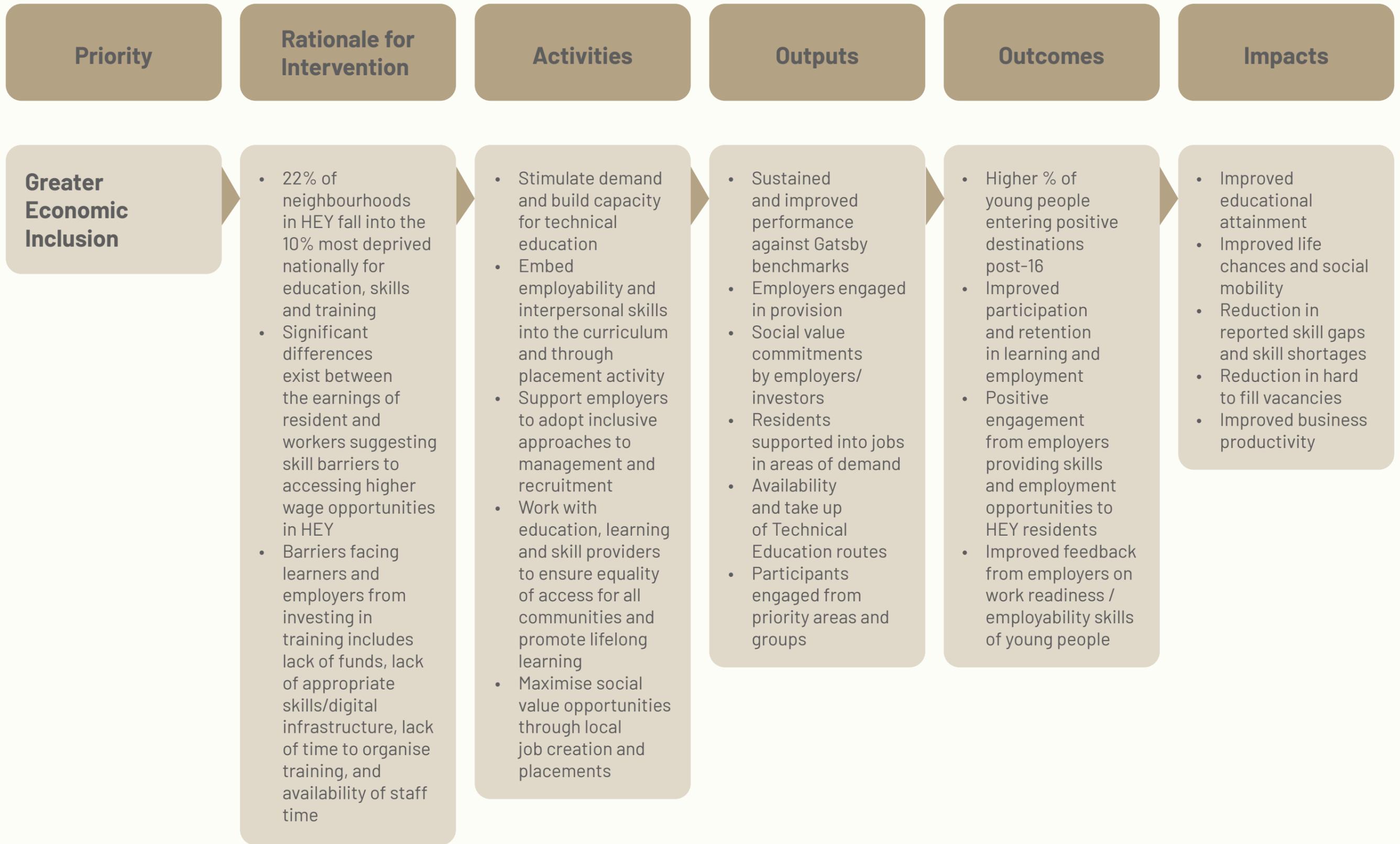














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