



Heart of the South West Local Skills Report



28 January 2022

1) Foreword

- 1.1 Education and skills shape a place. They provide the foundation for its economic personality, set the tone for its industrial and social mix, and contribute to its overall prosperity, providing the foundation for both growth and equity. We know that the most successful places and prosperous communities are underpinned by strong educational and skills performance; with those areas with the highest appetite for learning and the ability to harness such talent being those that most thrive.
- 1.2 The Heart of the South West is no different. Its economy is shaped and led by the skills of its residents and businesses. The skills of its workforce underpin its economic potential; whether through providing the essential technical skills which drive high value engineering and manufacturing; the insight and innovation that fuel our knowledge economy and the work of its universities; or providing the day-to-day leadership of small and micro businesses that form the backbone of every community. Supported by its strong schools, colleges and universities, as well as a network of dedicated private training providers and active employers, the area has real depth in its capacity to harness its skills and training capacity, and through doing so improved prosperity.
- 1.3 Despite the area's capacity to train, and its residents' appetite to learn, too many individuals still fail to reach their potential in the Heart of the South West. The statistics are clear. The level of those holding a higher-level qualification or working in a professional occupation within the Heart of South West remains below the national average; the number of those undertaking technical qualifications continues to trail the amazing opportunities on offer; and too many young people and adults facing disadvantage across the economy end their educational journey at GCSE level or below.
- 1.4 As an area, we understand that the failure to fully utilise the talent of our workforce has a price for our entire economy or all our communities; fewer individuals achieve a worthwhile job they value; reducing the ability of our businesses to grow and expand; and ultimately limiting the economic prosperity of all. The impact of Covid-19 over 2020 has only increased the challenge, with more young people and adults in need of additional support and opportunity than ever before.
- 1.5 Since 2019 the Heart of the South West Skills Advisory Panel ('SAP') has brought partners together to address these shared challenges; working in unison to understand how we can improve skills outcomes for all, and champion shared approaches, projects and investments that will make a difference. As set out within Chapter 6 of this document, SAP and Local Enterprise Partnership ('LEP') working has already done much to progress skills uptake, promote aspiration and delivery opportunities over the past few years. Building on the strong partnership ethos already in place between business, skills providers and wider stakeholders within the Heart of the South West however, we believe that there is more progress that can now be made on this crucial agenda.
- 1.6 This document therefore sets out the next step on that journey. It provides a shared skills blueprint for the area with a single vision at its heart, **that every individual in the Heart of the South West should be able to access the skills they need to thrive in a productive job they value, supporting businesses, inclusion and growth.**

- 1.7 To achieve this ambition, this report commits partners to work together around three headline skills and training objectives within the Heart of the South West:
- **Ensuring that our skills and training environment is responsive and forward facing, meeting business and individual need.**
 - **Ensuring that every individual can access the skills and training they need to achieve their own potential.**
 - **Ensuring that all skills and training investment and activity contributes to both improving our shared prosperity and collective productivity.**
- 1.8 Through achieving these three goals, partners will improve the capacity of our education and learning sector, Businesses and individuals will grow, raise prosperity, and create an environment in which skills and training opportunities are more accessed, more tailored to individual and business need, and lead to better outcomes for more people.
- 1.9 Words alone will not achieve these objectives. This report therefore includes a discrete action plan – our skills blueprint - to be taken forward over the next five years. This identifies named partners, and also addresses the various challenges identified through our shared evidence base. This takes full advantage of new opportunities arising from our Local Industrial Strategy; the Government’s emerging vision for Levelling Up, and wider support initiatives to assist with shared recovery from the recent pandemic
- 1.10 As we have seen even more acutely over the past year, the Heart of the South West has significant opportunities to pursue, as well as a range of challenges yet to overcome. Through this document, we can translate some of our shared endeavour around skills and employment into individual and shared success, driving forward our recovery in the short term, and setting a foundation for longer-term inclusive growth and prosperity for the Heart of the South West.



Vince Flower
Chair, Skills Advisory Panel

2) Skills Advisory Panels - Introduction

- 2.1 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.
- 2.2 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 (this includes activity with Yeovil College in Somerset as part of the Business West Trailblazer). 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 national-level Skills and Productivity Board (SPB). Within the Heart of the South West, partners have recently begun work on the shift to a LSIP approach, focusing on partnerships in Devon, Plymouth and Torbay, and within Somerset. It is envisaged that these will work with and supersede the SAP at some future point, though we currently await the Government's Levelling Up White Paper for further detail.
- 2.3 The Skills and Post-16 Education Bill, which incorporates much of the Skills for Jobs White Paper, was issued in May 2021, and has been progressing through UK Parliament since. This will legislate for, among other things, the LSIPs to be developed with employer representative bodies; informing training settings of the need to align skills provision with local need. Additionally, the Bill also includes prospective changes to Post-16 funding arrangements, apprenticeships and technical education. It is anticipated that further detail on the LSIP approach will be published later in the Spring of 2022.
- 2.4 The Heart of the South West Skills Advisory Panel is the strategic partnership for skills and employment within the Heart of the South West area (covering Somerset, Devon, Plymouth and Torbay). Its members include the Heart of the South West Local Enterprise Partnership ('HotSW LEP'), Local Employment and Skills Board, Colleges and University Partners, and wider public and private sector representatives and organisations.
- 2.5 The SAP partnership in the HotSW follows on from the previous LEP People Leadership Group, through which partners have worked closely together over the past six years to align and accelerate delivery. The period has seen a mixture of public, private and institutional investment that has sought to enhance local progression and reinforce the area's underlying labour market expertise and specialisation. Key developments have included:
- **South West Institute of Technology ('IoT')**– Successfully secured in 2019, the South West IoT brings together further and higher education partners with regionally and national significant private sector partners to advance technical skills delivery and development across the economy. With a focus upon advanced engineering and digital competencies, the IoT offers local partners and businesses a unique opportunity to fast track the development and growth of core technical competencies in our opportunity sectors.

- **Sector Skills Investment** – Over the past five years, further and higher education partners across the HotSW have invested over £250m into specialist capacity and facilities to advance learning and expertise within our core sectors. These include:
 - New engineering, digital and technology centres in Exeter, Bridgwater, Torbay and Plymouth;
 - National Centres of excellence around Nuclear, Marine and other advanced manufacturing, construction and engineering approaches;
 - Investment into higher education facilities in Exeter, Plymouth and Taunton; and
 - New investment in space for additional innovation and enterprise across the wider HotSW.

- **HotSW Careers Hub** – Emerging from the work of the Careers Enterprise Company and Gatsby Foundation, the HotSW Career Hub as of September had grown to cover every mainstream secondary school in the area, providing support for high quality careers, advice and guidance and business/education engagement to every student. The largest hub in the UK, the HotSW Careers Hub has developed nationally competitive expertise in supporting work experience and engagement with business.

- **Digital Skills Partnership** – One of two original pilots agreed with DCMS in 2018, the HotSW Digital Skills Partnership brings together partners from across the public and private sector with a focus on digital skills development and capacity. Securing over £3.5m of funding in its lifetime towards local delivery to date, and facilitating wider success across careers advice, business support and infrastructure opportunities. The DSP has taken a strong leadership role in promoting digital pathways and the uptake of digital skills from basic to higher level.

- **Delivery of the European Social Fund** – HotSW partners have been successful over the past 4 years in committing over £44m of ESF funding across a range of high value / high need projects. These include joint working with key national partners such as the Education and Skills Funding Agency ('ESFA') and Big Lottery, universities and colleges, and wider community and voluntary organisations. As of early 2022, the HotSW programme had supported over 22,000 individuals to access an apprenticeship, develop their in-work skills, return to work and training and progress more generally. Live programme activity is currently due to complete in late 2023, with ongoing programmes to support harder to reach young people access employment and training, support for individuals access employment and upskilling in care and other hard to fill sectors, and support for those with a disability or other barrier to work likely to create a further 3-4,000 opportunities.

- **National Retraining Scheme / Skills Fund Pilot Activity** – Working closely with the Department of Education ('DfE') since 2017 on the emerging development of the National Retraining Fund and subsequent policy, HotSW partners have contributed towards the delivery of 1,500 adult training places in the past three years as part of wider testing and roll out of the Government's update skills approach. This includes testing of forerunner approaches to the lifetime guarantee offer at Level 3, and most recently bootcamp approaches for core sectors.

- 2.6 In October 2020, Government placed a formal condition on each of England's 37 Skills Advisory Panels as part of this 2020/21 funding to produce a Local Skills Report for their respective area by 31 March 2021. Providing a five-year blueprint for shared priorities across the skills landscape, the report is required to both align skills investment and activity with its respective area and provide a foundation for future growth and inclusion through maximising the impact of the skills provision. In the Autumn of 2021, as part of the condition of DfE's grant funding to SAPs in financial year 2021-22, DfE requested revisions to the initial Local Skills Reports that reflect any changes that have taken place since the Spring.
- 2.7 Specifically, the report is required to play the following five roles:
- **Clearly setting out key skills needs** – ensuring local skills needs are visible to local partners who can then engage with them.
 - **Feeding intelligence to the national Shared Prosperity Board ('SPB') and central government** – providing a consistent output of intelligence common to all SAPs that the SPB can use to understand the needs and priorities of local areas and build a national picture of the supply and demand for skills
 - **Being a 'go-to' document for everything local-skills related** – bringing together existing and new skills information into a consistent format common to all SAPs.
 - **Offering valuable insight and evaluation** – detailing the progress made on current local skills initiatives and outlining future skills plans to plug key skills gaps.
 - **Acting as an engagement tool** – a vehicle through which SAPs can directly engage, influence and rally employers and providers in their areas to support the local skills agenda.
- 2.8 This document is the Heart of the South West first Local Skills Report, with the initial 2021 version redrafted in January 2022.

3) Skills Strengths and Needs

3.1 This chapter briefly summarizes the evidence base set out in Annex A and B of this document. This can be found in full at <https://skillslaunchpad.org.uk/>

a) Overview

3.2 Located in the peninsula of the South West of England, the Heart of the South West is one of the country's largest LEP areas. Its economy is broadly balanced, and while many of its industrial strengths capitalize on its rich endowment of environmental assets, it has high-tech specialisms in aerospace, photonics and ship building with strategies in place to capitalize on the golden opportunities afforded by marine, nuclear, aerospace and advanced engineering, data analytics, health and care and rural productivity.

3.3 In order to meet this challenge, the HotSW will need to unlock the region's productive potential over the next decade, whilst creating quality employment opportunities and a good standard of living for its residents. This is increasingly important in the context of the social and economic shifts following the Covid-19 pandemic and Brexit, as well as longstanding challenges such as regional inequality and productivity. Labour shortages are compounding skills shortages, peripherality of some HotSW communities both exacerbates and obfuscates deprivation while productivity is traditionally low by national standards due to a combination of factors relating not only to skills, but business structure and innovation. Inclusive growth will therefore involve maximising the potential of not only priority sectors and clusters, through skills development, but also improving opportunities for local businesses and organisations across the geography to be more efficient, fully utilise the capabilities of all staff, and adopt the latest technologies and management practices.

Strengths and Skills Needs

The Heart of the South West's strengths in economic and geographic diversity also reflect some of its challenges including rurality and access, mix of job roles and varied qualifications and pay. With a current tight labour market characterised by high vacancy rates and mainly long term, hard to reach unemployed the challenges to get skills and people into the labour market are extensive.

- High tech specialisms in aerospace, photonics and marine but digital skills shortages are restricting these, and other sectors, from developing
- Opportunities in advanced engineering and manufacturing while other parts of the sector are in decline creates a skills demand that needs to be carefully managed
- Significant demand for skills and roles in health and social care compounded by an ageing population and the effects of the pandemic
- High levels of employment dependence on hospitality and tourism though there are challenges with recruitment and skills, linked to perceived low wages and employment conditions whilst also being considered low productivity roles and lacking in job security
- Support our transition to net zero, including those skills likely to be required to meet the needs of a changing economy and the opportunities a low carbon future will generate

b) Key Economic Features

- **A mixed geography** – The Heart of the South West is one of England’s most geographically diverse LEP areas, encompassing significant rural and coastal areas, alongside core urban centres.
- **Low productivity overall, but significant economic diversity across the Heart of the South West’s geography** - In 2019 (latest data), GVA per hour worked in the HotSW was 17% lower than the national average, ranking 34th of 38 LEP areas. This however disguises substantial differences within the area, with productivity per hour in Exeter similar to the national average, whilst Torbay is 31% below the national average. This is also reflected in the average earnings.
- **A small business / self-employed economy** - As a predominantly rural area, 98.3% of the Heart of the South West’ Businesses were either small or micro organisation in 2021, with approximately 1 in 5 businesses in the Heart of the South West having a turnover less than £50,000 per annum compared to 1 in 7 in England. Similarly, roughly 16% of the population in the HotSW were self-employed in 2021 compared to 14% across England.
- **A shrinking working age population** – The Heart of the South West’s working age population is currently ageing around a third faster than the rest of the UK, with approximately one quarter of the Heart of the South West’s overall population already over the age of 65 in 2020, compared to 19% nationally. The influence of high house prices in some parts of the region, alongside access to amenities and jobs, also contributes to young people leaving the area, amplifying the working age demography. This creates an increased reliance on the labour market resident in Devon providing both an opportunity and a need to support those who are most disadvantaged, which carries significant additional economic effort.
- **Significant clusters of localised deprivation though often disguised by proximity to more prosperous communities** – The Heart of the South West had above average numbers of wards within the bottom 20% nationally in 2019, notably concentrated within Plymouth, Torbay, Northern Devon, Exeter and Western Somerset, as well as across wider rural and coastal locations.
- **High overall levels of economic activity and employment, but low levels of average pay** – Historically, the Heart of the South West has benefited from above average economic activity rates, with the average only falling below 77% once in past 25 years and generally trending 1-2% above the national average. Unemployment remains low (3.6%) despite national rises following Covid-19 (5%). However, gross weekly pay for full time workers in 2021 was roughly 10% lower than the English average.
- **Larger low value sectors and lower proportions of people undertaking a higher-level roles** – Over a third of employment in the Heart of the South West is in retail (10.6%) accommodation and food (9.6%) and health (15.2%) which are all greater proportions than the national average, whilst employment in the IT (2.7%), finance and insurance (1%), and professional, scientific and technical (6.5%) sectors is less prevalent than the rest of England. In HotSW 32% of employment is in professional and technical occupations compared to 36% in England.

- **A mixture of qualifications and education capacity** – The Heart of the South West is home to 4 universities, 11 Colleges, 160 mainstream secondaries, and over 300 independent training providers as well as a range of specialist provision, including its Institutes of Technology and the National College for Nuclear. Some parts of the area are highly qualified (such as Exeter where 50.6% of the working age population are qualified to level 4 and above) however, across the LEP, the average is only 36.6% at level 4 and above compared to 42.8% of the working age population in England.
- **Difference in physical, financial and virtual access to learning** – Access to learning continues to be influenced across the Heart of the South West by a range of tangible and intangible barriers. These include a mixed quality of transport networks; significant differences in broadband and digital capacity availability; and challenges around the affordability of learning itself for those from more disadvantaged backgrounds. Graduates from lower socio-economic backgrounds are likely to have better outcomes if they relocate which is at odds with the challenge of retention as less than half of HotSW graduates remain.

c) Skills Demand

- 3.4 Skills demand within the HotSW has been relatively consistent over the past five years, and though there was a dip accompanying the Covid-19 pandemic, demand has recovered and in some sectors supply of labour and skills is even tighter. Sectors where the demand for skills is most acute have included manufacturing and engineering, health, construction, logistics, professional and financial services roles, and hospitality, leisure and retail opportunities. Pre-pandemic, the demand for skills was high in the health and social care and hotels and restaurants, with around a third of establishments in each sector reporting vacancies. Nearly a fifth of these were hard to fill. The pandemic has exacerbated this existing demand in health and social care and hospitality and leisure, while skilled trades and those with IT expertise remain in high demand. Almost one-third (31%) of vacancies are hard to fill due to skill shortages while the overall vacancy rate has increased by 43% since before the pandemic.
- 3.5 Summarising the current broad trends across the HotSW economy, skills demand can be broadly pooled into three areas;
- **Sectors with an ongoing and cyclical recruitment and skills need (some exacerbated by the pandemic)** – These include the skilled trades, care sector, leisure sector and across the generic service sector.
 - **Growth sectors with expanding future demand for which skills will need to be developed** - These are a mix of vocational, creative and academic skills in occupations corresponding with the health and social work, professional services, accommodation and food, construction, and support services sectors.
 - **Localised gaps within specialist occupations** - These include demand within professional occupations, transport and storage, information and communications, construction, manufacture and production, and specialist health and social work roles within the HotSW.
- 3.6 Focusing upon sectoral demand, it is currently anticipated that the following sectors will remain areas of specific heightened need as well as skills and labour demand into the medium term:
- **Health and social work** are currently predicted to create more ‘new’ jobs than any other sector locally over the next 10 years particularly among adult social care occupations but

also health professionals. In 2019, the sector reported that 35% of its establishments in the Heart of the South West had vacancies, of which 19% were hard to fill and 9% were skills shortage vacancies. The existence of skills shortages and gaps within the sector now suggest that encouraging more adults and young people to follow careers in health and care should be a priority.

- **Professional and support services and digital technology** are predicted to be key source of job growth locally over the next 10 years underpinning demand for a range of mainly high-skilled occupations, with digital skills also applying as a cross cutting requirements. Within this, Nesta predicts strong demand for skills groups related to data engineering, IT security operations, market research and app / web development while there are already existing digital skill shortages. The information and communication sector in the Heart of the South West in particular has a high demand for skills, with 22% of organisations in the sector reporting vacancies in 2019. 12% of these were reported to be hard to fill, and 10% were skills shortage vacancies.
- **Farming and Food Production** have struggled with the loss of seasonal workers since Brexit and the pandemic and skill shortages. An estimated 75,000 seasonal workers in UK agriculture were from European nations prior to Brexit accounting for nearly all seasonal labour. With many Europeans to leaving the UK and others moving to better paid employment opportunities in healthcare and other sectors with high vacancies, there have been widely reported labour shortages. In HotSW agriculture vacancies in 2021 were nearly double the rate in 2019. Food manufacturing job vacancies have increased 20% over the same time period.
- **Accommodation and food and arts and entertainment**, along with other services and the retail sector were predicted to create new opportunities over the next 10 years prior to the pandemic. Pre-pandemic, a third of all hotels and restaurants in the Heart of the South West had vacancies, and over a quarter reported staff not being fully proficient, indicating a high shortage of skills in the sector. The arts sector had slightly less difficulty with finding people with the right skills, but nearly 1 in 6 nevertheless reported vacancies. Since the pandemic and Brexit there have been high levels of demand in response to staff shortages in these sectors though the sector remains susceptible to subsequent variant waves.
- **Construction**, a sector that currently has the second highest redundancy rate nationally, is predicted to increase employment locally. The sector was worse hit during the pandemic in the Heart of the South West than in the UK overall, with a loss of 5% of jobs in the HotSW compared to 2% in the UK. While the sector has quickly recovered from the pandemic, it faces longstanding skills shortages. In the Heart of the South West, 13% of organisations within the sector had vacancies in 2019, compared to 9% in England. A higher rate of vacancies in HotSW were also hard to fill (8% compared to 5% nationally). Most of the increase in demand is anticipated to be at professional and associate professional and managerial level, although demand for construction trades will also increase.
- **Production, manufacturing and Science, Technology, Engineering and Math (STEM) based employment** is currently expected to be an area of significant replacement demand, though overall job numbers are expected to fall. For instance roles within manufacturing and production are likely to shift as well as reduce overall, necessitating careful skills and training planning at a macro level. Indeed, the number of jobs in the manufacturing sector fell by 6% in HotSW in the wake of the pandemic (between December 2019 and June 2021), slightly higher than 5% in the UK.

- **Haulage and logistics** are a proportionally smaller sector in the Heart of the South West than UK, but face similar skills shortages which are widely reported in rest of the country. In 2019, 19% of the sector's establishment in the HotSW had vacancies, higher than the English average of 16%. 10% of these were hard to fill in HotSW (8% nationally) and 8% were skills shortage vacancies (6% nationally). Immediate demand is for more individuals to work in the sector, particularly HGV drivers, but also smaller distribution operations, however, this needs to be balanced against the technological disruption which may affect the sector in the longer term.

3.7 Since the onset of the Covid-19 pandemic there have been significant shifts in skill and labour demand patterns across the HotSW and the UK. Factors such as the Government's job retention scheme and loan programmes helped prevent widespread unemployment, and the labour market has subsequently recovered quickly. However, some legacies of the pandemic remain harder to predict which affect both demand and supply of skills and labour. This includes changing working patterns which may have implications for the dynamic of the working age population in the Heart of the South West, with increasing demand for housing creating affordability challenges but opportunities to attract and retain talent who can work remotely from HotSW. Local businesses may also be able to tap into remote labour markets from other areas, creating advantages though there are also risks for existing HotSW businesses having to compete. For those in education or training, a lack of work experience opportunities may have future implications. Younger people may choose to spend longer in education as a consequence of the disruption caused by the pandemic, and rates of participation in adult learning have increased since the pandemic, reversing the previous long-term trend of falling participation rates. Whether this will be sustained post pandemic remains unknown.

3.8 Longer-term, it is anticipated that skills demand will continue to be shaped by macro trends such as technological change, shifts in globalisation (potentially with changing supply chains following the challenges demonstrated by the pandemic), climate change and demographic change. Opportunities stemming from these trends include advancement of automation technology, integration of non-traditional sector roles (such as digital skills across a variety of businesses) and advances in entrepreneurialism. Employment projections for the Heart of the South West predicts that while there will be a net requirement for workers with qualifications at all levels from Level 2 upwards, expansion demand is concentrated solely among occupations requiring higher education qualifications and particularly first degrees.

3.9 The transition to net zero and the Heart of the South West's commitment to clean growth presents further opportunities and skills demand across a range of roles. These include engineering and construction roles to facilitate the infrastructure requirements of a transition to net zero (including retrofitting domestic homes, and installing more renewable energy systems and heat networks) as well as land management skills supporting the environmental agenda.

d) Skills Supply

3.10 The Heart of the South West's education system overall is effective in ensuring that the majority of young people attain a Level 2 qualification by the age of 19. In 2020, GCSE and A Level achievement for those aged 16-19 in the HotSW was roughly equivalent to the national average (though with significant local difference). However, attainment at Level 2 by 19 has fallen in each of the last four years within the area, with evidence suggesting that disadvantaged pupils and those with a barrier to learning are considerably less likely to achieve educationally than

their peers. Encouraging young people to see the value in their education, attend school or college settings and align their outcomes with a career is important to drive appropriate achievement. National studies suggest that many of those that do not achieve by age 19, do achieve Level 2 or 3 by age 25, with qualitative feedback from providers and employers suggesting this is also the case in the local area. These 'second', or even 'third' chance opportunities are crucial within the HotSW for individuals who did not achieve formal qualifications at school or college, while supporting higher achievements first time round is also valuable.

- 3.11 Broadly, achievement of qualifications by sector subject in 2020/21 in the Heart of the South West follows the England averages, though health, public services and care reported an 8 percentage point increase in achievements since 2019/20 while there were nearly half as many construction, planning and the built environment achievements. 70% of the achievements are in vocational subjects and the Heart of the South West has some of the country's highest levels of apprenticeship activity and achievement (notably around Plymouth and Exeter). Comparisons of sector subject and employment in matched occupations shows that there is some oversupply of qualifications in arts, media and publishing and leisure, travel and tourism compared to an under supply in IT and digital, business administration and law, engineering and manufacturing, and health and care. As several of these areas face potential demand increases, such supply restrictions are heightened.
- 3.12 Progression into higher education in the Heart of the South West remains low when compared to peer areas, with only 47% of those completing 16-18 education at level 3 progressing onto higher education compared to 59% across England. While graduate salaries are favourable in HotSW compared to England, less than half of graduates from local HEIs remain in the area five years after graduating with almost one third relocating to London and the South East (for both economic and cultural reasons). Those that remain in education in the HotSW tend to achieve well and acquire qualifications in subjects valued by employers. Though there are challenges with graduate retention, with amenities and availability of jobs being key considerations, these are partially offset by the relocation of highly qualified people at middle and older ages (a trend likely to have increased since the pandemic), although this then contributes to the ageing population.
- 3.13 There continues to be a significant number of individuals with disability who are not able to access the labour market through both real and perceived barriers. An estimated 19% of working age adults nationally have a disability and nearly half (46%) of these are unemployed or economically inactive. With joined up support, this pool of diverse and talented individuals provides an opportunity to grow skills aligned to local needs.
- 3.14 Prior to the pandemic, training provision, provided by employers in the heart of the South West surpassed the England average with the majority of employers providing training of some form. However, generally across the UK employer provided training is declining. While most employers did not consider that their employees had need of any more training, two fifths would have liked to undertake more training but a lack of funds and difficulty sparing the time for training were frequently cited as barriers.
- 3.15 Brexit and the new trading relationship between the EU and UK has, and will continue to affect the supply of labour in some sectors in the Heart of the South West. An estimated 10,000 European workers have left the LEP area with particular ramifications for agriculture, tourism and transport sectors. The shortage of drivers across transport (HGV, van, bus, rail), alongside trade friction exacerbated by the pandemic, has created widely reported supply impacts for

other sectors such as retail and construction. The gaps created in lower skilled roles, and the subsequent wage competition has led to shifts into better available jobs in health and social care, for instance, from those moving out of seasonal agricultural and tourism roles.

- 3.16 Since the pandemic there has been an increase in the amount of funding and programmes available to support skills supply. These include Skills Camps, the LEP Build Back Better investment, Community Renewal Funding and refocused balances from ESF operations.

e) Matching supply and demand

- 3.17 There are increasingly challenges with matching skills supply and demand within the Heart of the South West. Vacancy rates are rising in many sectors, as they are across the country, and many organisations are facing rising wage costs. Only 13% of qualifications are in health and social care despite it comprising approximately 20% of employment and both sectors have very high levels of vacancies. This demonstrates a need for good quality careers information, advice, and guidance to help direct education and training appropriately, while being underpinned by integrated careers education to provide the soft skills employers need.

- 3.18 Due to these mismatches the Chartered institute of Personal Development '(CIPD)' recently described the Heart of the South West as being in "skills surplus": a situation of high supply overall, but against a low demand for skills. Deeper analysis of the area however suggests that the picture is more complex, with the need for a nuanced understanding of local skills demand and labour markets across the LEP's varied economy geography. In general, the area could perhaps be better described as below:

- High supply and high demand for skills in the Exeter Travel to Work area (i.e. "High-skills equilibrium").
- Lower supply and lower demand for skills across Somerset and Torbay (i.e. "Low skills equilibrium").
- Lower supply and growing demand for skills in Plymouth (i.e. "skills disequilibrium").
- High supply, but lower demand across parts of Devon (i.e. "Skills surplus").

- 3.19 One key challenge to the mismatches of supply and demand for labour and skills is that in some areas there is significant underemployment with employed individuals holding qualifications and skills greater than the requirement of their role. While no data is available below a LEP level, similar to the national average, 41% of staff have qualifications more advanced than their role requires.

- 3.20 Ensuring that this mismatch between supply and demand is addressed, as well as ensuring that provision in growth sector and low supply, high demand areas is prioritised forms a central theme of the rest of this report.

4) Skills Strategy

i) Overview

4.1 Skills performance is a crucial element of any areas' economic performance acting as a determinant of productivity and employment, and through this, earnings, local wellbeing and prosperity. As set out in Chapter 3, the Heart of the South West is no different, facing a range of social and economic opportunities and challenges over the next decade which require skills solutions if the area is to both achieve additional growth and address individual disparity. Bridging the gap between skills supply and demand will also need to be addressed if the area is to progress.

4.2 This core strategy seeks to provide that shared blueprint for the Heart of the South West. At its core is a vision that:

Every individual in the Heart of the South West should be able to access the skills they need to thrive in a productive job they value, supporting businesses, inclusion and growth.

4.3 This vision seeks to put the individual and their progression at the heart of our skills activity, ensuring positive life chances are extended to all. By supporting and shaping individual advancement, we will provide our businesses with the skills they need to drive a more productive and inclusive economy. Through securing more skilled people, we will enable the area to better address the challenges and take up the opportunities it faces, supporting the economy and our communities with the foundations for future prosperity.

4.4 To achieve this vision, the Heart of the South West will focus on three core objectives over the next five years, which will drive and accelerate progress around skills delivery and performance. These are:

- **Ensure that our skills and training environment is responsive and forward facing, meeting business and individual need**

Working with our work based learning providers, whether colleges, independent providers and their networks, schools, universities, or other specialist provision (notably our IoTs, national centres of excellence and providers of community and enterprise education) to ensure that our delivery environment and provision is fit for purpose and able to support both existing business needs and future economic opportunities (notably within key sectors such as advanced engineering and production, clean growth, digital and creative industries, modern construction and health). This in turn will seek to address ongoing challenges around individual achievement and business skills uptake, and mismatches between business demand and skills supply.

Activity will include joint working and projects to ensure that provision is shaped to fit with and drive forward local economic demand and opportunities. This includes co-designed delivery and capital expenditure with leading private sector partners; being responsive and flexible to both individual and business requirements; being able to support those furthest from the market; and providing a seamless and integrated training offer and escalator approach. In taking forward these activities, the area will place a specific emphasis on supporting our opportunity and recovery sectors (Green Industries, Advanced Engineering and Manufacturing and Digital), on working with those sectors hardest hit by COVID (retail, hospitality, tourism, care) to access the skills and people they need to adapt and thrive in

a changed environment; and working with our foundation sectors (construction, logistics) to upskill and reskill to meet a changing, low carbon world.

To achieve this, partners will seek to best utilise and integrate new capital and revenue support to meet emerging economic opportunities, notably any Community Renewal Funds secured during 2021 and subsequent Shared Prosperity Funding and other EU Structural Funding Replacement / National Skills Funding such as the Apprenticeship Levy made available from 2022. Partners will also seek to reinforce existing complimentary capacity, as well as seek to work together to ensure that recovery activity supports those with the greatest barriers to progression.

As part of the development of this approach, engagement with business and economic partners will also be crucial to ensure:

- That demand for roles is stimulated within key sectors.
- That workforce provision is business led and co-designed.
- That careers education is appropriate and careers information, advice and guidance aligned to business demand.
- That essential apprenticeships (at both tertiary and higher level) and other vocational pathways are consistently promoted.
- That the value of higher and technical skills to business performance demonstrated and championed..

This will require joint working to ensure that demand led activity is fully funded (including resources for key business and provider partnerships) as part of the Heart of the South West's overall skills approach.

- **Ensure that every individual can access the skills and training they need to achieve their own potential**

Working together to ensure that the Heart of the South West has a skills and training offer that can meet the needs of any individual and support them into or progress through a job which adds value to the wider economy. This will seek to address both the area's challenges around individual productivity and economic performance; support wider efforts around extending opportunity to all and better enabling access regardless of individual barriers; and expand and enhance our shared labour market for higher, technical and high demand skills.

Actions will include:

- Working together to better support those with barrier to learning or work, developing a shared approach to improving social inclusion and mobility. This will include facilitating new community learning capacity and raising ambition in our most deprived wards and communities; enhancing outreach to our most vulnerable and hardest to reach individuals and young people; and seeking to improve wraparound support for those with a barrier to progression.
- Providing enhanced careers advice guidance for young people and adults, particularly those at risk of becoming NEET or economic excluded.

- Improving training availability for those in and outside of work who may be able to upskill but face another barrier to progression.
- Making full use of new training and learning offers like the Lifetime Guarantee.
- Securing additional support for those who are long term unemployed.
- Engaging and drawing upon other government led skills and work provision can enable us to harness individual progression, including support for self-employment and enterprise activity which benefits the individual, and ensuring every individual has the digital skills they require to thrive.

This will require close working with businesses, to promote the opportunities involved in expanding and extending recruitment patterns; capturing and fully marketing their career pathways and new opportunities to those in education and across the existing workforce; and increase demand for higher level skills, technical roles and staff able to lead and enable innovative growth and services.

- **Ensure that all skills and training investment and activity contributes to both improve our shared prosperity and collective productivity**

Working collectively, public, private and skills providers, and educational partners, will seek to ensure that skills activity and funding is designed to best meet the needs of both the economy and drive social inclusion and shared prosperity. This will seek to address challenges around deprivation and economic exclusion, as well as improve overall supply responsiveness and economic fit of provision.

This will include joint working around labour market intelligence, economic monitoring and other data to ensure that there is a shared understanding of needs and opportunities; integration of social inclusion objectives in shared investment approaches, focusing on extending opportunities to all; working together to optimise the skills and employment impact of key public and private sector investments, such as new construction opportunities or national significant infrastructure projects; seeking to eliminate barriers to learning such as around digital exclusion, financial exclusion and challenges around transport access; and seeking to find new solutions and approaches to working in the hardest to reach communities and those facing the most disadvantage.

- 4.5 In taking forward the above, partners will ensure that the skills landscape will both champion economic and social inclusion across the area, as well as support our wider ambitions around sector growth, economic development and productivity improvement.

ii) **Productivity and Sectors**

- 4.6 The Heart of the South West Local Industrial Strategy ('LIS') sets out our shared ambition to transform the local economy through clean and inclusive growth. The strategy seeks to develop a new approach to growth across the area, seeking to decouple economic growth from emission growth, and more widely share the proceeds across people and communities. Build Back Better, the LEPs recovery plan following the Covid-19 pandemic continues the themes of the LIS, looking to utilise the pandemic as an opportunity to positively reshape the economy.

4.7 As part of the LIS and Build Back Better recovery plan ambition, 3 areas of significant growth opportunity are prioritised over the next two decades: **Engineering Futures, Digital Futures, and Energy Futures**. Partners believe that these priority sectors have a key role to play in both contributing to Government's long-term ambitions for national growth, whilst driving forward social inclusion and levelling up across the HotSW's mixed economy, as well as support wider clean growth. These priorities align to the seven transformational programmes for the LEP area: becoming a green energy powerhouse; enhancing the high tech marine cluster through automation, clean propulsion and cyber secure smart ports; expanding the photonics cluster to underpin growth in autonomous systems; delivering future of flight programme for sustainable aviation; tackling economic and societal challenges through analytics and digital innovation; positioning HotSW as a health technology pioneer; and establishing a data-led visitor economy.

4.8 Recognising the potential of these three core sectors in driving forward clean growth and inclusion in the HotSW this strategy provides actions to deliver a skills and training environment that will offer the transferable skills required to support an individual to thrive. Such a skills and training environment will ensure that our sectors are provided with the specialist staff they need to drive forward prosperity. This will be achieved in the first instance through a focus upon promoting and prioritising an individual's development through our skills investment, creating clear pathways and escalators of progression into and through these three core opportunities areas, providing a 'no wrong door' approach to related careers. This will ensure that, regardless of background or prior achievement, a route to a high-quality job in a clean growth sector will be available.

4.9 More specifically, for each opportunity area we will:

- **Engineering Futures** – Seek to build through to 2025 upon the expertise of our universities, colleges and specialist education and training providers to create and support pathways into evolving engineering disciplines, with tailoring around marine, aerospace, photonics, nuclear, civil construction, medtech and defence sector careers. This will include addressing current demand for a further 5,000-,10,000 engineers over the next decade, whether to replace existing staff or fill new opportunities across the sector. This in turn will also serve wider clean growth ambitions around reaching carbon neutrality by 2030 across the area, as well as wider productivity goals.

This will include marshalling forthcoming funding revenue and capital support for specialisation within our training landscape (notably through the next round of FE capital funding in 2022 and technical skills money to be made available through the Government's National Skills Fund and Bootcamp programmes); improved linkages between business and training providers to improve the relevance of qualification design and delivery (drawing upon flexibilities in emerging programmes and the potential of the non-ringfenced elements of the Shared Prosperity Fund); enhanced opportunities for innovation and higher-level skills development; and a focus on the development and increased delivery of individuals with technical level skills for related sectors.

Critical to these outcomes will also be a consistent approach to related careers advice and guidance for young people and adults; maximising the impact of our Institutes of Technology and Centres of Excellence / National College (drawing upon recently announced funding allocations and programmes ringfenced for catalyst opportunities linked to technical skills); and better aligning the flow of individuals between secondary education, further education and higher education opportunities. This includes working

with the new Centre of Higher Technical Innovation and Maritime Skills in Plymouth to help provide the throughput of engineers and consolidate the marine cluster based around the Oceansgate Enterprise Zone, Working around the South Somerset Aerospace Clusters, and seeking to further development engineering and advanced manufacturing capacity along the Somerset / Devon M5 corridor, and within Northern Devon.

- **Digital Futures** – Recognising the area’s existing strength in training and higher-level skills within data analytics, cyber security and environmental data technologies, seek to create an area wide approach to digital career progression and development through to 2025. This will allow the area to realise the potential for a further 5,000 jobs in the sector by 2028 and address existing skills gaps already occurring across the economy linked to digital competencies. In addition, it will include a focus on ensuring every individual has the basic digital competencies required to achieve in a modern role, but also that businesses are able to thrive in a digital environment.

Activity will therefore encompass working with schools and other educational settings to promote digital careers and opportunities throughout the HotSW (drawing on funding opportunities from the LEP and wider partners) working with our Colleges and wider training providers to offer a graduated approach to digital training and progression, from basic skills for adults to technical competencies up to Level 5-6 (drawing upon digital and technical specific ringfenced funds); engagement and co-design with employers, universities, colleges and our two Institutes of Technology of relevant qualifications and competences (utilising IoT and SPF related funding); and development of specialist training and innovation capacity within our Colleges and universities around higher level skills and teaching / management capacity. As part of this approach, the area will also seek to maximise the value of the recently announced £500m national numeracy programme ‘Multiply’.

In bringing forward this opportunity, the HotSW will seek to draw upon and work intensively with its Digital Skills Partnership/s, providing a leadership and coordination role amongst partners. Through the integration and enablement of individual and business level digital skills, the area will also drive forward more sustainable work patterns, cleaner outcomes and prepare itself for future changes across the wider world of work. This will also be supported by external programmes such as Help to Grow, which encourages uptake of digital technology in businesses.

- **Energy Futures / Low Carbon Growth** – Seeking to build upon the area’s unique strength around nuclear technology and engineering, but also specialisms in green energy, marine energy, photovoltaic, wind, nuclear fission and decommissioning expertise, and clean mobility technologies, providing clear progression and entry routes into related career paths through to 2025. It is also important that we repurpose and retain skills from Hinkley when completed to continue this knowledge in the energy futures sector. Through growing our potential in this sector, and creating a world class workforce, we will directly contribute to UK carbon reduction and wider sustainability ambitions, as well as drive individual life chances. In many roles, this requires a new set of skills that are currently in infancy to respond to a greener economy.

This will include accelerating existing careers and information pathways within schools around nuclear and energy / green related careers (working closely with local careers hub / successor capacity) alongside creating entry level roles in to the Blue and Green Economy; reinforcing training and qualification approaches into clean growth based careers;

reinforcing specialist training and curriculum delivery in colleges and through the area's IoT and National College capacity (through dedicated capacity funding to be secured through national skills funding / FE and other technical level capital opportunities, and through the emerging Shared Prosperity Fund); supporting local leadership and upskilling to access supply chain and other opportunities within the sector (working closely with the Growth Hub and wider business support / leadership development capacity); and promoting and supporting innovation by both the business community and our FE and HE institutions and specialist training providers; improving local infrastructure, such as Appledore Dock, to provide access to entry level and higher technical roles in new developments such as Floating Offshore Wind, 3D Ocean Farming and Nature recovery schemes.

As a first stage in capturing the value and needs of this sector, the SAP will work closely with the South West Energy Hub and neighbouring SAP areas to complete an initial labour market and skills scoping study in the sector through Spring 2022, with results to be fed into future SAP / LSIP content and to inform investment.

4.10 This emphasis on opportunities and clean recovery is critical because of the impact of the Covid-19 pandemic. While some sectors have faced significant challenges other opportunities have emerged, and will continue to do so, in an economy and society reshaped by the pandemic. For instance, there has been significant growth in public commitment to lower carbon technologies, ~~while~~ opportunities in the digital landscape have grown with online working, and the role of technology in medicine has been clearly reinforced. Maximising the potential for renewal and development are key to the longer-term success of the HotSW economy.

4.11 In addition, and aligned to these growth opportunities, the area has a range of sectors which are crucial to its economy and require a discrete focus. As both drivers of local economic output and major contributors to local and regional economic, these sectors have a key role to play in driving forward the area's wider economy, ~~but also~~ and providing valuable high-skilled jobs for the future which benefit individuals, communities and wider clean growth. As has been explored above, some of these sectors have been impacted by the Covid-19 pandemic and Brexit creating new needs alongside existing ones. These Sectors are:

- **Health and Social Care** – We will seek to work with the health and social care sector through to 2025 to provide new opportunities to enter the sector (including well-paid entry-level roles able to compete with other sectors). Promoting the sector as both a valuable career pathway and hub for innovation and productivity enhancement, particularly important in light of the pandemic and Brexit generated labour shortages. This will include seeking to improve supply for the current 4,000 to 6,000 health and social care vacancies advertised each year, particularly amongst those semi-skilled and higher skilled opportunities in nursing, skills care supervision and other medical care disciplines. Support individuals to progress into higher level health or specialist occupations; work to create a culture of learning and recognition of training across all levels; ~~seeking to~~ reinforce innovative approaches through learning; and link together employer, education providers (including further education, higher education and training providers) and community or employment approaches and needs. In doing so, support Government's wider ambitions around integrated healthcare.
- **Construction** – We will work with the construction sector to both identify key areas of need and opportunity for the future through to 2025, including replacing an ageing workforce. Develop new pathways into apprenticeship and other routes into the trades as well as

promoting upskilling for existing construction operatives and developing capacity for higher value construction training. This will include creating and supporting training to facilitate new methods of construction and sustainable construction as well as other opportunities such as the need to retrofit our housing stock and develop civils and infrastructure engineering capacity linked to highways, utilities and broadband. Activity will seek to build upon lessons learnt through projects like Building Plymouth and Building Greater Exeter, as well as best practice developed through civils programmes around Hinkley Point and activity focused around the governments replacement for the Green Homes Grant. This will ideally support the economy's transition to a low carbon future, with around 2,000 green construction roles across the area required by 2027.

- **Agritech and Food and Drink Production** – We will seek to build on the Heart of the South West's internationally recognised agricultural and food and drink industries, we will work with the sector to identify formal training pathways and upskilling available, looking to add value to existing roles, support the sectors modernisation and ongoing diversification, and improve local competitiveness. This will include filling a gap of around 2,000 skills and semi-skilled agritech workers each year, with an emphasis on digital, process improvement and post Brexit project and programme requirements across the sector. This may include increased investment in robotics, digital technologies and growth opportunity other aligned skills sets which support investment and development, as well as around land management and other science-based approaches. Projects such as the proposed food hub also offer opportunities to align approaches in pilot environments.
- **Defence** – We will develop the strong defence sector in the Heart of the South West, particularly around Plymouth and Devonport, with skills for the future. This includes working with leading partners such as Babcock to develop the career pathways and skills plans needed, especially as the role of cyber and other digital skills becomes more important. For instance, there is a growing need for cyber security clearance, advanced engineering and automation. Ensuring links are maintained between the Institute of Technology and other assets in HotSW will be key to delivering these skills so this core sector is able to be sustained in the region.
- **Tourism, Hospitality, Retail and Leisure** – We will support relevant businesses and sector organisations to accelerate the upskilling and value of our tourism, retail and hospitality and leisure offer on an ongoing basis. Recognise the shifting needs generated by the Covid-19 pandemic and Brexit highlighted above, but also the importance of these core sectors to our shared economy, we will encourage the upskilling of staff (through projects like Open up to Skills), reinforcing leadership and management skills, wider customer service and the digital capacity of the sector. This will include support for skills within new higher value tourism sub-sectors, including green and sustainable tourism approaches. In addition, seek to maximise the impact of new initiatives and wider business support approaches, such as the High Street Funds, to use skills training and skills capacity to support sector development and renewal. Overall, this will support the sector to fill around 5,000 current vacancies more easily across the HotSW each year with skilled and customer ready staff.
- **Creative Industries** – We will work with the sector to prioritise areas of skills growth, notably around design and creative media, seeking to harness the capacity of our universities and colleges around aligned, high productivity creative roles to encourage local business development, enterprise and innovation. Whilst often aligned with the digital

sector, the creative industries play an important additional role across the Heart of the South West, both as part of an external offer to the rest of the UK, and underpinning our visitor and cultural offer. This ranges from film, to publishing, to performance, to design and architecture, all areas of local specialism while often having faced uncertainty during the pandemic. Ensuring the sector has the skills to be resilient while maximising the productivity potential will be vital over the next 10 years.

- 4.12 As part of our sector skills approach, it will also be critical to ensure that there is a firm link between research and development or innovation activity and wider skills and labour market development. In many cases, skills development and knowledge transfer underpins individual business innovation activity, and wider sector performance. This is particularly critical within our higher value opportunities, including within aerospace, defence, nuclear, marine, wider advancing engineering, health, clean industries, and digital sector development. Our higher education institutions, IoTs, Colleges and other research and training bodies will have a core role to play in this integration. However, it will also be important to ensure that a culture of innovation and enterprise is integrated throughout our approach, including working with schools and young students to promote positive behaviours and aspiration as part of their career education.

iii) Geography

- 4.13 The Heart of the South West does not comprise a single economic geography, but is instead made up of multiple labour markets, with a mixture of sectoral, environmental and social strengths and weaknesses, opportunities and threats. As such, any skills approach to the Heart of the South West must recognise these local differences, with a clear understanding of the differing skills, learning needs and requirements of each of our shared communities.

- 4.14 Building on our three headline priorities for the Heart of the South West, we will ~~therefore also~~ seek to achieve the following over the next five years in each of the Heart of the South West's six Skills and Employment geographies:

- **Plymouth and its travel to work area** – Recognising the manufacturing strength and opportunities associated with our Ocean City, we will build upon Plymouth's nationally significant capacity in marine technologies and wider advanced engineering, manufacturing and defence excellence. The investment in Plymouth's Freeport also offers new opportunities for job creation ~~though~~ and will need a skills response to match. Aligned to this, we take forward the city's ambitious plans for recovery and growth, and to address social inclusion, focusing on maximising the impact of engagement with schools, locally led employment and training activity through the City College Plymouth and the Devon and Cornwall Training Provider Network ('DCTPN'), higher level learning and innovation activity through the City's universities, and supporting wider opportunities in areas such as cyber/digital development, health and social care, and construction.
- **Exeter and its travel to work area** – As the heart of the area's knowledge economy, and fastest growing locality, we will seek to maximise the productivity and levelling up potential of Exeter and its wider travel to work area covering East Devon, Mid Devon and Teignbridge. A focus will be placed on the potential of the city as a hub for digital technologies, green growth, advanced manufacturing, sustainable aviation, and professional and financial services. In addition, partners will seek to maximise the impact of the City's outstanding College (including the Future Skills Centre supporting green skills, electrical engineering and aviation) and broader FE institutions, research university, and

capacity of DCTPN's membership to drive ongoing efforts around aligning education and work opportunities; employability and upskilling activity around construction and health; and seek to build digital capacity from basic skills to advanced technical competencies.

- **Northern and Western Devon** – Recognising the diversity of the economy and employment within Northern and Western Devon, we will focus on extending opportunities to every rural, coastal and market town location. Building on existing opportunities within advanced manufacturing and engineering (notably within marine technologies), pharmaceuticals, agritech, and tourism and health, we will seek to enhance the capacity of PETROC and wider DCTPN members to support local upskilling and attainment; engage and accelerate local efforts around educational aspiration and economic inclusion; improve local employability and earning potential; and seek to work with the area's majority small business community to harness local growth opportunities. Improved transport and wider infrastructure linkages may also play an important role in driving upskilling, supporting community prosperity, and improving business productivity.
- **Western Somerset and Mendip** – Bringing together the key market towns of Bridgwater and Taunton, the nationally significant development at Hinkley Point, and the wider rural and coastal geography of Western Somerset and Mendip, we will build upon existing strengths in nuclear, advanced manufacturing, digital capacity, health and social care, agritech, construction and tourism. This will include building upon the expertise of Bridgwater and Taunton College and Strode College; enhancing the capacity of members of the Dorset and Somerset Training Provider Network ('DSTPN') to meet both specialist skills need and wider local provision; supporting the development of University Centre Somerset to provide strengthened higher education provision within Somerset. We will seek to accelerate upskilling and earnings through focused employment and upskilling activity leveraging high value opportunities around clean growth and energy and supporting programmes that further encourage aspiration and employment amongst young people. This includes maximising the potential emerging from Hinkley Point and development of the Gravity Enterprise Zone.
- **South Somerset** – As a centre for UK rotorcraft and helicopter manufacture, and hub for wider aerospace and aviation technologies, we will focus on maximising the impact of the aerospace and high value engineering and manufacturing cluster within South Somerset. This will include building the capacity of Yeovil College to support the sector, as well as working across wider education partners, with DSTPN and other provider capacity to build upon South Somerset's wider economy, with strengths and opportunities around tourism, agritech and health and social care. A specific focus will be placed upon inclusion and attainment, with support for employability, upskilling and clear pathways to work and progression.
- **Torbay and South Devon** – Drawing on the mixed economy of the English Riviera and the strength of both South Devon College and the work of wider DCTPN partners, we will focus on maximising the development of existing and new opportunities within the bay. This will include new employment and upskilling within HotSW wide growth sectors such as electronics and photonics, marine engineering, and tourism and wider coastal industries. There will also be a specific focus on maximising the impact of from the [Towards 2030 regional tourism build back better plan](#). Recognising long standing challenges within the area around inclusion and employment, a specific focus will be placed upon aspiration and talent retention, seeking to support young people and adults to grow and develop within

the bay, as well as supporting companies to upskill, renew and refocus as the economy evolves.

v) **Covid-19 and Brexit**

4.15 This Strategy has been designed to identify the medium to long term skills requirements of the Heart of the South West, and while recovery from the Covid-19 pandemic has been strong in many sectors, residual impacts remain. Compounding the effects caused by the pandemic is Brexit, which is creating ongoing economic challenges, including in the supply of skills and labour. Given this context it is critical that the Heart of the South West has a joined up strategy for all areas of the economy.

4.16 Therefore this Strategy seeks to support the Local Enterprise Partnership's Building Back Better Framework and the Local Industrial Strategy, providing the action plan for the skills agenda, which needs to be considered alongside other interventions covering the business environment, ideas and innovation, and places and infrastructure. One of the key learning points from the pandemic has been the need for resilience and having the flexibility to undertake new or altered roles in a new environment, something this Strategy looks to help facilitate.

4.17 As the economy adjusts to its post pandemic situation and a new relationship with the EU, there will remain a need for adult education to be available to offer opportunities for reskilling while continuing to support young people at risk of becoming NEET (Not in Education, Employment or Training) whose employment opportunities may still be curtailed. Alongside particular sectors highlighted in section 3, it will be important to ensure that those communities most at a disadvantage and hardest hit by Covid 19, are able to access a level playing field of support and opportunity to avoid permanent economic scarring and worsening economic inequalities.

4.18 ~~As such,~~ Partners intend to prioritise the following core objectives:

- **Work together to enhance the Heart of the South West's support offer for young people, both those in and those recently leaving education.** Seek to reinforce careers information, advice and guidance and the transition process into further learning or vocational training, or the world of work, with a focus on reaching those most at risk of exclusion. We will further promote information about apprenticeships and employment activity to young people so they can realise this opportunity while maximising the impact of initiatives like Kickstart, the Apprenticeship and Traineeship support grants for employers and wider mental health, functional skills and other residual support offers.
- **Seek to work towards a single retraining / employment support offer for those leaving work** - Looking to support individuals to upskill and reskill if they wish to find a better job or access new opportunities and emerging sectors will be critical in the new economic environment. We will maximise the impact of initiatives like the Lifetime Skills Guarantee and Skills Bootcamps to fast track individual opportunities. This action includes a focus on supporting those hardest hit by the downturn and Brexit as well as those who are long term unemployed and may have been so since before the pandemic. The offer will also incorporate enterprise development and self-employment training as alternative pathways into work.
- **Work across provision to ensure that digital and remote learning offers, and associated pathways to work and learning, are available to all** – Seek to ensure young people and

adults are able to ~~both~~ access and have the skills to access digital training offers and approaches, with a focus on supporting those furthest from the market or most at risk of digital exclusion. Such skills support needs to be delivered alongside, and in support of, broadband infrastructure development and technology deployment in public spaces.

- **Enhance skills and employment support within traditionally harder communities and places across the Heart of the South West** - Ensuring that historic gaps in employment, training and educational attainment are not worsened by the Covid-19 crisis. Enhancing skills and employment support through the roll out of tailored provision and support where able and affordable.
- **Work with business support partners to utilise entrepreneurship to a) encourage self-employment those unemployed or seeking an alternative pathway to work and b) encourage enterprise activity and business start-ups among career changers** – Support entrepreneurship and self-employment activity focused on maximising start-ups and new business opportunities emerging beyond the pandemic and supporting those who wish to follow the HotSW tradition of entrepreneurial behaviour. Support to focus on enhancing skills for business, including around business leadership, financial management, customer service, digital competencies and core business skills. Promote enterprise as a career pathway to students and young people, seeking to harness their potential as new business leaders. Encouraging entrepreneurial skills can also help improve productivity and innovation, especially in high growth and emerging sectors.
- **Seek to engage with businesses in both the hardest hit sectors and those sectors that have recovered and are now rapidly growing and creating opportunities to support upskilling and staff training** – Recognising that the Covid-19 crisis has had a disproportionate impact on certain sectors (notably tourism, leisure, hospitality and retail) we will seek to work with companies to understand their needs and offer relevant support as they are renewed or transition. Similarly for sectors where there is a clear growth trajectory (such as digital), we will work to produce bespoke solutions. This will include taskforce approaches in the largest cases, but also local initiatives, pilots and programmes to tailor support to individual sectors.
- **Working with our Colleges, Universities and wider training providers to adapt to the new environment** – supporting providers as they adjust to any financial or operational changes which are emerging as a result of the pandemic, Brexit and other macro trends.

5) Skills Action Plan

- 5.1 The Heart of the South West's Skills Strategy sets out the area's preferred approach to skills development over the next five years, including our preferred sector focus and geographic approach.
- 5.2 Strategy alone however will not deliver the progress sought around skills and employment over the next decade, with a clear need for partners to come together across the HotSW area to ensure that relevant delivery activity is commissioned, funding secured, and outcomes achieved. To achieve this, an unapologetic focus on prioritising delivery of the area's agreed priorities will now be needed, seeking to fulfil the opportunities and address the challenges outlined elsewhere in this document. In many cases, actions will also need to be truly collaborative across themes and approaches to ensure the best outcome for sectors and residents of the Heart of the South West.
- 5.3 This chapter therefore sets out a complementary action plan for the delivery of skills and related employment priorities over the next five years. Drawing upon the Skills Advisory Panels' detailed evidence base, the skills action plan identifies specific activity areas and programmes against each of the ten priority areas already identified through our Core strategy, seeking to provide a single blueprint for skills development across the Heart of the South West area. It also seeks to deliver on our core ambitions around clean growth, improved productivity, and social inclusion through skills and employment activity.

i) Ensure that our skills and training environment is responsive and forward facing, meeting business and individual need

Action	Description	Progress in 2021	Lead Partner/s	Target Group/s	Timescale	Geography
a) Skills Development						
Secure additional resources to support curriculum development for training and skills development within opportunity areas	Focusing upon nuclear, marine, digital, aerospace, clean growth and photonics training. Noting the mismatch between provision and demand in many areas, work with local providers to prioritise and develop their offer around areas of unique strength / opportunity. Focus on those facilities and courses / curriculum offers which reinforce economic growth and specialisation and promote wider HotSW opportunities. Explore the potential to use boot camp and other funding approaches to fast-track opportunities.	Some progress made through Bootcamp and other technical funding in year, with employers supported to tailor quicker provision. FE and HE also continue to work closely on a bespoke basis to tailor apprenticeship and other provision. Awaiting however wider post EU funding to take forward larger programme approach	HotSW LEP, Colleges , IoTs DCTPN / DSTPN, Universities, HotSW DSP, ESBs, ESFA / DfE	All	Medium Term (1-3 years)	Nuclear – Western Somerset; Marine – Plymouth and coastal areas; Aerospace / Aviation - South Somerset and Exeter / East Devon; Digital – Exeter; Photonics – Torbay and South Devon
Develop an enhanced offer around high demand career opportunities that cut across the HotSW	Focusing upon Health and Social Care, Construction, Logistics, Agritech, and Clean Growth occupations. Recognising currently unmet demand in the health, construction, logistics, agritech and green sectors, work with providers and business to develop new capacity and secure new investment into related skills and training. Explore the potential for boot camp and other funding approaches to fast-track opportunities.	Activity continued around HotSW Careers Hub and working with sectors, with 20,000 young people engaged in 2020/21. Awaiting next steps on Careers Hub following the LEP Review / Levelling Up White Paper. Joint activity around Proud to Care includes the HSSAP work supporting entry to and progression within the health and Social care sector.	Local Authorities, Colleges , DCTPN / DSTPN, Universities, Careers Hub, National Careers Service, ESBs	All	Short Term (1-2 years)	SAP Wide
Support skill renewal and recruitment through recovery in hard hit sectors	Focusing upon the Tourism, Leisure and Retail sectors. Work with Covid-19 impacted sectors to support staffing training and upskilling, with a focus on transferable skills, leadership and management, and upskilling around core competencies (customer service, financial management, service specific trade skills). Seek to maximise the impact of initiatives like Tourism Zones and national support packages / Lifetime Skills Guarantee. Support redeployment activity where required.	Local programmes rolled out in 4 local authority areas, with a focus on sector specific support, including intensive support for hospitality, tourism and leisure. Includes £350,000 of support through the Open Up to Skills programme in Devon for employing and upskilling staff in relevant sectors.	Trade Bodies, Local Authorities, DWP	All	Short Term (Immediately)	SAP Wide
Agree a new framework approach to ensure that skills funding is directed towards relevant capital capacity and course provision across providers through the use of accurate Labour Market Information (LMI)	Recognising the current mismatch between current supply and demand for skills within the HotSW and drawing on the SAPs role in coordinating local LMI, direct both revenue and capital skills funding towards the development and delivery of economically relevant capacity, reinforcing positive trends and areas of economic opportunity.	Awaiting next steps on national funding / Levelling Up White Paper. Discussions on LSIP structures and future of the SAP ongoing with key partners.	Colleges, Universities, DCTPN / DSTPN, HotSW LEP / SAP, ESBs, ESFA / DfE	FE Students / HE Students / Business	Medium Term (1-3 years)	SAP Wide
Support higher level specialisation and skills development to support innovation and enterprise activity within opportunity sectors / occupations	Building upon the opportunity sectors identified through the HotSW LIS, and working with Colleges, Universities, and Institute of Technology partners, seek to bring forward additional project and programmes promoting innovation led skills development. Seek to promote enterprise skills and activity through higher level programmes. This will place a specific emphasis on engineering, health, digital and leadership skills.	Awaiting outcome and next steps on the Levelling Up White Paper / LEP Review, though balance of LEP and Innovation Funding in current programmes being utilised to support local activity. Includes additional support for sector skills activity in digital and green sectors, as well as usage of Bootcamp programmes to maximise immediate opportunities through Wave 2 and 3 funding rounds.	Colleges, DCTPN / DSTPN, Universities , IoT	All	Medium / Long Term (2-5 years)	SAP Wide

b) Skills Promotion						
Bring forward a joint approach to market and promote higher-level apprenticeship provision across the business environment	Recognising the opportunity posed for the local area by higher level apprenticeship, particularly amongst opportunity sectors, seek to extend the take up of related provision to more businesses, including SMEs. Explore the potential for new pathways amongst bedrock and other sectors, where added value could be beneficial.	Work ongoing on a shared apprenticeship approach across area, but currently on hold as governance and next steps on skills and employment approaches concluded nationally.	HotSW SAP, Colleges , DCTPN / DSTPN, Universities, ESBs, Major Employers	16-24 and Adults	Medium Term (1-3 years)	SAP Wide
c) Capacity Building						
Secure significant new investment in our FE Estate	Building upon the outcomes of recent estate condition survey outcome, and emerging business plans for wider college development, seek to support relevant and prioritised investment into new capacity and facilities to support economically relevant training.	Over £10m secured across the area through initial FE capital funding round, with providers working on funding bids for likely 2022 round, including both T level and FE Estate Funding.	Colleges , ESFA / DfE, AoC	FE Students / Business	Medium / Long Term (2-5 years)	SAP Wide, though focused on our FE Estate
Grow the technical skills capacity of our Institutes of Technology and other specialist centres through new facilities	Recognising the potential and need for technical level skills capacity and facilities within the HotSW, work with the area's Institutes of Technology and wider specialist provision (including its National College) to secure additional funding and opportunities to extend the physical assets linked to technical skills.	£1.8m in funding secured to design and deliver cutting-edge courses for higher-level digital, data and engineering skills requested by local employers. Delivery is planned for approximately 500 adults Jan-Mar 2022 with high demand across sectors	IoT s, Colleges , Universities / HE Institutions, Private Sectors, DfE	FE Students / HE Students / Business	Medium Term (1-3 years)	SAP Wide
Continue to invest in our University assets to provide HE access for all.	Seeking to build upon the area's significant university capacity and expertise, support the case for further HE investment. This includes seeking specific investment in HE capacity where it may not already exist in the area, notably within Somerset, Torbay and Northern Devon.	Innovation and investment to higher education through various funding schemes has continued with new facilities opening at the SW Institute for Technology at the University of Exeter, the university run SW Innovation Expo (sponsored by the LEP) in October 2021 and the establishment of a new Innovation Board with HEI members (following considerable partnership engagement as part of the MIT REAP Programme) to push the region's innovation potential through collaboration.	Universities , HE Institutions, Private Sector, DfE	HE Partners / Business	Medium / Long Term (2-5 years)	Exeter, Plymouth, Somerset, Torbay, Northern Devon
Secure additional support for ongoing investment in digital transformation across the education, FE, HE and training provider sectors	Noting the link between digital skills gaps and infrastructure investment in training and education, seek to secure additional support for digital facilities and capacity across the HotSW's education and learning environment, including provision in schools, colleges, training providers and our universities and other institutions.	Digital transformation part of wider FE capital investment strategies currently being developed and likely to form part of FE Estates and wider investment approach into 2022. Initial investment of £1.5m made by LEP however now complete and rolled out from September 2021.	Schools, Local Authorities , College , DCTPN / DSTPN, Universities , wider HE Institutions	FE Students / He Students	Medium Term (1-3 years)	SAP Wide

ii) Ensure that every individual can access the skills and training they need to achieve their own potential

Action	Description	Desired Outcome	Lead Partner/s	Target Group/s	Timescale	Geography
a) Inclusive Skills						
Develop a dedicated HotSW Social Mobility and Inclusion Programme, promoting capacity building across communities to extend learning opportunities to those furthest from the market	Recognising the significant gaps around educational achievement, progression and aspiration within our most deprived communities and amongst hardest to reach individuals, develop a programme of projects and activity to promote new pathways to learning. Working education and community partners, develop new projects which support young people and adults from a more disadvantaged background into learning, support community-based learning and talent development opportunities, enhance outreach activity from FE, HE and employers, and seek to support capacity building within community learning organisations and through other community based education and learning projects.	Work ongoing around HotSW Inclusion Programme, with group established and action plan / business plan under development, seeking to draw upon intelligence and learning from University and other partners. £15m of CRF funding secured across area during first round, with a heavy emphasis on local inclusion and mobility through selected project portfolio.	Local Authorities, Community learning organisations, Colleges, Universities, Voluntary and community sector, DWP	20% most deprived wards / communities	Medium Term (1-3 years)	SAP Wide, but focused on bottom 20% most deprived communities and wards.
Work across providers to better align careers advice and guidance support for adults, seeking to maximise the impact of existing and emerging CIAG provision, and support those furthest from the market to thrive	With a significant proportion of HotSW's workforce still employed in roles below Level 3, seek to work with and support the National Careers Service and wider providers to promote aspiration and ambition, upskilling, and career jumping activity with a focus on our opportunity sectors. Place a specific focus on career management and planning as part of the approach, as well as the potential of vocational pathways / higher level apprenticeships for those already in work.	Work ongoing on next steps around Adult CIAG approach, with national contract provision due to be reprocured in 2022 by DfE. Adult Hub capacity currently being rolled out in all 4 authority areas in partnership with DWP to meet local demand, using Flexible Support Funding and local match in absence of SPF.	NCS, SWANN, NAS, Local Authorities, Colleges, Universities, DCTPN, / DSTPN, DWP, Parents	Adults	Medium Term (1-3 years)	SAP Wide
Working with DWP, use a mixture of Sector Based Work Academies and other approaches to provide fast-track opportunities into growth sectors for all	Reflecting skills gaps within foundation sectors and occupations (notably health, construction, and digital roles), seek to work with DWP and other partners to create fast track routes into relevant careers. Place a specific emphasis on reaching individuals and communities facing the greatest barriers to entry and / or disadvantage.	Work ongoing in 4 local authority areas around fast track provision, including Sector Based Work Academies. Hub process has provided a series of foci for activity in Plymouth, Exeter and Somerset, working to connect harder to reach cohorts and employers during year. Activity planned to expand and accelerate into 3-4 new locations across HotSW in 2022.	DWP, Local Authorities, Colleges, DCTPN / DSTPN, ESBs, Major Employers	Adults, with a focus on hardest to reach	Short Term (immediately)	SAP Wide
Support the further development of the HotSW's digital literacy offer, including additional remote delivery of basic and functional skills. Seek to accelerate basic skills uptake working with DWP, adult learning services and wider partners	Recognising ongoing challenges around basic skills and progression to intermediate skill opportunities amongst adults, as well as specific challenges around supporting those most disadvantaged during the Covid-19 crisis, support additional opportunities to development digital literacy and undertake other basic skills provision.	Work ongoing around digital provision, with existing offer due to be supplemented by additional LEP investment over the next 56 months, alongside new CRF funded provision. Existing provision however is already providing for around 3,000 places per year, with challenges around engagement during COVID slowing uptake.	HotSW DSP, DWP, Local Authorities, Colleges, DCTPN / DSTPN, ESBs, Major Employers	Adults, with a focus on hardest to reach	Short Term (immediately)	SAP Wide, but focused upon delivery within the most deprived communities.
Develop new and extended support for older people seeking to retrain, with a focus on supporting opportunity and growth sectors	Building upon recent data around underperformance on skills and training amongst those over the age of 50, develop a programme / programmes of support to work with those in the second half of their career to upskill / reskill. This may include support to train as trainers and other options.	Work ongoing with DWP and local partner around harnessing Hub approach to work with older jobseekers / residents. COVID disruption has slowed uptake, but some early activity undertaken around Mid Life MOT and other products.	Local Authorities, DWP	Older People	Short / Medium Term (1-2 years)	SAP Wide
Develop renewed support programmes for those seeking to	Noting the ongoing gap in the HotSW between those in employment with and without a disability, seek to secure additional support for	Restart Programme rolled out across South West by Seetec Pluss, with close joint working ongoing with	Local Authorities, DWP, DHSC	Those with a disability, a	Short / Medium Term (1-2 years)	SAP Wide

retrain or learn with a disability or other health / mental health related barrier to work, recognising the end of European Funding Support for similar programmes	employers and those seeking work around upskilling, training and adaption / reskilling.	local partners round maximising impact for clients furthest from market. Dedicated funding also extended for existing ESF funding provision, with an emphasis on working with hardest to reach. Funding secured through the CRF programme for additional dedicated activity in three of four local authority areas for those who have been outside of work for less than twelve months or with other barriers. Partners currently awaiting next steps of SPF process. A focus on supporting employment and health opportunities as a core element of adult education provision for DCC with over 600 individuals receiving support in the last academic year.		mental health condition, or other health related barrier to work		
b) Supporting Young People						
Secure ongoing funding support for the HotSW Careers Hub, providing an integrated careers advice and guidance offer for young people within education across the HotSW	Recognising ongoing challenges across the HotSW around achievement by age 19 of those most disadvantaged, issues around the take up of STEM related roles, emerging challenges from Covid 19, and longer-term challenges around aspiration and ambition amongst young people in the HotSW, enhanced Careers, Information Advice and guidance ('CIAG') provision through the HotSW Career Hub programme. Initially focused on secondary schools and colleges but seeking to expand provision to cover primary settings overtime. This will also include an ongoing focus on business / education partnership working and engagement and support for governors, headteachers and teaching staff to understand and champion CIAG activity.	Discussions ongoing around next steps on funding of HotSW Careers Hub which remains uncertain, linked to LEP Review and Levelling Up White Paper / SPF Outcomes. The Reach Foundation are working with schools to provide coordinators / anchors for a range of cradle to career support services.	Careers Hub, Business Partners, Schools (Secondary and Primary), Parents	Young People (5-19)	Short / Medium Term (1-2 years)	SAP Wide
Work with apprenticeship lead organisations, providers and businesses to further develop our shared offer on apprenticeship, traineeship and T Levels for young people, and reaching those most at risk of NEET	Building on the HotSW's relative strength in apprenticeship and vocational training, seek to further promote vocational pathways into work and learning, with an emphasis on promotion to businesses, young people, education providers and parents and development of a shared approach. Seek to build on examples of good practice in Plymouth, Exeter and around Hinkley Point, as well as work championed and led by the DSTPN and DCTPN and projects such as Skill Up Somerset and Ask. Seek to secure further funding for such projects where appropriate.	Work ongoing on a shared apprenticeship approach across area, but currently on hold as governance and next steps on skills and employment approaches concluded nationally.	SWAAN, NAS, YAAN, DCTPN / DSTPN, Colleges, Universities, , Local Authorities, Employment and Skills Boards, ESFA / DfE	Young People (14-24)	Medium Term (1-3 years)	SAP Wide
Maximise the impact of ongoing initiatives to support youth unemployment, including through the Kickstart programme	Recognising the significant increase in youth unemployment since March 2020, seeking to utilise the various policy tools provided by Government to maximise youth employment and training / progression. Ensure a firm progression route through such programmes. Seek to reinforce with additional support around core skills, mental health, and other support to enhance access and resilience. Place a strong focus on those most at risk from Covid-19 and or facing a significant disadvantage.	Partnership working amongst employers, brokerage leads and local employment hubs / youth hubs in year to maximise Kickstart opportunities. Around 1,000 opportunities advertised, with around 75% filled. Opportunities to utilise undergraduates as tutors for disadvantaged children are being explored alongside support from the National Tutoring Programme.	Gateway Organisations, Local Authorities, DWP, Colleges, Universities, DCTPN / DSTPN	Young People (16-24)	Short Term (Immediately)	SAP Wide
c) Maximising Individual Opportunity						
Pilot skills escalator programmes to cover three opportunity sectors; Digital Futures; Engineering Futures and Energy Futures	Building upon the economic opportunities identified through the HotSW LIS, seek to pilot specific escalators and bootcamp activity to maximise skills and employment opportunities for local people within the area's prioritised growth sectors. Focus upon ensuring such	Awaiting next steps on the Shared Prosperity Fund. Package of Digital Support however funded via the HotSW LEP in early 2022, with exploration of the use of other support ongoing utilising Bootcamps and	SAP, Colleges, DCTPN / DSTPN, HotSW DSP,	All	Medium Term (1-3 years)	All, with a focus upon Exeter, Plymouth and Taunton (Digital Futures); Western Somerset, East

	opportunities are directed towards and extended to individuals with a recognised barrier to advancement, seeking to address challenges around disadvantage.	other funded mechanisms to achieve the proposed escalator approach.	Universities, ESBs, Major Employers			and Northern Devon (Energy Futures); and Western and South Somerset, Greater Exeter and North Devon, Torbay, and Plymouth (Engineering Futures)
Secure additional support for digital skills provision for those within non-digital sectors, supporting individuals to upskill and enhance both their own and their sectors future resilience	Recognising challenges around digital skills capacity across the economy, and notably amongst more deprived communities and disadvantaged individuals, seeking to provide additional provision which can support those in and outside work to further their digital capabilities. Seek to promote digital careers and pathways in non-digital industries,	Package of funding secured through HotSW LEP, with roll out through 2022. Future funding subject to next steps on national skills funding and SPF outcomes. UKCRF programmes include significant digital upskilling for SME's, employees and communities to build digital skills.	HotSW DSP, Local Authorities, Colleges, DCTPN / DSTPN, Universities, ESBs	All	Medium Term (1-3 years)	SAP Wide
Develop a more structured approach to leadership and management skills delivery and uptake	Work with providers and the private sector to promote and development enhanced opportunities for in work leadership and management development.	Awaiting next steps on funding outcomes around ERDF and ESF successor funds. However, small package of support secured through LEP residual funding in 2022 around digital leadership and management, with further activity planned for 2023.	Colleges, DCTPN / DSTPN, Universities, IoT, ESBs, Local Authorities	All	Short Term (1-2 years)	SAP Wide
Working with business support organisations and DWP, seek to develop a shared approach to self-employment and enterprise support as a route to employment and valued work	Recognising the value of self-employment and enterprise as a route back into employment for both those who may have been affected by Covid-19, but also those who may see new opportunities, development of a joint enterprise / self-employment programme to support individuals to set up on their own.	Discussions ongoing around support for self-employed / those interested in self-employment, following significant reduction in numbers in 2021 through the pandemic. 5 self-employment support programmes however approved through CRF portfolio secured in late 2021, with delivery through the first half of 2022.	HotSW Growth Hub, DSTPN / DCTPN, DWP	All, with an emphasis on young people and those at risk of unemployment / displaced by COVID.	Short / Medium Term (1-3 years)	SAP Wide
d) Inclusive Education						
Work with education partners / academy groups to identify additional opportunities for joint activity around improving inclusion and supporting aspiration amongst the hardest to reach, best practice in teaching and wider pedagogical projects	Noting national and regional evaluation around the importance of sharing of pedagogical best practice, further support schools and wider institutions to come together to pool knowledge and reinforce individual student outcomes.	Partners working together as part of emerging Inclusive Growth approach around next steps on aspiration and education approach. First meeting of new partnership to develop a shared project / programme portfolio currently planned for January 2022.	Schools, Local Authorities, Colleges, Universities	Young People	Medium Term (1-3 years)	SAP Wide
Working with partner organisations, develop supported pathways into higher value careers for those with more complex backgrounds	Noting ongoing gaps around earning levels and employment amongst those with a protected characteristic, seek to provide enhanced support for individuals with a more complex pathway to opportunity roles. These include those with a disability or other health related barrier to work, within an occupation where gender or other demographic gaps are relevant, from a deprived community or other complex background.	Discussion ongoing on next steps with Careers Hub and other key education / CIAG partners. Awaiting next steps on SPF and other funding to provide underlying resources to take forward with schools. In meantime, recovery programmes in 4 local authority areas currently reinforcing work experience and other content through to 2023.	Colleges, DCTPN / DSTPN, Universities, Local Authorities, ESBs, ESFA / DfE, DWP, DoH	All	Medium Term (1-3 years)	SAP Wide

Ensure that all skills and training investment and activity contributes to both improving our shared prosperity and collective productivity

Action	Description	Desired Outcome	Lead Partner/s	Target Group/s	Timescale	Geography
a) Supporting and working with business						
Develop a single gateway approach to business training, skills and employment advice and support, working with the Growth Hub and wider partners to provide a seamless support service	Recognising ongoing challenges around fragmentation of advice and the complexity of the support involved, seek to reinforce the business pathway to workforce advice and support. Ideally taken forward through a single portal or approach.	Awaiting next steps on sub-national governance and approach through the Levelling Up White Paper. Local brokerage activity ongoing, with partners discussing wider opportunities.	Growth Hub, Local Authorities, Colleges, Universities, ESBs	All	Medium Term (1-3 years)	SAP Wide
Further develop linkages and joint working approaches between FE and HE institutions, building on positive examples like the Institute of Technology	Recognising the HotSW's progression gap from Level 3 to Level 4 and beyond, seek to support reinforced linkages between HE and FE, supporting organisation like our Institutes of Technology to provide reinforced opportunities to enhanced skills progression in and outside of work. This will include close working with the private sector around maximising the impact of relevant opportunities.	Closer FE and HE relationships and collaboration is also taking place on Degree Apprenticeships, the development of a HotSW Technopole to support our Innovation Driven Enterprises and the continued operation of the SW Institute of Technology which provides leadership and focus in growing regional provision of technology -relevant courses in partnership with both HE and FE. In 2021 this has included opening new facilities at SWIoT partners and expansion of courses delivered.	Colleges, DCTPN / DSTPN, Universities, IoT, HotSW LEP, ESBs, Major Employers	Business	Medium Term (1-3 years)	SAP Wide
Continue to promote business education linkages amongst schools, supporting both enhanced educational opportunities and wider aspiration	Addressing ongoing gap in progression beyond Level 3 and into opportunity sectors, support business education linkages beyond careers advice, seeking to promote cross curriculum working and other opportunities to engage young people with business specialisations. Build on strong exemplars such as those in Plymouth, Somerset's Education Business Partnership and the Careers Hubs Cornerstone Approach.	Discussions ongoing around next steps on funding of HotSW Careers Hub, linked to LEP Review and Levelling Up White Paper / SPF Outcomes. Wider education linkages and Education / Business Partnership approach linked to continuity / successor provision. Existing Cornerstone Employers and Enterprise Advisor Network however now working with 95% of schools around area, with all mainstream secondary schools in the area engaged in hub activity.	Schools, Careers Hub, Local Authorities, ESBs	Young People / Business	Short Term (1-2 years)	SAP Wide
b) Partnership and Intelligence Led						
Secure ongoing support for the development of the HotSW's shared evidence and labour market intelligence approach, working through the Skills Advisory Panel and with our universities	In line with Government's requirement for alignment and refinement of the local intelligence base, seek to secure longer term support for LMI activity and wider intelligence sharing and gathering	Evidence base activity and SAP intelligence programme extended through to June 2022. Awaiting next steps in SAP funding and LSIP approach, though preparatory research work ongoing around green skills, post COVID labour market and other factors.	HotSW SAP, LSIPs ,Universities	HE / FE / Business	Short / Medium Term (1-2 years)	SAP Wide
Building on the Skills White Paper, consider the potential for 'Trailblazer' status within the HotSW area / areas	Acknowledging the potential of the Local Skills Improvement Plans, And governments preferred approach to refining partnership working, seek to work together to make a case to act a s pilot for the trailblazer process.	Following failure of local bids for trailblazer status, preparatory work currently ongoing in both Greater Devon and Somerset around proposals for post April 2022. Awaiting next steps from Government with the Levelling Up White Paper.	Chambers and other business organisations, SAP, private sector, Local authorities, Colleges, HEIs, Training Provider Partners.	All	Short Term (1-2 years)	SAP wide, though tailored to meet lead business organisation/s geography.

Agree a renewed approach to working with the business community around capturing sectoral and other labour market intelligence	Seeking to further improve the business relevance and applicability of the HotSW's evidence base, work with ESBs and other business organisations, as well as individual businesses to support the gathering and analysis of skills and demand data.	Work ongoing with business representative organisations around LSIP arrangements and post SAP approach. Awaiting outcomes of the Levelling Up White Paper and LEP Review.	HotSW SAP, Chambers and other BROs, Universities, ESBs, Major Employers	Business	Medium Term (1-2 years)	SAP Wide, though focused upon the area's 5 ESB partnership areas.
Support Employment and Skills Boards and other relevant representatives to act as champions for capturing local labour market intelligence	Recognising the leadership role of our Employment Skills Boards and related organisations, work with relevant organisations to secure ongoing support towards their local coordination and alignment role.	Work ongoing with business representative organisations around LSIP arrangements and post SAP approach. Awaiting outcomes of the Levelling Up White Paper and LEP Review.	HotSW SAP, Local Authorities, ESBs	Business	Short Term (1-2 years)	SAP Wide
Maximise the impact of information and signposting service, like the LEPs Launchpad approach piloted in Devon and Plymouth	Recognising the value and potential of shared signposting and best practice from other locations, seek to build upon the LEP's Launchpad approach, using a single local partnership / web service to reach employers, learners and other stakeholders.	Launchpad branding shared and being used across LEP geography to provide a shared ident for funded skilled activity. HotSW Launchpad site further developed in year to provide wider landing page for activity, with development work ongoing.	HotSW LEP, Growth Hub, Local Authorities, Chambers and other BROs, ESBs	All	Short Term (1-2 years)	SAP Wide

6) Assessment of SAP Progress

i) Introduction

- 6.1 The Heart of the South West has a long history of joint working and collaboration around skills and employment matters, stretching back to the development of sub-regional arrangements in the late 1980s and 1990's. As such, the area benefits from both a long-standing commitment to joint working and collaboration on skills matters between business, providers and public sector partners, with extensive experience in taking forward shared projects and ambitions.
- 6.2 Whilst this document encompasses an initial shared Skills Strategy and Action Plan for the Heart of the South West area, partners within the Heart of the South West have been working together around its core themes and ambitions for a number of years. At a LEP level, partners first formed the HotSW People Leadership Group in 2014, bringing together public, private and business representative to agree shared skills and employment objectives for the area's Strategic Investment Plan, and direct the emerging European Social Fund and FE Capital Programmes. Partners have been active since this point in developing and implementing a range of programmes and shared projects across the area.
- 6.3 The launch of the Heart of the South West Skills Advisory Panel and the development of this document therefore, marks ~~more of~~ an evolution and acceleration of existing activity in the HotSW, ~~than a revolution~~. The implementation of the SAP over the past two years has provided an opportunity to reaffirm local partners commitment to working together to advance skills delivery and achievement, and to align behind key opportunities and needs
- 6.4 The rest of this chapter provides a broad description of the current and recent activity of the SAP and SAP partners within the HotSW, expanding on the progress outlined in the Action Plan above which is already being undertaken.

ii) Impact on local skills provision

- 6.5 The Heart of the South West SAP benefits from a mature and long-standing set of relationships with local providers, including close working with 11 colleges, four universities and the areas' two training provider networks (Dorset and Somerset Training Provider network, and Devon and Cornwall Training Provider Network).
- 6.6 As such, provider and LEP / SAP prioritisation have been broadly aligned through partnership working in the Heart of the South West for a number of years, with strong growth across technical, STEM and high demand disciplines across the local provider landscape. Notably areas of joint work and delivery since 2014 include:
- **Development of the South West Institute of Technology**, bringing together four of the area's Colleges (City College Plymouth, Exeter College, PETROC and Bridgwater and Taunton College) and its two universities to successfully bid for one of the UK original 12 IoTs, the consortia worked closely around the development of the scope and focus of the SW IoT, with its emphasis on engineering and digital skills at Level 4 and beyond.
 - **Delivery of skills provision linked to Hinkley Point, working closely with Bridgwater and Taunton College, DSTPN members and wider partners** – Closely working around successive skills programmes emerging from Hinkley Point, including Bridgwater's development of associated engineering and construction capacity, successful bids to secure the Southern

Campus of the National College for Nuclear, and wider investment in engineering and construction capacity across the area.

- **Delivery of Digital Skills within Devon and Exeter** – Digital Devon focuses on upskilling those furthest removed from the labour market or underrepresented in the digital sector. The emphasis is on community learning in bitesize sessions ~~though there are also~~ alongside 50-hour programmes in Power Apps run near to preschools and sponsored digital champions in the community. In Exeter digital skills have been championed and funded by Exeter College and University of Exeter for several years. The LEP, working alongside the HotSW DSP, has sought to support this approach over recent years, seeking to reinforce investment and support for related programmes and projects as far as possible.
- **Support for High Tech Engineering and Innovation in South and Northern Devon** – Working with South Devon College and PETROC, the LEP has supported the development of STEM and engineering capacity at both colleges, seeking to enhance both their business responsiveness within core sector and apprenticeship capacity within LEP growth areas. This includes sustainable construction with the forthcoming retrofit academy, offering green skills through new training modules designed to respond to future demand.
- **Co-Development of Growth Fund Business Cases, ESF Projects and other provision** – The SAP core team has also worked closely over the past 2 years with colleges, universities, and wider provider partners to develop a range of joint applications and projects which have extended curriculum and delivery across the LEP area. This has included cross sector investment in digital capital development within the area's Colleges; joint business cases to support the development of specialist sector capacity in nuclear, digital and marine with funding from the Department for Business, Energy and Industrial Strategy (BEIS) and DFE; European funding support to enhance technical skills and apprenticeship provision covering engineering, health and other high demand skills areas; and most recently, funding to support digital and technical bootcamps and fast track retraining, working with both college and independent training providers
- **Creating a Retrofit Academy to introduce retrofit and green skills for construction** – Following a piece of work with the Learning and Work Institute to understand the needs of the sector and aligned to the sustainability agenda, the new Retrofit Academy will help meet the skills gaps. The Academy also works with the local housing associations to allow them to offer Level 2 and 3 courses directly while new modules are being introduced to improve the number trainers who can teach the required skills.
- **Successful applications to the Community Renewal Fund (£15m across the LEP)** – Of the announced Community Renewal Funding, 25 schemes have been approved within the Heart of the South West. These projects include a range of employment and skills provision, from support for community employment outreach, to technical environmental upskilling (including around retrofit capacity); to support for digital leadership and management and wider digital learning. Collectively, CRF provision will provide for around 5,000 learning places through to 31 June 2022, roughly four times the previous rate of skills training for such activity.

6.7 Looking ahead, deepening integration between provider and SAP approaches is a key priority, with work already ongoing with multiple Colleges around their future business plans and delivery approaches. It is anticipated that this joint working will be reinforced through new funding programmes, such as the Lifetime guarantee, Community Renewal Funding and wider opportunities, due to come online later in 2021.

iii) Taking a Local Leadership Role

6.8 Inheriting the role of the LEP's People Leadership Group, the Heart of the South West Skills Advisory Panel has rapidly taken on the mantle of strategic leadership around skills matters and shared priorities across the Heart of the South West area. Bringing together a strengthened body of lead partners and decision makers, the SAP now provides the local area with a central and formal recognised leadership mechanism for skills policy development, intelligence sharing and decision making.

6.9 Whilst in many ways, this reflects the previous role of the LEP's People Leadership Group, the renewal and strength of membership provides the SAP with a differing personality and authority to its predecessor. In particular, integration and membership by the area's five formal Employment and Skills Board, nominated membership from the area's 11 colleges, four universities, and two training provider networks, and business membership from key local businesses including EDF, Waitrose and Kawasaki, the Chambers and FSB, provide the SAP with significantly greater depth of knowledge and breadth of intelligence than its forebear.

6.10 Since the last iteration of this plan, the HotSW SAP has led on the marshalling and corralling of several key funding and intelligence functions, including aligning the area's local intelligence feed in to COVID recovery and investment process (securing around £10m of recovery cash across the HotSW area); directing the LEP approach to residual investment of around £3m of digital and wider sector skills investment, and supporting the area's Community Renewal Fund Process around prioritisation and partner project development. Looking ahead, the SAP is currently also working closely with partners around Inclusive Growth matters, Green Skills and scoping local labour market issues in preparation for next step funding opportunities, but also to prepare for any future transition to an LSIP structure. The SAP will continue to lead on and oversee delivery of the action plan, pending any further clarity from government on the LSIPs.

iv) Enhancing local knowledge

6.11 Since 2019, the HotSW Skill Advisory Panel has taken forward an extensive analysis of local skills demand, skills performance and overall economic impact as part of its lead role on skills and employment evidence. Developed in partnership between the SAP Core Team and the University of Exeter's Marchmont observatory, the final analysis has provided the local area with core data and skills information which has both informed our LIS, this document and wider recovery and local economic development activity. Data has also been shared extensively with local business and provider partners and SAP members, informing their work with Government, developing relevant business cases and plans, and supporting local priorities for spend and sector development.

6.12 Of particular importance, evidence resources linked to the SAP have been crucial during the Covid-19 pandemic in allowing for real time understanding of issues emerging across the Heart of the South West area. Data tools and evidence shared through the SAP on local vacancy rates, apprenticeship data, skills and training performance and wider social economic indicators, have been used across every local area during the pandemic to inform evidence-based recovery

strategies, develop associated business plans and project applications, and shape delivery. This has helped to shape and direct investment activity through 2021 and into 2022, with around £10m of funding allocated in conjunction with SAP evidence / partnership. This has included an emphasis on the importance of digital skills, emerging employer needs as the economy has rapidly recovered, individual sector hot spots emerging (care, hospitality, logistics), and around directing and supporting employment provision to better target and align with emerging demand.

v) Leading on the Skills Action Plan

- 6.13 This document sets out an ambitious and wide-ranging series of shared priorities and areas for action within the Heart of the South West, seeking to build on the gap between demand and supply in some areas, and address ongoing challenges around performance amongst those with a barrier to work or learning or from disadvantaged background.
- 6.14 The SAP benefits from substantive funding provision already being rolled out around many priorities outlined within this document. This includes ~~around~~ careers advice and guidance, apprenticeship provision, technical skills support and around basic skills and digital provision. Additional funding is also due to come forward over the next period, including through the Community Renewal Fund and via National Retraining Funding. It is anticipated ~~as well~~ that the SAP / any successor bodies will play a key role in supporting and influencing any local funding arrangements / strategies that emerging from the forthcoming Levelling Up White Paper, including the much-trailed Shared Prosperity Fund.
- 6.15 In many cases however, the challenges faced within the HotSW often relate less to funding being available for the activity, and instead are issues of alignment and coordination between multiple funding departments and organisations. This is notably the case around support for the unemployed, where duplicative funding for basic skills is often deployed by DfE and DWP, but no flexible funding is in place to support mental health preparedness. Other policy priorities, such as support for Career advice are funded, but subject to one year rolling funding settlements that make surety and planning a significant challenge.
- 6.16 Looking ahead and seeking to build upon the reinforced partnership approach between business, providers and wider stakeholders outlined with the Skills White Paper (incorporated into the Skills and Post-16 Education Bill), the focus of the SAP into the next period will be around aligning provision and resources to meet the objectives of this strategy. In particular, this will include working together to support the most disadvantaged to access training and go beyond Level 2; additional activity to promote progression beyond Level 4 across multiple sectors; and support for those sectors and individuals most impacted by the recent pandemic.
- 6.17 The HotSW SAP, and the partners it brings together, start however from a strong foundation, with a business and demand focused partnership incorporating all key players within the skills and employment environment ready to play its part in ensuring that the HotSW area is now able to meet its potential.

7) Case Studies

Supporting Young People

Title: HotSW Careers Hub

The Heart of the South West Careers Hub is the Country's largest local careers network, supporting 157 secondary schools, colleges and wider educational partners from across the HotSW to provide the area's young people with an enhanced careers, information, advice and guidance offer.

Jointly funded by the Careers Enterprise Company, the Local Enterprise Partnership and Local Authority partners, the Careers Hub's dedicated team of 14 advisors champion the achievement of the Government's Gatsby Benchmark approach across the area, promoting high quality work experience; highlighting routes to academic progression and further / higher education; supporting vocational pathways; collaborating on curriculum development and career encounters; and bringing together business and education partners.

A key element of the Hub, the Enterprise Advisor Network, matches over 90 individual business volunteers from across key sectors and employers within the Heart of South West with local schools, supporting their careers activity, informing strategy and curriculum thinking and providing a real-life linkage between local employment opportunity and individual progression. Complemented by a network of Cornerstone strategic employers and drawing in business education provision and support from across the public and private sector landscape, the hub provides a focal point for engagement and alignment of support for those entering the world of work and further learning.

Since its establishment in 2015, the HotSW Careers Hub has worked with over 50,000 young people collectively, supporting individual progression, enhanced aspiration, and better jobs and employment outcomes for students and business alike across the Heart of the South West.

Skills Development / Capacity Building

Title: South West Institute of Technology (SWIoT)

Bringing together key university, further education and business partners from the across the Heart of the South West and Cornwall, the South West Institute of Technology is a key member of the 21 regional institutes selected by Government to deliver the next generation of digital and advanced skills training across the UK.

Delivered through 7 discrete campus centres based at Exeter College, Petroc College, City College Plymouth, Bridgwater and Taunton College, Truro and Penwith College and University of Exeter, and with further delivery through the University of Plymouth, the SWIoT will cater for up to 2,500 students per annum on apprenticeship, part-time and full-time courses by 2025. Working with integrated business partners through its Board, including Babcock International, the Met Office, TDK Lambda and Oxygen House, SWIoT will offer unique, business led curriculum and qualification provision at the forefront of Government's ambitions for future skills design and delivery.

Supporting this approach, the SWIoT is underpinned by a £25m joint investment from Government and member partners, with state-of-the-art facilities available across the area. SWIoT's combined facilities match the best available in the UK, including virtual and augmented reality environments, digital learning laboratories, artificial intelligence arenas, new clean workspaces, workshops, emergent manufacturing spaces with industry level equipment, and shared learning spaces. The Government is also adding further multi-million pound investment into the SWIoT for the design and delivery of higher level courses that will commence during 2022, piloting new approaches to working closely with industry on skills needs.

Inclusive Education / Maximising Individual Opportunity

Title: Ability not Disability

Awarded £600k in Community Renewal Funding, Ability Not Disability is being delivered by a multidisciplinary team across Devon, including Adult Social Care and the Be Ready Employment Hub, as well as partners in Petroc College and Cosmic. The project looks to support 60 adults with disabilities and 36 businesses by bringing various services together to create coherent career pathways. These pathways are either into supported employment or for skill development with widespread social benefits in addition to encouraging greater diversity in the labour market.

With their vocational training knowledge, Petroc are going to provide the courses and job coach training, while Cosmic's digital expertise enables them to support this skill agenda. Wraparound advice and guidance from the various service teams is being structured to help ensure the successful outcomes for the participating individuals and the opportunity will be promoted across the County. With funding only recently awarded the team is currently being put together but aims to begin delivery in the Spring of 2022.

Maximising Individual Opportunity

Title: Train4Tomorrow

The Heart of the South West LEP was one of six areas selected by the Department for Education in late 2020 to pilot its digital and technical bootcamp learning programmes for adults. Branded as Train4Tomorrow, the bootcamp programme focuses upon 12-16 week bootcamps that have been designed in conjunction with employers, seeks to fast-track new recruits into to work-ready rolls within high demand, high value technical sectors and careers. Training is free to individual, with a guaranteed interview within 6 months of completion.

The initial £1.7m programme has been extended to £4.6m, and offered training to over 1000 adults during 2021, delivered by a mixed partnership of public and private organisations including Babcock, Cosmic, Bridgwater and Taunton College, Bluescreen IT, Exeter College, The Learning People, Focus Training Group, Train4All and South Devon College. Over 200 participants are recorded as having achieved a positive outcome (such as a new job or self-employment), though the figures are expected to be higher as evidencing outcomes after participants have completed the support has been difficult. Jobs being offered include design roles working with the MoD; specialist roles leading on software design, cyber security and

data science; and additional high value technical pathways into construction, green energy and low carbon roles; and advanced engineering opportunities.

Train4Tomorrow has also allowed learners who are already employed to upskill whilst on furlough and, uniquely, other Bootcamps have been designed specifically for certain sectors. For example working with Babcock international to meet their growing demand for Naval Engineers and a digital healthcare bootcamp in conjunction with multiple NHS STP and CCG partners, and Torbay's growing Photonics' cluster.

Partner and Intelligence Led

Title: Skills Launchpad

The Skills Launchpad website for the Heart of the South West was launched in September 2020. The website provides the region with both a responsive platform for existing initiatives such as the Careers Hub and Digital Skills Partnership, as well as a foundation for promoting and aligning new and arising projects. Featuring dedicated pages for apprenticeships, t-levels, traineeships and supported internships, skills provider information, job searching information and more, the platform informs and celebrates skills and employment activity. There are platform areas for Plymouth, Torbay, Devon and Somerset.

In Plymouth, the physical Skills Launchpad space was opened in September 2021 in the city centre as the city's new one-stop-shop connecting local people with opportunities for skills, training, education, careers and jobs. Led by Plymouth City Council, in alignment with Department for Work and Pensions, Skills Launchpad Plymouth supports those who are seeking work, facing redundancy or changing careers through the [Adult Hub aged 25 years+](#), and offering targeted support for young people aged 16-24 years including those with additional needs through the [Youth Hub](#). Activities are delivered each week including drop in Job Shops for help to join the construction industry / health and care sector and 'Military Tuesdays' to provide tailored support for service leavers, veterans and their families. In addition, there is an extensive outreach engagement programme to reach communities and support more disadvantaged individuals.

The intention of the 'Skills Journey' through the Launchpad is to put the individual at the heart, offering: Access to impartial careers information, advice and guidance; 1:1 face to face skills assessment to identify transferrable skills to help people more confidently apply for jobs or change careers; help to job search, update CVs and prepare for interview; support for mental health and well-being; advice to overcome barriers to starting work including access to financial support for work clothing, initial travel to work costs and guidance on benefits calculations; access to ongoing training and skills development for people newly in work to continue up-skilling and developing their career.

In 2021 the website attracted over 17,500 unique online users while the Youth Hub supported 145 claimants with skills action plans and a further 78 non-claimants. Nearly half (48%) are now employed, 17% are engaged in training or education and 12% have engaged with pre-employability support. The Adult Hub is supporting an average of 30+ individuals each month with 37% of those supported in 2021 now employed and 6% engaged in training and education.

Supporting Young People

Title: Skill Up Somerset

Skill Up Somerset is an independent and free advisory service, working with businesses, training providers, local government and individuals to support individual progression and enable new roles and opportunities. Supported through a mixture of local and national funding, the initiative seeks to provide up to date, expert advice around apprenticeships, traineeships, T Levels and other skills and training pathways, through effective digital channels and advisers.

As part of its innovative approach, Skill Up Somerset brings young people, adults and business together, connecting individuals to opportunities, as well as providing advice and guidance around progression. Providing a comprehensive skills advisory service across the Somerset area, the programme also supports businesses to explore what skills and training options including funding to enable them to take on apprentices and upskill existing staff, raising awareness of training opportunities and demonstrating the benefits of acquiring new skills. As a not-for-profit organisation, Skill Up is dedicated to securing the best fit for training rather than steer business or employees in a particular direction.

In 2021, the project engaged with 365 businesses and supported more than 200 individuals, complemented by a social media presence which has rapidly increased its reach and engagement. In year the service has expanded to include a Levy Transfer pledge programme to enable efficient distribution of Apprenticeship Levy funds pledged by Somerset business to support SMEs in the area.

Inclusive Skills

Title: HotSW Digital Skills Partnership

The Heart of the South West's award-winning Digital Skills Partnership (DSP) was launched in June 2018, bringing together the public, private and third sector to tackle the digital skills divide in Somerset, Devon, Plymouth and Torbay. It is one of seven trailblazing Digital Skills Partnership's funded by the Department for Digital, Culture, Media and Sport.

Now consisting of 75 partners, including key local employers and digital leaders such as the Met Office, UKHO, BT, Bluescreen IT, Cosmic, Microsoft and Leonardo Helicopters, these have worked together to champion local digital skills development and delivery through a shared approach. This has seen the partnership drive forward a range of related activity including support for over 800 business through the 'Bounce Back Digital Partnership', support for 200 women and individuals from deprived wards to move into digital careers; and project and programmes working with schools, job seekers, employers and community organisations to champion digital achievement. The partnership led on the development and implementation of the area's Digital Bootcamp programme, supporting 750 new learners into digital and technical roles, with additional work currently ongoing to further extend the range of partners engaged and its delivery programme.

In the last year, the HotSW DSP has raised the digital engagement at KS3, providing Year 7 and 8 pupils with digital activities and careers education in an effort to drive uptake at KS4. Eleven secondary schools participated in this initiative which has since sought further

funding. Further, the HotSW DSP is one of 20 projects to be selected by Nesta to investigate digitalisation responses to those jobs most at risk of automation and has also recently begun an ESF programme to upskill digital skills in roles in construction and the supply chain.

Skills Development

Title: Building Greater Exeter

Building Greater Exeter is focussed on supporting the construction sector across Exeter, East Devon and Teignbridge to address the skills and recruitment challenges it faces. It has 3 key areas of focus;

- Inspire the future workforce through an effective engagement programme with schools and young people, supported through the Education Hub,
- Support employers by facilitating recruitment to existing vacancies and providing opportunities for up-skilling and re-skilling,
- Support the adoption of the National Skills Academy for Construction model using the Client Based Approach, through procurement and planning.

The project has attended in excess of 30 careers and employment focussed events, such as the Exeter Job Fair and Virtual Apprenticeship Expo in 2021, alongside a range of digital resources to support pupils, teachers and parents find out more about careers in construction. There has been engagement with over 35,000 people through programmes with schools including links to Speakers for Schools and the virtual work experience from the Careers Hub. Building Greater Exeter runs a weekly 'Job Shop' advertising vacancies online and taking calls and, since August 2021, weekly face to face appointments at Exeter Works. In May 2021, the project launched the Construction Training Directory to provide information on 258 courses in construction and the built environment in Greater Exeter connecting directly to training providers. Work has also been undertaken to inspire the future workforce including a digital campaign targeting 16-24 year olds and a Lego competition in Primary Schools to coincide with the 'Brick by Brick' exhibition in the Royal Albert and Memorial Museum.

There are currently 25 project partners representing the private sector, housing associations, training providers and local councils. All these partners have recognised the need to have a focus on promoting the sector to the future generations, so that they are able to meet the growing demand anticipated. The Skills Gap Summit in November 2021 captured the latest needs of the industry and is helping to determine future provision in Exeter. A current focus is working with main contractors and planning teams to ensure employment and skills plans are delivered on major developments.

There are also similar Building Greater Plymouth and Building Greater Torbay initiatives.

Skills Development

Title: North Devon Biosphere Programmes

Through its UNESCO World Biosphere, associated 'Blue' and 'Green' projects in North Devon are connecting people and nature to inspire a positive future. These include a 3D ocean farming, measuring ecosystem outcomes, building evidence for ocean carbon

reduction, soil revenue plots, a digital marketplace for Natural Capital and a fund to secure £50m in nature based projects.

These projects seek to maximise local access to emerging job opportunities as an important strand with outreach and community engagement raising aspirations, particularly for those furthest from the workplace. Key to this is a skill analysis and mapping piece to identify local skills and skills gaps in the current workforce, skills opportunities and training solutions. The aim is to create 51 new high quality jobs related to identified skills gaps, with the potential for 1,304 jobs created by 2027.

Skill pathways will then be developed to offer access to employment opportunities including using an “escalator” model across four defined areas in the blue and green economy. Academic service providers and delivery partners will integrate these escalator pathways into education to Key Stages 2, 3 and 4, working with over 500 young people to promote and raise aspirations to work in nature-based occupations given predominantly rural and coastal regions in North Devon.

Working collaboratively with the team at One Northern Devon, these new skills opportunities will be integrated into existing and emerging integrated wellbeing pathways to help those furthest from the job market move towards it. 20 SMEs will be supported to create a Wellbeing Coordinator while 125 individuals will be moved closer to the labour market through ‘Nature Prescriptions’ by being supported to access voluntary opportunities in country parks, woodlands and beach cleans.

8) Looking Forward

- 8.1 This document sets out a clear, priority-based approach to skills development within the Heart of the South West. Drawing upon the area's substantive evidence base, the plan sets out a shared agenda for skills delivery and prioritisation over the next period, looking to address those opportunities which may best deliver for both our economy and our residents, and better focus action around our greatest areas of skills need or challenge.
- 8.2 In bringing forward this plan however, skills and employment partners within the Heart of the South West are acutely aware of the ongoing economic turbulence emerging from Covid-19, the additional pressures emerging from our departure from the EU, and wider opportunities and challenges emerging around our changing climate, aging demography and wider shifts in life and work linked to accelerating digital technologies and shifting social trends. Continued resourcing of coordination to implement this plan will also be needed, especially given the changing funding environment.
- 8.3 Looking ahead to a 10-year time horizon, partners believe that five core issues in particular will need explicit additional focus:
- **Rebounding Economy** – Covid-19 and Brexit has had a dramatic impact on the Heart of the South West skills ecosystem, severely affecting the local economy (in part given its reliance on tourism, leisure and accommodation, retail and manufacturing activity) and generating a disproportionate recovery in some sectors. Whilst partners have taken action to address the short term impacts of the pandemic for local people, there will continue to be skills pressures as the economy adjusts and new global relationships are established.
 - **Demographic Change** – The Heart of the South West is currently undergoing a period of demographic change, with a population that is aging roughly 30% faster than the national average. In 2019, the population aged over 65 was 6.1% higher than across the rest of the UK, and 3.3% lower below the age of 33, with the ratio of those retired to in work shifting from 1 in 4 to roughly 1 in 3 since 2004. There have also been indications within the housing market that since the pandemic, the desire for a changed working environment is leading to more people relocating to rural areas. Many are thought likely to be older age range of the economically active, though evidence for this is yet to be collated.
 - **Digital Transformation** – Digital transformation continues at pace across the Heart of the South West, with the Covid-19 pandemic further accelerating this change. Shifts in retail, work structure and job types can already be clearly seen across the economy, with a steady five-year pattern of growth in digital industries and careers against a change in existing industrial structures in many sectors. This pattern is only likely to increase as further automation and integration of digital processes and approaches is felt across the wider economy, for instance marine autonomy is a high value opportunity in Plymouth for DIT. There is both new opportunities around roles and types of work, but significant issues around a growing digital divide and skills challenges amongst young and old alike. With current predictions suggesting at least 33% of the economy may be vulnerable to automation over the next 25 years, the Heart of the South West will have to adapt to keep pace with the wider UK.

- **Climate Change and Greening of the Economy** – The 23 warmest years on record have occurred in the past 25 years within the South West, with the region experiencing 10% more rainfall per annum than it did in 1960, and 30 additional frost-free days. Transformative action is clearly needed now and activity around greening our economy is accelerating. In 2019, Government committed itself to reducing UK emissions to zero by 2050, with an end to the sale of all new petrol and diesel vehicles by 2035. The economic implications of this shift in policy pose both significant new opportunities and risk around local employment, skills and labour market capacity. With investment and change needed across the energy sector, within agricultural, transport, and business process, as well as residential and construction services, there is the potential to create 60,000 to 100,000 new or transformed roles by 2040.
- **Nature of Work** – The South West has, for a number of years, been undergoing a steady shift in the type and nature of work on offer, with a polarisation between lower value service sector and traditional manufacturing work, and higher value, often digitally based production and engineering and knowledge service activity. The Covid-19 pandemic have further accelerated this shift across some sectors, with individuals forced to work from home, while traditional sectors were disrupted and supply chains undermined (exacerbated by Brexit). Should this separation continue, there will be a significant divergence in skills requirements to serve the local economy.

8.4 From a skills perspective, the challenge of the above is now to ensure that our approach and prioritisation can keep pace. To achieve this, the SAP will continue to take a leading role around future skills deep dives and research as it moves forward, working closely with core groups like the HotSW Social Mobility Panel, local Climate Change Leadership groups, and wider business and social partner organisations to ensure that the areas response and capacity is shaped to meet the future skills needs of shared region and economy.

8.5 To have any chance of achieving this however, and the wider ambitions, strategies and objectives set out in this report, the area will need partners, business, colleges and universities, and wider stakeholders to play their part alongside the SAP over the next few years. This will include:

- Working together across the HotSW to align around the shared priorities set out in this report, ensuring that business demand, provider supply and public and private sector funding are all pulling in the same direction.
- Engaging and working with our business community to place them at the centre of future skills design, ensuring that inclusion and growth ambitions are both served through prioritising training and skills provision which meets economic demand.
- Working with our skills providers at all levels to ensure they are able to meet the ongoing shift towards business led/ demand led skills, and also their wider roles as anchor institutions, community leaders, businesses in their own right and key economic actors.
- Bringing together our shared intelligence of demand and supply to ensure that our investment is effective, and both improves lives and fuels wider growth and prosperity.

8.6 With the support of all partners in the HotSW, and particularly those with an active interest in the skills and employment landscape, the area now has the potential to transform its forward path, reinforcing and accelerating growth for all, whilst closing the gaps amongst some of our most vulnerable communities and individuals.

