

Worcestershire's Local Skills Improvement Plan

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“This Local Skills Improvement Plan has been approved by the Secretary of State in line with the approval criteria set out in the [Skills and Post-16 Education Act 2022](#), and in accordance with the [LSIP statutory guidance](#).”

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Foreword

“Prior to the pandemic, businesses could already see that societal and technological changes were starting to drive a need for them to be much nimbler and deliberate in how they approached change, ensuring they had the right skills to de-risk future business operations. As our economy recovers there continues to be an intense impact on the labour market with many organisations accelerating digitisation, reporting a shortage of skilled workers, and seeing the post 50 workforce choosing to withdraw at pace.

Global research tells us that more than half of workers worldwide need reskilling, more than a third of businesses are currently short staffed, and only 30% of businesses having any formal workforce planning processes. When adding the need to address climate change, which will only be achieved via our people, the challenge gains speed.

The skills gap created by all this change begins to affect the resilience of our local businesses and the wider systemic impact of that gap should not be overlooked. The Worcestershire LSIP set out to collaborate with employers and our post-16 education providers to constructively challenge and discover what they really need to thrive. The Board has pushed our County to tell us what they really need, not what we want to hear. The following report set out the authentic feedback across the whole system in a County which is not immune to the global economy but has its own unique challenges.

The priorities we have identified will make real change for all stakeholders in this area. Maximising the impact of these priorities in an agile and innovative way is key to the success of the next stage of this work.

I should like to thank the Board, the Herefordshire and Worcestershire Chamber of Commerce delivery team, our employers, all the post-16 education providers who have engaged in this research and our partners across the system in Worcestershire who have worked with us to determine what we need and our next steps. There may be some surprises in here, and not what some expected to see, but this is a true representation of our local economic system and together we must take up the call to action.”

Gail Hatfield

Chair of Worcestershire LSIP Board

Group People Director, KIMAL

Introduction

Herefordshire and Worcestershire Chamber of Commerce is the designated lead for the Worcestershire Local Skills Improvement Plan (LSIP).

What is an LSIP? The Department for Education (DfE) state that “*LSIPs will set out a clear articulation of employers’ skills needs and the priority changes required in a local area to help ensure post-16 technical education and skills provision is more responsive and flexible in meeting local labour market skills needs.*”

Why does Worcestershire need a LSIP? Not only do we need to better equip our workforce (both present and future) with the technical skills that employers really need, but we need to be able to articulate these needs to our education and training providers in a meaningful way. This can only be done through collaboration, mutual respect and innovation – something which Worcestershire has excelled at in recent years.

Our objective? To reach out to the businesses of Worcestershire and understand their most compelling skills needs, not just for the present but for the future.

Worcestershire is a county that can already be hugely proud of its achievements and has provided the LSIP with an excellent starting position.

The Worcestershire Local Enterprise Partnership (LEP) and Worcestershire County Council (WCC) are strong ambassadors for the improvement of technical skills delivery, instigating successful programmes to support young people access careers information and pathways into vocational training, linking to the Careers and Enterprise Company and the backing of local business. They have worked closely with organisations such as the Department for Work and Pensions (DWP) to ensure that those at risk of long-term unemployment are supported to find work and they have created long lasting and meaningful relationships with many stakeholders around the County to support this work. The LEP’s Worcestershire Skills Report, published in 2022, identifies the following five priorities for the County:

1. To enhance the coordination within employment support aimed at reducing claimant levels and improving individual health and well-being whilst impacting positively on economic activity within the County.
2. To aim for all educational establishments to annually meet all eight Gatsby benchmarks of Good Career Guidance, with a particular focus on the Worcestershire economy.
3. To create an education and training provision eco-system that meets local needs and the future trends of Worcestershire’s economy i.e. ensuring Further Education (FE) and Higher Education (HE) are responsive.
4. To increase the number of graduates and skilled young people who spend a significant part of their economic life in Worcestershire.
5. To improve the economic activity rates in our older workforce by creating a culture of flexible work environments and upskilling/reskilling opportunities.

It makes sense for the Worcestershire LSIP to focus on the industry sectors specified in the LEP’s Skills Report as industries with a prediction of high growth and large volumes of jobs within Worcestershire. Our priority sectors have been identified by the LEP as Advanced Manufacturing and Agri-Tech, Construction, Business Services and Health and Social Care.

How have we produced the LSIP? We have used various methods to gather intelligence from employers throughout this first phase of the project.

- 12 events focussing on employers within specific geographical regions and employers from our priority sectors. We also held two sessions which were open to any employer within the County from any industry background, and a virtual session to ensure that those with busy schedules still had the opportunity to be involved.
- We employed a professional telesales consultancy to conduct a survey. Recognising the fantastic business engagement work that the colleges within the County already do, we also asked their teams to utilise their existing networks to support with this survey work. The survey secured 416 responses, representing a confidence interval of +/-4.7% with a confidence level of 95%.
- We created an LSIP Board with representation from both employers and educators, emphasising that continued collaboration would be key to our success.
- A group specifically for the education and training providers who wanted to be a part of this process was established. This group has been an integral source of guidance and support throughout the LSIP to date and these are relationships that the Chamber of Commerce is proud to foster.

It is worth noting that within Worcestershire, we are fortunate to have a group of education and training providers who already work very collaboratively. They have spent many years building their relationships and, whilst essentially competitors, have a mature collaboration which acknowledges their individual strengths. The FE colleges in particular are known to support each other and will refer students to their 'competitors' if it is in the best interest of the student. Our LSIP acknowledges that the providers within Worcestershire do a superb job in supporting their students and the local communities with dedication and passion.

With excellent work already in place, how can the LSIP add value to a county which is already doing so many things well?

The answer to this is a call for action! Our research over the last six months shows that whilst there are technical skills gaps within our local economy, there are barriers preventing us from instigating change that are much bigger issues and need to be addressed first. This will mean every partner playing their part in helping to remove the multiple barriers to delivery.

We have had many interesting discussions with employers that will support the work of the LSIP moving forwards and we are very grateful to every employer who has supported this work and realised the importance of what is being done. We have found that what employers are not telling us is as illuminating as what they are, enabling us to infer further skills needs.

If we take Net Zero as an example, whilst we have had conversations with employers about very specific skills needs within this area, most business owners do not fully comprehend what Net Zero actually is, and therefore have little understanding of the implications for their business. This being the case, how can an employer possibly address skills needs they do not know exist? This lack of understanding of skills needs within the business underpins our biggest findings within Worcestershire, which we go on to discuss in the next section.

LSIP Priorities

What we knew before we started

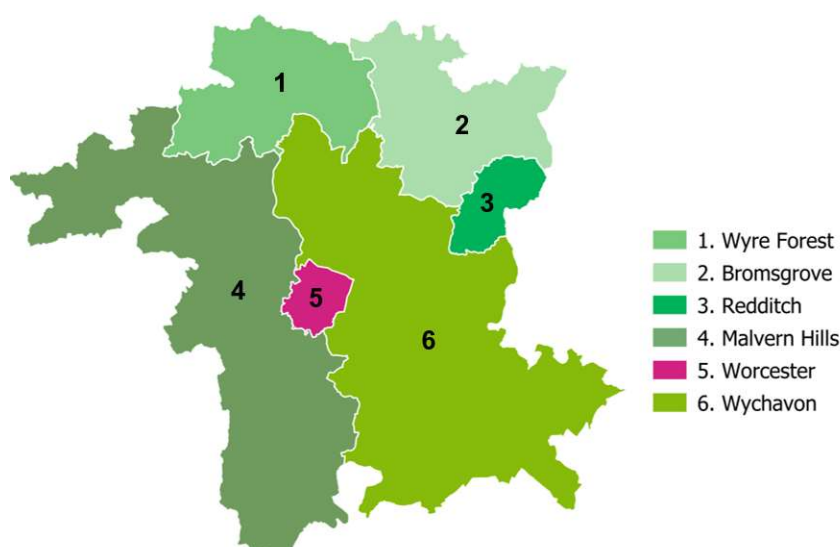
Per the LEP's Local Skills Report, Plan for Growth and latest Worcestershire Economy Report, the Worcestershire economy has grown on average by 3% a year from 2013 to 2020, representing an increase of £2.2bn to 2020. Workplace jobs have also increased by 30,000 over the same period, with the largest increases over the last five years in Health and Social Care and Business Administration and Support services, both increasing by 4,000.

Strengths for the County include high employment at 77% in 2022, and low unemployment settling to around 3% post pandemic. Deprivation is generally low across the County, but there are pockets in the most 10% deprived nationally, including parts of Worcester, Redditch, Wyre Forest, and Malvern.

Worcestershire is a £14bn economy, with 600,000 residents, 28,500 businesses and 265,000 jobs. The County has distinct geographical areas and a diverse economy with many small and micro businesses that are a significant asset:

- Wyre Forest, Redditch and Bromsgrove are hubs for advanced manufacturing and business services.
- Worcester City has a strong manufacturing base and strengths in health and social care, and business and professional services sectors.
- Malvern Hills is home to the Malvern Hills Science Park and a cluster of cyber and technology-led businesses.
- Wychavon has a rich history and thriving present in the horticultural sector.

Figure 1. Worcestershire's Local Authority districts



Construction, Health & Social Care, Business & Professional Services and Advanced Manufacturing & Agri-tech are central to the local economy, representing large volumes of jobs and significant potential for high value future growth.

Most of Worcestershire’s businesses are small, often employing less than 10 people. This means most are also owner-managed and do not have staff whose sole role is human resource management. Rather, people development is one of many responsibilities within the business.

Figure 2. Number of jobs, businesses and average size of business in key sectors

Sector	Jobs (% of total) [2021]	Businesses (% of total) [2021]	Average number of jobs
Health & Social Care	38,000 (14%)	1,000 (3%)	38
Business & Professional Services	37,000 (14%)	7,760 (27%)	5
Advanced Manufacturing	28,130 (11%)	2,270 (8%)	12
Construction	15,000 (6%)	3,830 (13%)	4
Agri-tech	15,000 (6%)	2,060 (7%)	7

Known skills needs

Worcestershire has similar qualification levels to the national average, although a slightly lower proportion of the population has no qualifications. There are high rates of progression from education and training into sustained employment at all qualification levels.

The County has a broad range of high-quality education and training providers including the University of Worcester, three Further Education colleges (Heart of Worcestershire, Kidderminster, Warwickshire College Group {WCG}) and a Sixth Form college (Worcester Sixth Form) as well as a range of both generalist and specialist Independent Training Providers. Key strengths in training include Health and Social Care, Education, Engineering and Manufacturing and Business Administration where achievements are higher than the England average.

However, Worcestershire also faces a number of labour market challenges including: a higher number of claimants than pre-covid, ageing demographic forecasts with one in three of our current workforce aged 50 or over, a high level of out commuting for high value jobs, challenges attracting younger highly skilled individuals to work in the County, a need to improve post-16 performance and some areas of poor social mobility.

To date, across sectors, common skills and behaviours have featured heavily in the most demanded skills including communication, management, time management, team working and customer service. Worcestershire’s businesses noted a higher than national average need to develop basic numeracy skills, manual dexterity and advanced or specialist IT skills.

Figure 3. Known skills needs in our key sectors

 <p>Agri-Tech</p>	<p>Two-thirds of Agri-tech businesses had skills gaps among their workforces – an issue compounded by the ageing workforce and that the sector is not always a popular choice. Digital and IT skills were the most common general skills gap (36%). Businesses feel there is a lack of understanding in soil, plant or animal science and/or crop production (28%), genetics (24%), irrigation and resource management (16%) and environmental awareness including flood alleviation (16%).</p>
 <p>Manufacturing</p>	<p>The Manufacturing sector continues to report a higher percentage of hard-to-fill vacancies than other industries in Worcestershire with skills shortages reported for a range of roles including: Project Engineers, Design Engineers, IT Specialists, Welders, CNC Machinists, Fabricators and specialist/niche positions, such as Combustion Engineering and Spring specialisms. Alongside this there is the dynamic of an ageing workforce, where one in two employees within some organisations is over 50, meaning there will be increased replacement demand over the coming years to fill vacated roles.</p>
 <p>Business Services</p>	<p>Areas covered in this sector include: legal services, audit, accountancy, insurance, management consultancy, recruitment, employment activities and support services. Over the last five years, along with Health & Social Care, Business & Professional Services have seen the largest increase in jobs of 4,000. The number of businesses has also increased by over 2,300 over the same period, to 7,760. Areas where there is undersupply of provision include Marketing & Sales, Management, Administration and Accounting & Finance.</p>
 <p>Health & Social Care</p>	<p>Worcestershire’s Further and Higher Education providers deliver a higher-than-average level of individuals achieving qualifications in Health and Social Care, although high turnover of staff creates a barrier for employers to training staff, and there are further challenges due to geography and rurality. Some of the skills needed include dementia awareness, care for the vulnerable and the elderly and safeguarding knowledge, as well as personal care and nursing which featured in the top 3 specialised skills in demand across Worcestershire.</p>
 <p>Construction</p>	<p>The greatest challenge is in recruiting Level 3 qualified trades, with demand for electricians, plumbers and gasfitters driving growth. In Worcestershire the sector struggles to attract Construction management roles with Surveying, Site Management, Contract Management as hard to fill roles. Although the electrician population is currently fairly high, ranking 9th of 38 LSIP areas, apprenticeship starts are comparatively low (26/38) meaning the County may suffer a decline in its skilled electrical workforce.</p>

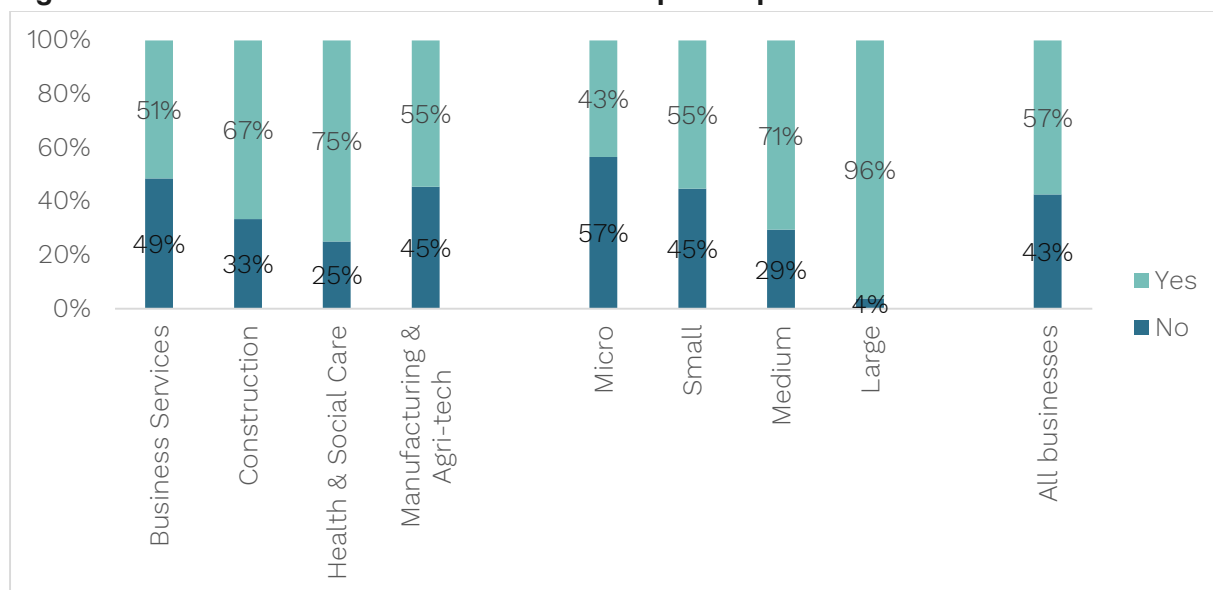
What we have heard from our employers

As referenced earlier, what we have not heard from employers has been as illuminating as what we have heard. **When asked what skills employers anticipated needing over the next 5 years, a great many were unable to give us specific details of their needs.** This is because many employers do not have a workforce plan in place to articulate the skills needed for their futures, or if they do these plans are very short term. There are a variety of reasons for this - they do not have the skills to develop a workforce plan for their own business, they are so occupied in the day to day running of their business they do not have the time to dedicate to this task, or, most worrying of all, they do not think they need one.

“Do managers actually know how to manage? You become a manager because you are good at your job but does anyone teach you how to line manage?”

Whilst 57% of businesses overall had a succession plan in place for their workforce, there was variation by sector, with those in Health & Social Care and Construction more likely to have a plan than those in Manufacturing & Agri-tech and Business Services. Larger businesses were also more likely to have a succession plan.

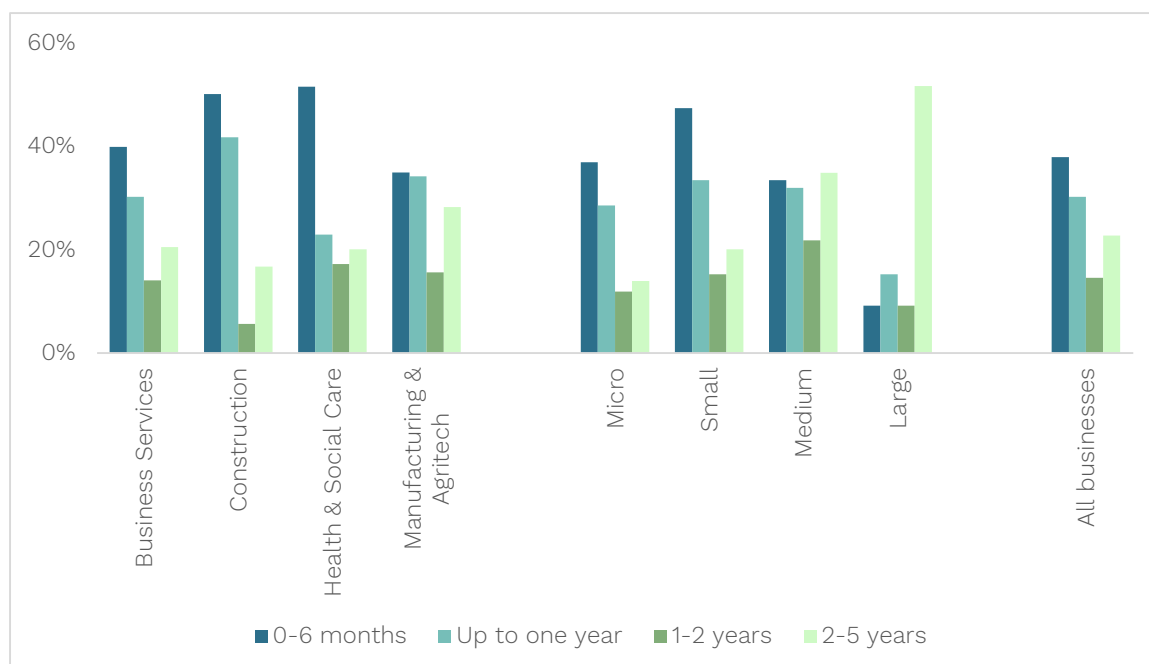
Figure 4. Whether business has a succession plan in place for their workforce



However, even with plans in place, most businesses tend to look short-term, between 6 months to 1 year, with just under a quarter of businesses planning for between 2-5 years (see Figure 5 over the page). Again, this varied by sector and size of business, with those larger being more likely to plan longer-term.

This short-term view does not allow business owners to gauge an accurate understanding of the skills needs they will have in the future, rather it means being fixed in a mode of living very much in the present and responding to issues as they arise. **It is important to develop the workforce planning capabilities of our businesses, so they can identify the skills they will need over the coming years, allowing provision to be tailored accordingly.**

Figure 5. How far in advance the business plans



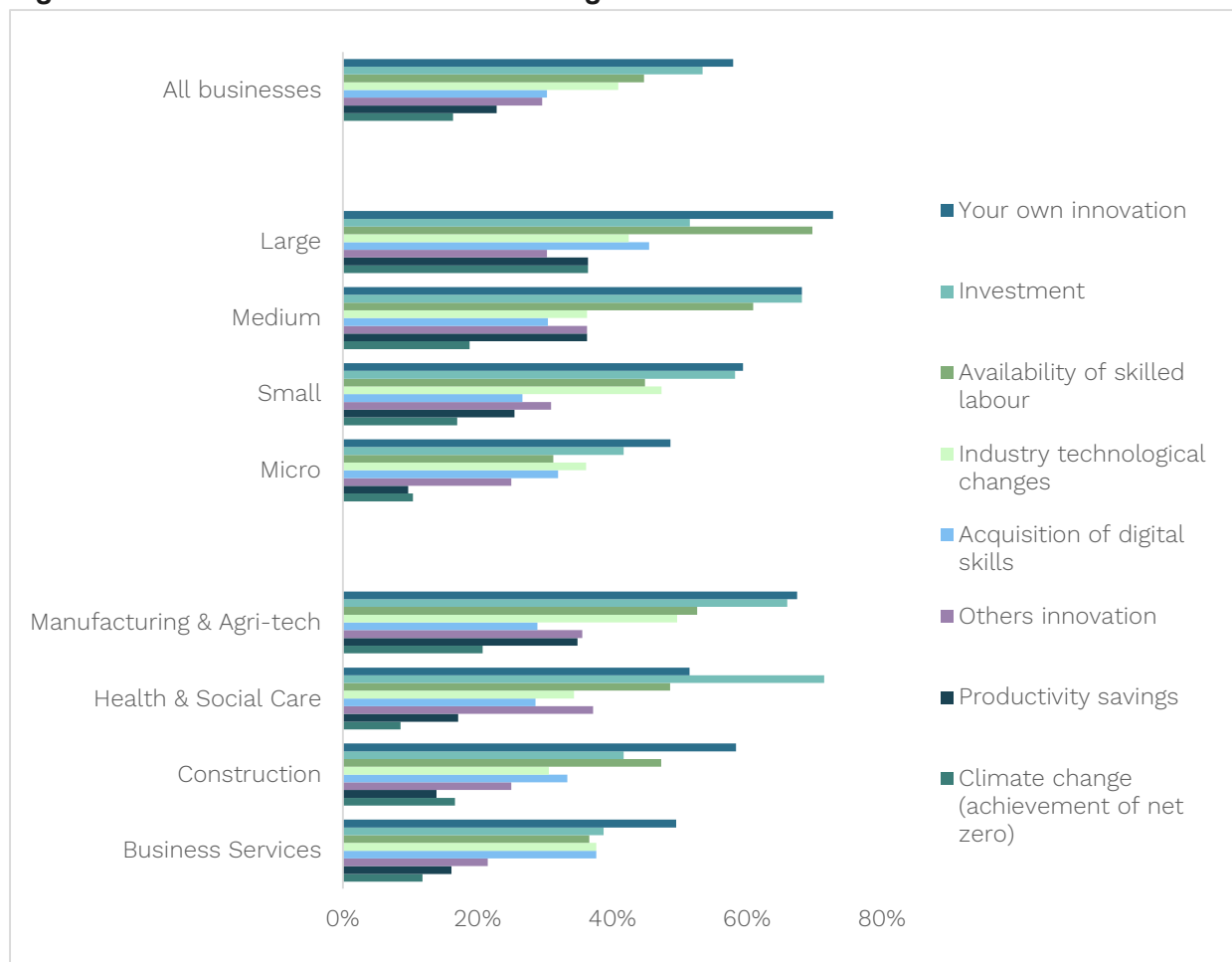
A short-term perspective is reflected in employers' mixed expectations on how their business will change in the future. Many do expect or hope to grow over the next five years, with this covering different forms for growth - increasing sales, expanding their product range, growing their workforce and/or customer base and expanding into new premises or markets. But there were also many businesses who were more circumspect, either focused on stability or simply ensuring that their business survives over the next few years. Lots of businesses were also unsure of what position they would be in, citing economic conditions, industry changes and impacts from the pandemic as factors.

"Some employers, particularly the smaller ones are really struggling. They are still recovering from the effects of covid, the cost of living is very high and energy prices are through the roof."

Although employers were mixed in their expectations on future growth, many spoke about expecting the need for digital and technological transformation such as going paperless, digital upskilling and marketing, increased automation and the need to invest in new machinery and technology. Innovation and investment, however, are frequently ahead of availability of skilled labour as a barrier to growth (see Over the page).

But do businesses have the necessary digital, net zero and leadership and management related skills to be able to not only undertake workforce planning training, but to be able to effectively assimilate this within their own organisations over the coming years?

Figure 6. What businesses leaders think growth of the business will be reliant on



Spotlight on Digital

The digital skills demanded by employers range from advanced technology and the implementation of new enterprise-wide software to basic capabilities with computing equipment and everyday digital skills.

The intelligence gathered from our survey highlights that businesses use a variety of processes and systems. Most frequently used are sales and marketing, customer database management, order processing, task management and expense and billing management. Mobile apps, online and interactive equipment, editing software, computer modelling and sensors (including temperature and moisture) were the most used digital technology processes.

On average across the UK, micro-businesses use 1.7 digital technologies. Our employers noted use of just over one technology process, with little variation by type of business. Although this does vary more by size of business where large employers on average use three technology processes compared to one for micro, small and medium employers. The

use of advanced computer technology is positively associated with productivity increases, with the use of two or more business management technologies associated with an uplift of up to 25% in productivity¹. This highlights that there

is scope for employers in Worcestershire to integrate more digital systems/processes into their business to improve overall productivity and performance.

The digital skills employers think they will need over the next five years include: more training on AI, AR/VR, robotics, sensors, digital marketing, integrated digital platforms to capture data and information in one place, data analysis and utilising data for performance improvement, software and web development, increased awareness and knowledge of cyber security and training to adapt and implement new technology.

Digital marketing has been identified across all sectors as a skill employers think they will need over the next five years. Across Worcestershire data from Maybe*² has identified that only 17% of businesses have a social media presence in the County meanwhile it is estimated that 31% of businesses nationally have social media accounts. This reinforces the demand from businesses for support in this area.

“Many young people believe they are IT literate, when in fact they are not. We need to be specific that it is computer skills that are lacking. There is a big difference between using a computer and a smartphone or tablet.”

Spotlight on Net Zero

Whilst most businesses have made plans to adapt in response to the drive to net-zero many feel unclear about how this will change the skills they need in their business.

Most businesses, 61% of those surveyed, have made plans to adapt to the need for increased sustainability. However there is wide variation, with those in the Health & Social Care sector split between those who have and haven't made plans for net zero, whereas those in construction and manufacturing were more likely to have done so.

Micro businesses were also split in their net zero business planning but preparation increased by business size with 86% of large businesses having plans in place, indicating the importance of overall resources in helping businesses to put in place plans for sustainable practices.

“Smaller businesses have more of a problem dealing with sustainability as they don't know where to start or where to go to get the information they need.”

When asked which net zero skills will impact their business most, there was a clear consensus that energy efficiency, waste management, regulatory compliance and environmental management systems would have an impact. However, more businesses than not thought that decarbonisation/carbon offsetting wouldn't impact their business in the

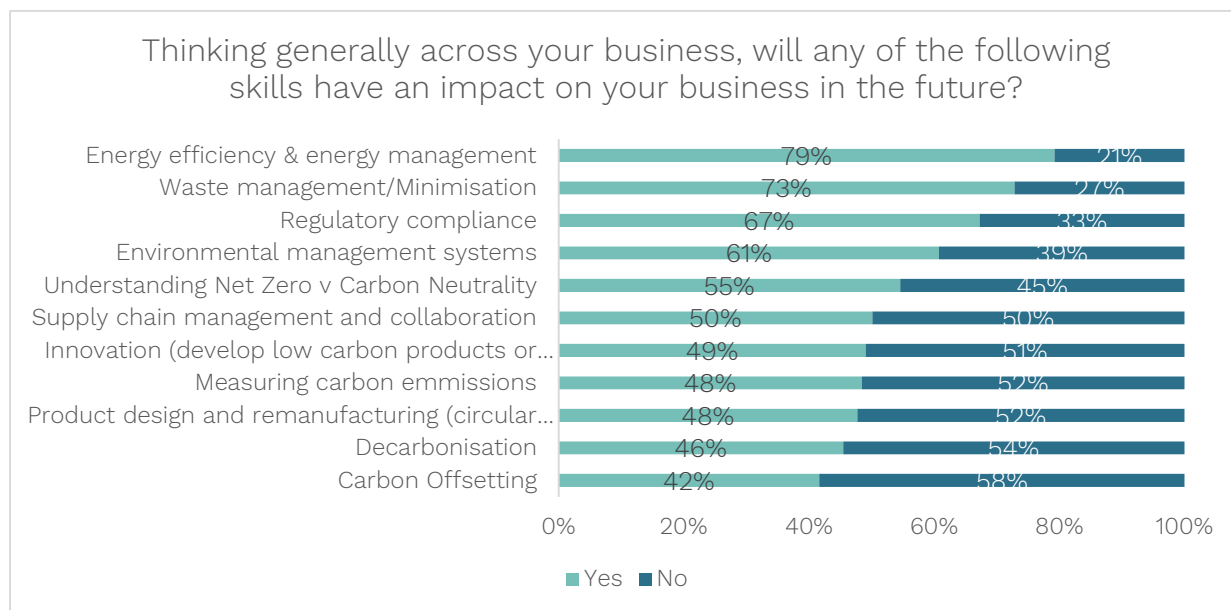
¹ Be the Business: productivity and business improvement in the UK

² Maybe* are a social media management platform. For more information, see [here](#).

future. To add to this, when asked how they will change their skills requirements as a result of net zero, there was a general lack of clarity. Of those who answered most have or will try to be more energy efficient and/or use more renewable energy sources and some have or will train their staff in net zero/ESG skills but little else was mentioned.

This lack of clarity is a clear indication that businesses are not fully aware of the implications that net zero will have. In order to address this, more needs to be done to ensure that business owners understand what net zero is, and how they can prepare.

Figure 7. Energy efficiency and waste management high on businesses' radar



This adds to our knowledge from the most recent Quarterly Economic Survey, where 63% of businesses felt that the drive to be more sustainable had not created a significant skills need.

Notwithstanding that sustainability is becoming more of a priority for businesses, and that some businesses have started to make changes to their work practices as a result, there is a way to go to ensure businesses understand what they require from their workforce to effectively transition towards net zero.

“Some people think sustainability is just about waste management, but it is so much more than that.”

Skills issues and challenges

Employers have expressed a need for a range of technical skills and knowledge.

Generally, employers struggled to express specific skills needs, which leads us back to our conclusion that more workforce planning training needs to be provided to ensure that employers can pinpoint these needs. When pushed about specific skills needs, these often related to a particular technology, product or service. The need for more training on AI/AR, digital marketing, data analysis and leadership was, however, clear.

Across the board, employers placed significant emphasis on common skills and appropriate workplace behaviours as being their most significant skills challenge.

This response was overwhelming and is not something new. It covers workforce behaviours such as communication, teamwork, flexibility, confidence, thinking skills and drive as well as foundational skills such as developing people, leadership and customer focus.

When exploring what training is currently available to meet these needs, it is clear that our education and training providers are already doing a great deal to ensure that young people have every opportunity to gain these skills from a range of enrichment opportunities. This suggests that what new starters need most is support during their induction into a new job or career to make them ‘workplace ready’ – not just work ready. Developing and nurturing people is something which many employers recognise as a key factor in staff retention and job satisfaction, but there are also a great many who do not practice this.

Employers were asked to rate the importance of different skills on a scale from 1 being not important to 5 being very important. Attitudes and behaviours came out as the biggest need followed by upskilling. Reflecting on the barriers to growth described above, upskilling in new technology emerged as a critical need, particularly amongst those in Business Services and Construction.

Figure 8. What are the biggest needs in your existing workforce? (1 = least important, 5 = most important)

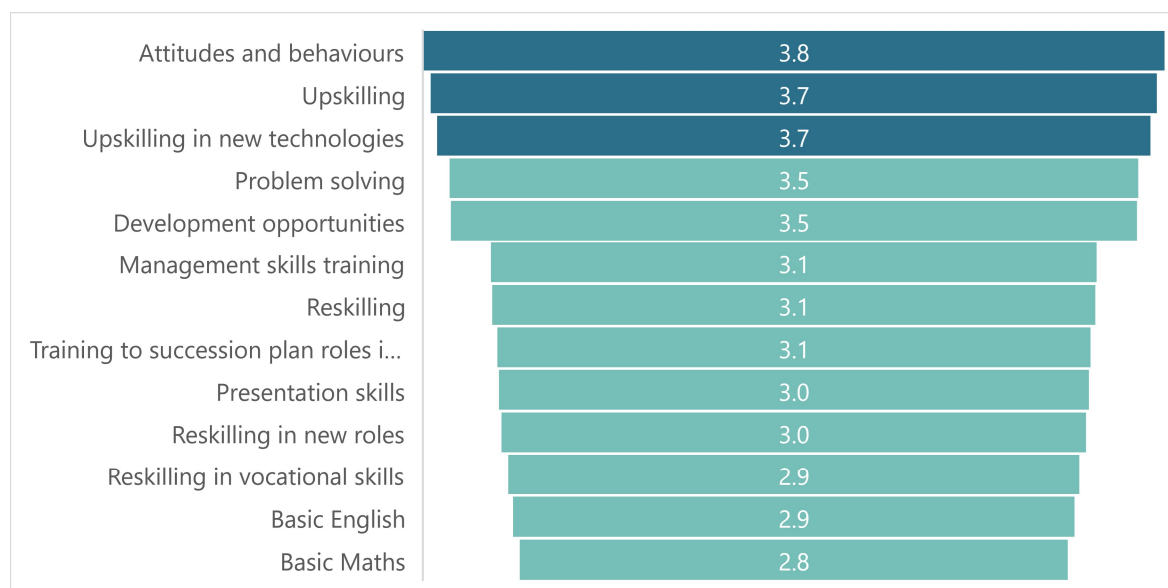
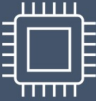








Figure 9. Technical skills and knowledge needs identified by employers

 <p>Digital</p>	<ul style="list-style-type: none"> • ‘Everyday digital’ e.g. Microsoft, Artificial Intelligence (AI) & Automation, Augmented Reality (AR) & Virtual Reality, Cyber Security, Data management & analytics, Data protection, Digital marketing & social media, Enterprise software packages (e.g. resource planning, production planning, workflow management, CRM, project management), IT sales, Record digitalisation (i.e. switching to paperless), Software development, Sentiment analysis, Web development, Programming.
 <p>Net-Zero</p>	<ul style="list-style-type: none"> • Carbon literacy, Carbon reduction, Combined engineering (Electrical, Mechanical, Software + Chemistry ref. new fuels.), Energy efficiency & management, Environmental Management Systems, New heat technologies, Regulations & standards, Renewable energy sources & alternative fuels, Waste management.
 <p>Manufacturing & Agri-Tech</p>	<ul style="list-style-type: none"> • CNC programming, Electronics & Electrical engineering, Machine operatives, Welding, System engineers, Building safety, new heating technologies (i.e. Hydrogen), Business Information Modelling (BIM), Computer Aided Design (CAD), Sensors, Food operatives, Herds people, Pickers, Supply Chain Management.
 <p>Business Services</p>	<ul style="list-style-type: none"> • AI and sentiment analysis techniques, Remote data capture, Administration, Customer service, Financial management, Human resources, International trade, Management, Marketing, Project management, Change management, Quality assurance, Sales, Social Value/Ethics, Accountancy.
 <p>Health & Social Care</p>	<ul style="list-style-type: none"> • NVQ relevant to allied health professions, Housing qualifications for L4 and 5, Digital medication systems and prescription management, NICE regulations, Safeguarding.
 <p>Construction</p>	<ul style="list-style-type: none"> • CAD, CNC, Project Management Software, Painting & Decorating Apprenticeship, Planners, Construction Management, Quantity Surveying, Electrician, Modular building, Building safety, Social Value, NVQ L4-6 Construction.
 <p>Transferrable common skills</p>	<ul style="list-style-type: none"> • Communication, Team working, Time management, Resilience, Planning/organisation, Self-working, Management (Project, Change, People), Adaptability, Detail orientated, Critical thinking, Problem solving, Dexterity, Business acumen, Emotional intelligence, Language, Neurodiversity, Mindfulness, Inclusivity, Customer Service, Concentration, Drive, Continuous Improvement, Integrity.

The need for desirable workforce behaviours was further echoed during our engagement events with local stakeholders, along with common skills which tend not to be job specific. For example, employers are clear workers need good communication skills to be able to work in a team, but also use their initiative and be able to work independently, to have good time management, and be resilient. As business size increased, employers were more likely to feel behaviours and attitudes were a challenge, resilience in particular.

“Work placements for people in further education are so important to get people ready for the workplace.”

A concern raised through our engagement is whether business leaders are recognising the link between nurturing people & talent and improved productivity and business growth.

Reflecting reported challenges with labour supply, most employers intend to recruit internally for new roles over the next five years. However, the development path for these existing staff is unclear. Employers generally expect a higher level of skill/competency across roles for existing employees than for new, but little long-term training planning takes place, and employers also consistently report lack of time to train, lack of money for training and lack of people to manage it. This is reflected in a high proportion of training being mandatory, where businesses require staff to have accredited training or hold specific qualifications, or training is ad-hoc and responsive, rather than planned.

“With leadership and management is there enough understanding within businesses of what it takes to maintain and grow”.

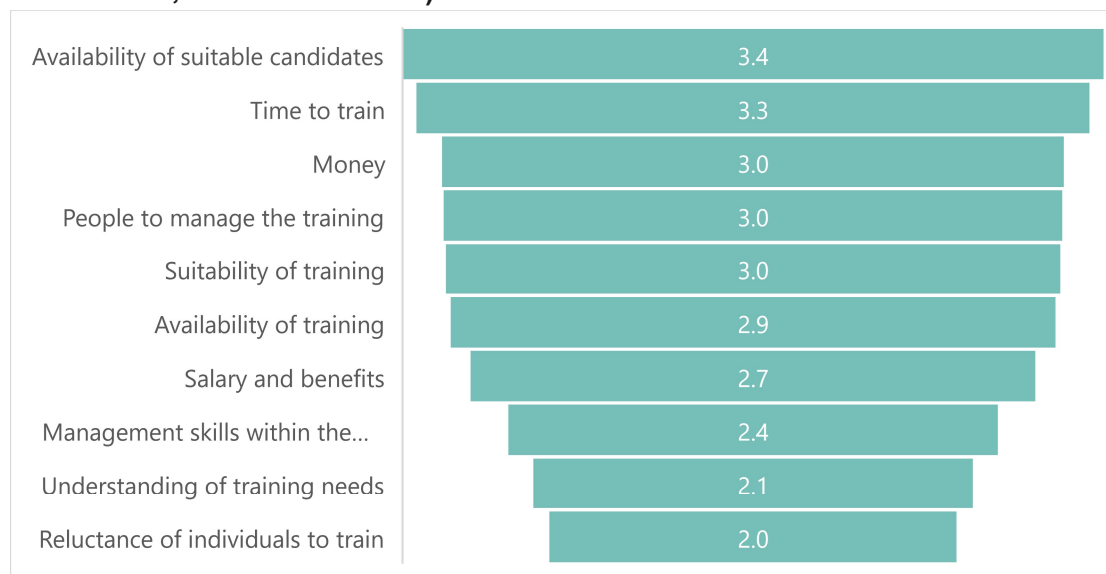
Money is a critical barrier to training for micro-businesses – more so than labour availability, which indicates that hiring is considered to be easier than training. Larger businesses are much more likely to consider staff retention a barrier, rather than finance for training. However, both features highlight a management skills gap around people development.

This all points to business culture that needs further development within the County – ensuring that business leaders understand the benefits to be gained from an empowered and motivated workforce.

Despite many employers saying they have management skills in their workforce, our engagement on training has shown that business leaders are not consistently putting in place regular opportunities for staff to learn new skills and that training tends to only be mandatory to complete a role. Therefore, we want to promote the benefits of business leaders investing in people & talent, reinforcing the connection between improving the skills of their workforce and growth of their business. This is especially important given that employers expect their main recruitment source over the next five years to be from their existing workforce. Without putting in place the training staff need to upskill and move within an organisation, productivity is likely to be constrained.

We need to support our businesses to develop their workforce development and planning capabilities, so they can identify the skills they will need over the coming years, allowing provision to be tailored accordingly.

Figure 10. Barriers to growth in relation to skills provision/local workforce (1 = least relevant, 5 = most relevant)

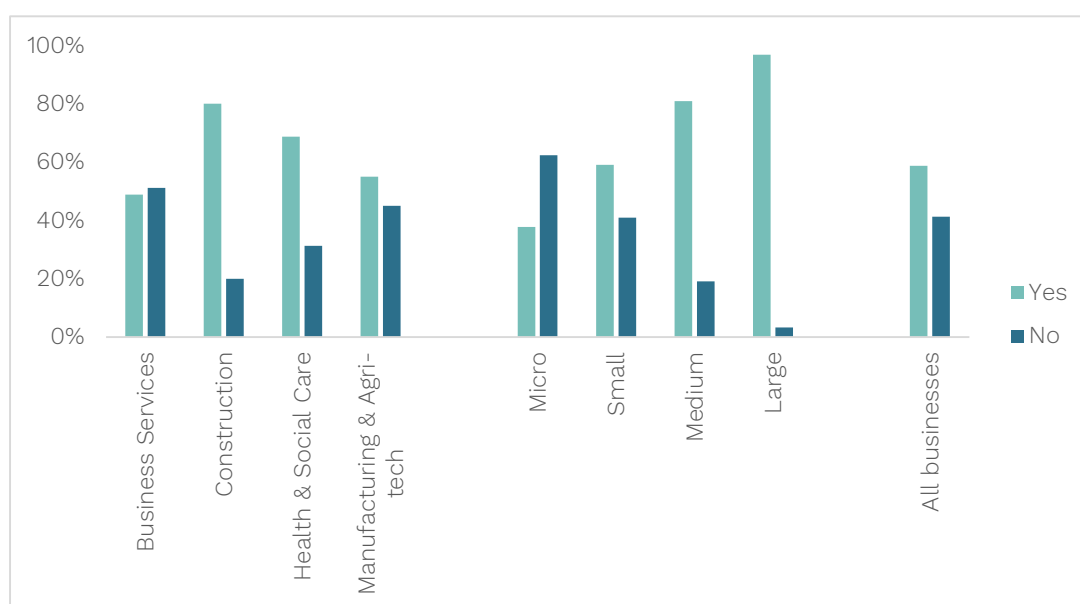


Perspectives on training provision

Employers are generally positive about the provision that is available and don't express significant desire for completely new training, rather for current provision to be modified to better suit their needs.

On average, 60% of employers indicated that they are currently engaged with training providers. However, this does vary by type and size of business; micro businesses are much less likely to have existing relationships with training providers. Interactions between employers and providers also tend to be infrequent, most commonly annually or when a specific need occurs.

Figure 11. Whether there are training providers employers current engage with



Greater partnership working would encourage a collaborative skills system in which provision can be tailored to the needs of employers, but this does require employers to take an active role in the skills system, including regular engagement with providers. Increased engagement has already been observed as an outcome of the LSIP so far. Consideration as to how we can support those in very small organisations to be part of the skills system, especially as micro businesses form the backbone of Worcestershire's business base, will be critical as we move forward with the LSIP.

“Kidderminster College has always strived to work in partnership with the businesses in our local community. This has not always been a simple task; levels of engagement can vary but we have a proactive team who do an excellent job of keeping those relationships current and responsive. The college has been working in collaboration with the Chamber of Commerce throughout the LSIP process. Having such a close link with the project has been a massive support to the business engagement work the college does and as a result we have seen the levels of businesses interacting with us improve. It has helped us to increase the size of our network tremendously.”

Cat Lewis Principal, Kidderminster College

Our survey found that almost 70% of employers feel courses available do meet their needs. This is consistent across sectors, particularly in Health & Social Care and Business Services. However, employers are more divided over how well informed they are about how to connect with different provision methods.

Vocational pathways are a complex concept to those outside the education system. Our conversations with employers suggest that there is some division over how well informed they are about how to connect with different provision methods. Generally, employers feel more informed about traditional forms of provision including apprenticeships, work placement opportunities and university graduates/internships. Newer forms of provision such as traineeships, T-levels and skills bootcamps however, are not widely understood or recognised.

Ensuring that businesses understand the training options available to them will come from increased communication and engagement between the providers and employers. This does vary across sectors with those in Health & Social Care feeling more informed across all forms of provision compared to those in Manufacturing and Agri-tech, and employers of large businesses tending to feel more informed across provision types than micro and small businesses. This is understandable considering the lack of engagement between these smaller businesses and education and training providers and can be improved by increasing the level of, and opportunity for, engagement.

Our employers generally want shorter forms of delivery and greater accessibility across the County.

Over a quarter of all employers and a third of employers in Manufacturing and Agri-tech favoured more on the job training. Also, employers indicated a need for more modular/bootcamp style training. *Availability* of training was not considered to be a major barrier to business growth which adds to the case that employers don't want a complete overhaul of provision locally.

Though content of training was less frequently noted, there was a call for greater multi-disciplinarity within courses. For example, in engineering and as we transition towards net zero, there will be a need to cover both mechanical and electrical engineering when working on Electrical Vehicles.

“As technology advances then production lines will evolve. At the moment we have got electrical and mechanical systems and we want to merge them together but it is hard to find people with the skills to do both. The two guys that we had who were multi-skilled have left the business. They are so valuable.”

This was further reflected in concerns about whether courses can maintain pace with changes in regulation related to specific technologies – or more specifically how clearly their currency is indicated to employers – and a small number of specific instances of content considered to not be fit for purpose. A specific example of this is electricians, where there is a clear mismatch in classroom-based provision and employer needs. Worcestershire's electrician population is high, currently 9th highest amongst LSIP areas³, but electrical apprentice starts are low, currently 26th amongst LSIP areas. A much greater proportion of Worcestershire's electrical learners' study non-apprentice pathways (Worcestershire ranks 10th high amongst LSIP areas for this type of provision), but these have a very low rate of progression into work, ranging from 14% at best to 0% at worst.

³ Data are from the Electrical Contractors' Association

What this means for our LSIP priorities

Over the course of our engagement we have been exploring what will make training more responsive and aligned to local need, what sub-set of skills is needed to boost productivity and improve employability and progression locally and what are the priorities for changes that will add value to existing local strategies. We have identified a range of specific skills, as set out in previous pages, and we have also found:

- **Employers across Worcestershire feel that overall, the training they need is available, but they struggle to access it in a format that works for them.** Employers called for modifications, such as more modular training, the ability to mix disciplines, to be able to access training in a wider variety of places across the County, for clearer information about what training is available and, critically, what is possible – if an ‘off the shelf’ solution is not immediately available. These perspectives were reflected in the desire for stronger links and collaboration mechanisms with providers to support modification and ‘co-design’ to tailor requirements.
- **Employers really struggle to diagnose skills issues and there is little strategic forward planning for skills in their businesses and organisations.** This means employers tend to frequently be in response mode when it comes to skills needs, tackling short-term pressing issues with quick fix solutions as they arise, rather than in planning mode, anticipating and mitigating risks with longer-term skills solutions and workforce plans. This is itself a skills issue related to leadership and management, which is reflected in the LEP’s Skills Action Plan.
- **There isn’t a common language in which to talk about and describe skills and this can hold back finding solutions.** For example, employers are likely to focus on the common skills and behaviours they need from their staff, whereas training providers are more likely to focus on technical skills. These differences are understandable but need to be accounted for in the process of engagement and partnership working. This means thinking about solutions across different types of skills and what type of provision, provided when, and by who – including when that is best delivered by the employer – works best.
- **Provision now is only part of the answer. Our system must support employers to tackle their short-term challenges in ways that also provide a step to long-term change.** This means balancing ‘cure’ – training to resolve immediate issues – with ‘prevention’ – actions that aim to reduce the number of issues that arise. For example, many of the skills issues employers have around common skills and behaviours could be curbed in the long-term by modifications to the pre-16 and 16-18 curriculum and careers interventions and activities, but most importantly stronger workforce planning and development will allow for pro-active rather than re-active skills development.

These point to the five priorities, set out on the following page along with desired outcomes and high-level actions.

Figure 12. Worcestershire’s LSIP priorities, outcomes and high level actions

Themes	Resolving short-term priorities Acting on short-term priorities to address employers’ current, pressing skills needs				Developing long-term plans Putting in place long-term plans which enable employers to actively plan skills needs for the future			Building partnerships Building effective skills partnerships and working together to identify and address skills needs	
Priorities	1 Equipping workers with technical skills & knowledge needed to alleviate employers’ skills shortfalls <i>and</i> enable individuals to progress in their career		2 Developing the common skills and workplace behaviours that will promote employability and progression opportunities		3 Promoting a culture where business leaders recognise the strategic importance of proactively developing people & talent to the productivity of their businesses			4 Developing the workforce planning capabilities of managers to enable businesses to identify their skills needs and providers to adapt training accordingly	5 Encouraging a collaborative skills system in which provision can be tailored to the needs of employers
Outcomes	Employers can identify training solutions that meet their needs, both in terms of content and delivery format	Individuals can identify training opportunities to develop their skills and knowledge to meet current employer demand for skills	Employers no longer identify a lack of common skills and appropriate workplace behaviours as a problem amongst new recruits and education leavers	Individuals understand the common skills and behaviours they need to deploy alongside technical skills and knowledge to enable progression	Employers recognise the benefits to their business of developing the skills and knowledge of their workers			Employers can articulate the different skills they need currently and how this is likely to change over the coming years	Providers can develop curriculum content that will mean future workers have the relevant core skills
Actions	Support our FE, HE and IT providers in the modification of courses to open access to existing training, in preferred delivery formats		Support our employers to develop the skills of their employees Making available specific training courses/programmes to support the development of these skills Embedding development within educational pathways and/or as part of ‘transition’ support between education and work and job moves		Establish an awareness raising campaign to communicate the importance of training staff and workplace culture to business owners around the County			Link in with WCC’s workforce planning offering, referring as many as businesses as possible to this scheme	Put in place purposeful partnerships and collaboration mechanisms which enable the skills system to respond to and anticipate skills needs

Taking the LSIP Priorities Forward

The following pages consider each of the priorities in turn, describing employers’ requirements and considerations for changes in local technical education provision. Along with developments in provision, our actions include supporting activities that will enhance and underpin developments to training. E.g. employer and stakeholder engagement, related non-technical education and further research, data collection and analysis.

Objective 1: Equipping workers with technical skills and knowledge

Equipping workers with technical skills & knowledge needed to alleviate employers’ skills shortfalls and enable individuals to progress in their career	
<p>So that...</p> <p>Employers can identify training solutions that meet their needs, both in terms of content and delivery format</p>	<p>Individuals can identify training opportunities to develop their skills and knowledge to meet current employer demand for skills</p>

We have considered changes to training provision using the categories described in the table below.

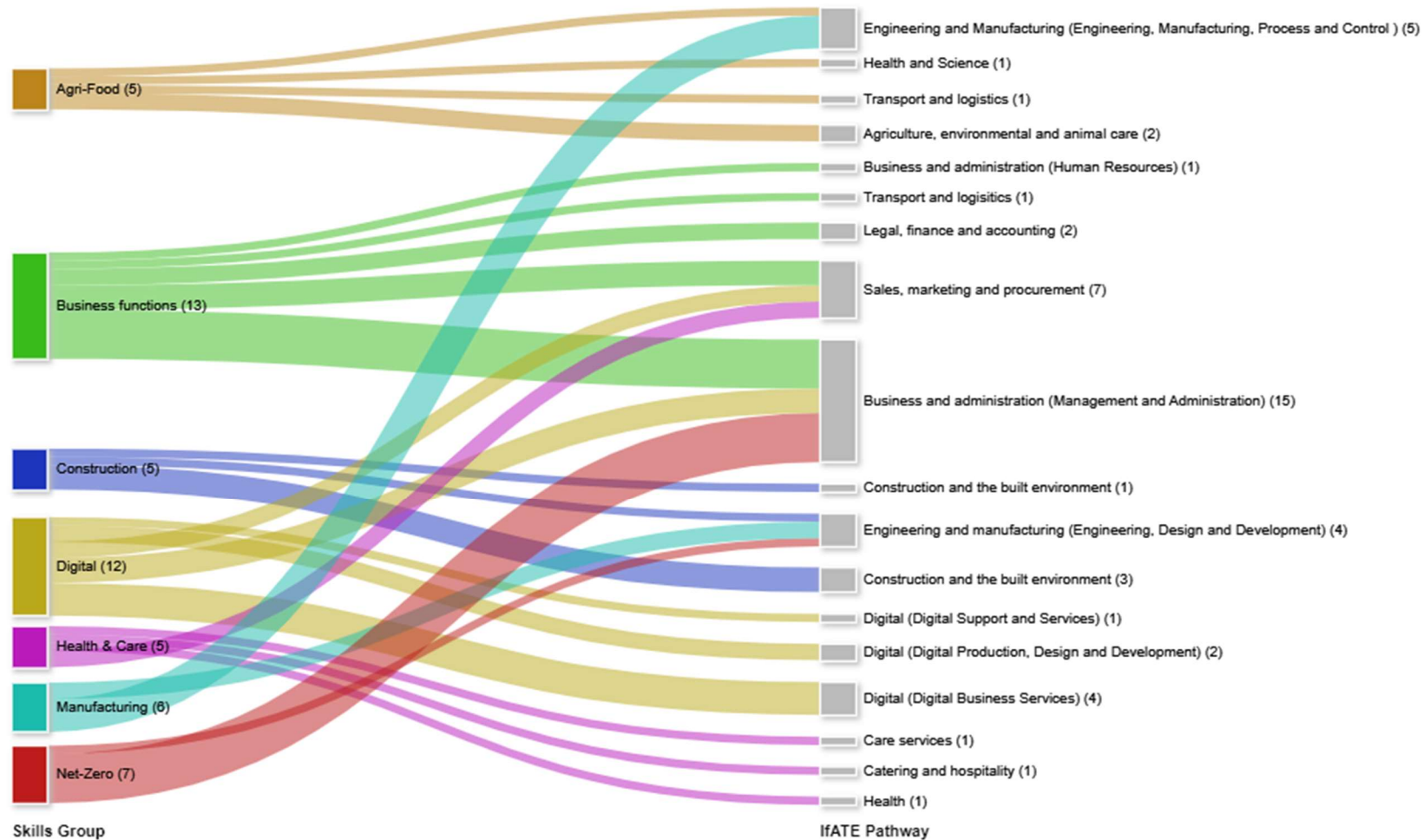
Figure 13. Changes to training

	Context	Action
Deploy	Employers asked for training that is already available but take-up is low.	Promote availability and understand barriers to take-up required.
Adapt	Employers asked for training that is already available in Worcestershire, but some change is required to content or format.	Explore options for adaptation, test and review new formats.
Import	Employers asked for training that is available outside of the County, but not currently provided within it.	Establish provision within the County.
Develop	A requirement has been highlighted, for which we have not been able to identify existing provision.	Work with appropriate partners to develop solutions.

As previously noted, feedback from our employers pointed to modifications in the mode of delivery to the existing training offer, rather than designing new. This is borne out by a high-level review of the Institute for Apprenticeships and Technical Education (IfATE) occupational maps (shown over the page in Figure 1414), which demonstrates *content* linkages between the routes and all of the priority skills identified earlier in the report.

It is noteworthy that not all skills groups connect to an IfATE pathway with the same high-level description. For example, a number of digital skills noted connect to business and administration pathways. Likewise most Net-Zero skills noted are currently business administration related.

Figure 14. Linkages between skills identified by employers and current Technical Education Occupational Pathways



Note: The numbers in brackets related to the number of specific skills as listed in Figure 9, showing how many are in each Skills Group on the left, and then how many link to each IfATE Pathway on the right. The detail underpinning this diagram, which relates to specific qualifications, is available as an annex to this report.

At this stage, we have not identified any specific skills requirements for which some element of provision does not appear to already exist, most action will therefore be around wider deployment and adaptation.

As previously noted, vocational pathways are a complex concept to those outside the education system. Our role here will be to support and enable translation between what employers want and providers [can] offer, aiming to establish a common language that connects skills needs with available training.

We will support our FE, HE and Independent Training providers in the modification of courses to open access to existing training, in preferred delivery formats.

Clearly this cannot be done concurrently for every skill identified in the report, as such we will identify appropriate sub-sets of skills to review in batches. We will work with our employers to further prioritise the skills needs identified in the study, then with providers to explore in detail the existing options in the IfATE pathways, availability in Worcestershire and the nature of modifications required to better meet needs. Critical in this will be understanding what is possible within current funding and delivery structures and where action may be required outside of these.

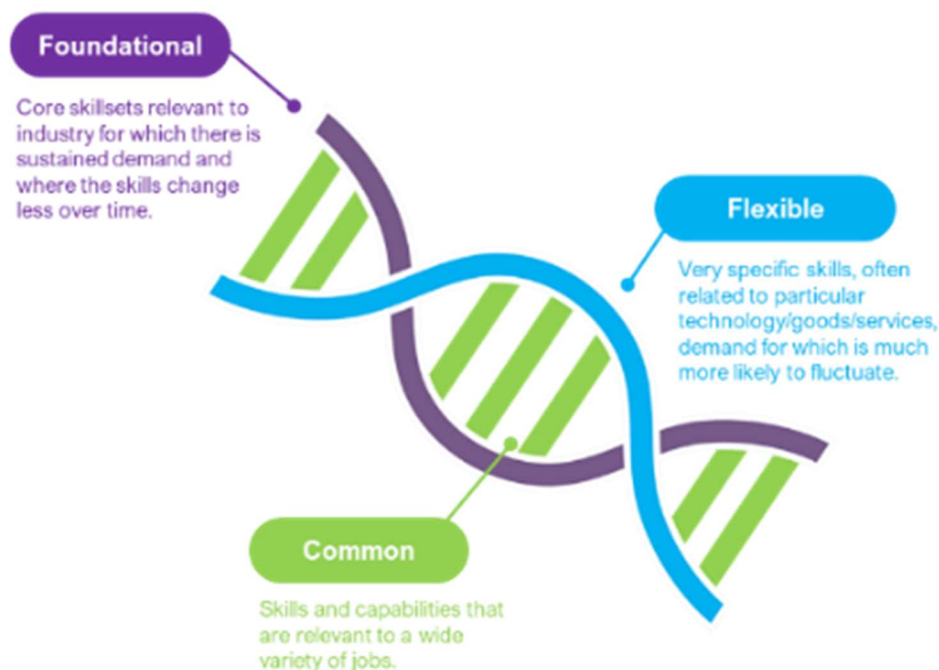
Objective 2: Developing common skills and workplace behaviours

Developing the common skills and workplace behaviours that will promote employability and progression opportunities	
<p>So that ...</p> <p>Employers no longer identify a lack of common skills and appropriate workplace behaviours as a problem amongst new recruits and education leavers</p>	<p>Individuals understand the common skills and behaviours they need to deploy alongside technical skills and knowledge to enable progression</p>

Throughout the process of engagement our employers have consistently highlighted the need for candidates and employees to have the right combination of technical and transferable skills, along with attitudes and behaviours aligned to the needs of the workplace and industry context.

Employers called for consideration of this combination to be embedded in the process of developing skills, whether whilst in full-time education or training as an adult. This emphasises the importance of people having not only the relevant subject specific knowledge and up-to-date skills, but also an understanding of the workplace environment and the behaviours and ways of working this will require.

Figure 15. The ideal combination of foundational, flexible and common skills



Who is responsible for developing these skills is arguably one of the most contentious issues in our discussion. Moving forward, it is critical that we build an understanding that this responsibility is shared – by employers, providers and the individuals themselves. Each has a particular role to play and it is by ensuring that these happen in combination that we move to a position whereby employers no longer identify these skills as an issue, partly because people will have them – or there is a clear route to developing them – and partly because employer expectations are more realistic.

“The concept of a dual professional is about learners who not only have subject specific knowledge but have a profession or knowledge that has its own skillset, say communication, initiative, conflict resolution. These skills are unique in the fact that if I want to be a nurse, the knowledge of the skills is in itself a skill (say knowing how to use a syringe correctly). The dual professional is a professional who happens to be a nurse.”

All Technical Education pathways have at their core an associated set of behaviours, as such action under Objective 1, widening access to and participation in these are an important part of addressing the development of occupation specific common skills and behaviours. In addition we will:

Support employers to develop the skills of their employees.

Linking directly to objectives 3 & 4, we will support employers to firstly recognise their role in developing these skills, then to understand how to apply them in their own business. This includes training the trainer – providing support for businesses to develop their own capability to support the development of current and future employees.

Make available specific training courses and programmes to support the development of common skills.

Our training providers already provide many skills enhancement and enrichment activities. However, we note that in 2021/22 Worcestershire was some way behind the national average in achievements on Preparation for Life and Work courses in adult education and training (29% in Worcestershire, compared to 47% nationally.) We will work with providers and employers to further understand the barriers to participation and raise awareness of these activities to increase participation in them.

Embed employer interactions within educational pathways and the learning environment.

We will support embedding employer interactions over the course of study through for example, work experience, visiting speakers, job shadowing, workplace visits and volunteering. Delivering these in partnership with employers is critical to providing authentic interactions with people in work and workplaces, which increases familiarity with and understanding of ‘business as usual’ in the workplace vs learning environment.

There is a solid base to build on in the County; in 2021/22 Worcestershire had the highest number of employer encounters in England – 83% of young people received encounters with employers in 2020 compared to 64% nationally – and we will work with the LEP and WCC to support their planned activity to enable all Worcestershire’s educational establishments to meet the Gatsby benchmarks for Good Career Guidance.

Support transitions between education and work and job moves.

The transition points in people’s educational and working lives provide both opportunity and challenge. Switching from education into employment, returning to work from unemployment, moving between employers, and even simply switching roles for the same employer, all present individuals and employers with a set of skills expectations from one to another, and there is frequently a mismatch between the two.

In many instances these transitions are well managed. However, as people pass from provider to employer, from employer to employer, or from role to role, there isn’t always an obvious source of support to help make a change – either to develop or demonstrate the skills combination needed in the new environment. Most employers recognise that when recruiting it is rare to find someone who ‘ticks all the boxes’. It is unclear, though, how seriously they take induction training to support going up that initial learning curve. This is particularly the case for internal recruitment, where expectations are particularly high.

We will look to work with partners to develop a package of support to enable smoother transitions between different learning and working environments. We recognise a challenge here is a source of stable funding for this type of activity. Traditionally an *individual* is not able to access support when in the middle of a transition between education and employment or when moving employers. Support for this part of the process often ‘falls between stools’ – as people pass from provider to employer, or from employer to employer there isn’t a source of support to help make a change. As such, reinforcing the role of employers in these transitions is particularly important.

Objective 3: Promoting a culture of developing people and talent

Promoting a culture where business leaders recognise the strategic importance of proactively developing people & talent to the productivity of their businesses

So that ...

Employers recognise the benefits to their business of developing the skills and knowledge of their workers

Employers have high expectations when it comes to the work readiness of new employees and the skills and capabilities of their current staff. Education and training providers are already working on these 'behaviours' and will continue to ensure this is a focus, but employers need to take on appropriate responsibility for their own staff in developing these skills. We must move to a position where employers recognise they are both consumers and producers of skills.

As described previously in the report, many employers do not have a workforce plan in place to deliver the skills they need in the future – generally they either don't have one at all or only look between six to twelve months into the future. Whilst the focus on day-to-day is understandable, it is critically important for our businesses to look further forward and develop a more pro-active stance when it comes to skills.

Whilst the skills to actually do this can be resolved through training, much of which is available through existing technical education pathways under objective 1, this will be a significant change in mindset for many leaders and owners. As such, the point of this objective in the LSIP is to activate strategic buy-in for the need to care about people development and for it to become as integral to businesses as accounting.

Critical to this will be a co-ordinated campaign – a call to action – focussed on senior leaders and owners to stimulate demand amongst businesses to engage in the skills system in Worcestershire.

We will establish an awareness raising campaign to communicate the importance of training staff and workplace culture to business owners around the County.

An important starting point for the campaign will be some prior research amongst our employers to establish and articulate the case and understand the incentives and benefits that we should focus on in the campaign.

Our aim will be to ensure a united voice and a clear message. The campaign will be undertaken in partnership with other employer representative bodies, providers and supporting organisations across the County, clearly and consistently communicating the benefits of developing talent, with case studies highlighting positive examples and experiences.

Recognising that often the most trusted source of advice is that of peers, we will work with businesses already engaged in the system to act as champions, encouraging the participation of others.

Objective 4: Developing workforce planning capabilities

Improving the workforce development and planning capabilities of managers to enable businesses to identify their skills needs and providers to adapt training accordingly

So that...

Employers can articulate the different skills they need currently and how this is likely to change over the coming years

Providers can develop curriculum content that will mean future workers have the relevant core skills

With clear linkage to objective 3, once senior leaders and owners have recognised the need to act on people development and skill production, objective 4 is about helping them to understand what to do and how to ensure that the outcomes from planning processes can be fed back to providers.

We will use insights from the campaign research and activity to further inform our understanding about the support employers need to embed workforce planning.

One of the many programmes being developed and run to support businesses in the County is through Worcestershire Growth Hub around Workforce Planning, under the Specialist Business Advisor Programme. Alongside this WCC are developing a new tool for Workforce Planning to support businesses to self-analyse their organisations and consider the actions they need to take to develop a workforce plan for their business and provide them with a clearer understanding of the skills they will need over the coming years.

Notwithstanding the barriers for training providers to deliver the courses required, which can be due to equipment costs, space, learner and tutor recruitment, WCC has launched a Curriculum Development Fund, which training providers can bid for, for funding to develop employer led curriculum and careers resources. Therefore, a flexible pot is required for each locality to respond to local needs effectively.

We will link in with Worcestershire Growth Hub and WCC's workforce planning offering, referring as many businesses as possible to this scheme and pro-actively support the feedback loop to the curriculum development fund.

Objective 5: Encouraging a collaborative skills system

Encouraging a collaborative skills system in which provision can be tailored to the needs of employers

So that ...

Employers actively participate in the skills system and there are clear mechanisms through which employers and providers engage to shape and co-design training provision

The core intention of the LSIP is to improve partnerships between employers and providers, encouraging a collaborative skills system in which provision can be tailored to the needs of employers. This will require employers to take a more active role in the skills system, with regular engagement. It also requires training providers to try doing things a little differently.

The point here is that *everyone* needs to be willing to accept and embrace some change. We cannot continue doing the same things and expecting to get different results. But, change is hard - we naturally push against it unless we can clearly see the benefits to ourselves. We are also more likely to focus on short-term wins than long-term gains.

Worcestershire benefits from having a group of education and training providers who have spent many years building relationships and already work very collaboratively. The strength of our existing partnerships and collaborations provides an ideal starting point on which to build further and should give us confidence to try new things, to work together with long-term goals in mind and take small steps together that will lead to a better situation for everyone - and to accept that we still might not get it quite right first time and need to try again.

A core benefit of the LSIP process so far has been enabling greater dialogue between partners in the system. We need to maintain this and continue to extend our approach, bringing together employers and providers at institution and course level.

We will support and encourage purposeful partnerships and collaboration mechanisms which enable the skills system to respond to and anticipate skills needs. To build on what we already have in Worcestershire, we will work with partners to support and develop:

Industry Skills Councils

We will build on the engagement undertaken to develop the LSIP to form county-wide skills councils, focussed on ensuring representation in each from industry leaders and education and training providers. The groups will provide regular forums for discussion, which can be used both for strategic direction and to provide the opportunity for 'skills surgeries' to help address current issues.

The Skills Councils should also help to create collaboration between industry leaders and heads of curriculum and content development at provider organisations, allowing for knowledge transfer and better links to current industry issues. Ideally these relationships will

help in supporting teaching demands in FE, for example providing the opportunity to explore secondments into teaching opportunities and for teachers into industry.

A Skills Innovation Lab

The LSIP has identified several different skillsets for which adaptations to existing training are likely to be needed and collectively partners across Worcestershire will begin responding to these as set out in this plan. However, it is important to recognise skills development as an ongoing process – it won't ever be 'done'. Skills needs will always change and require a response that is fit for purpose, time and place. As such, it is critical that we develop and embed an effective mechanism to respond.

Through the LSIP we will work with partners to develop a Skills Innovation Lab for Worcestershire, which will take a test and learn approach to developing new training formats. The Skills Innovation Lab will take a skills issue outside of the current system, providing a funded space for employers and providers to collaborate to develop and pilot adaptations and new content. This will allow us to identify specific skills challenges, review ideas and options for solutions, live test a preferred idea as a prototype at a small scale with an employer (or employers), review the outcomes and then revise and re-test, or deploy more widely, based on learnings.

Further collaboration mechanisms

Our FE training providers have suggested the potential to develop a Memorandum of Understanding around delivery specialisms, taking a further step to formalise their existing collaboration. We strongly support this.

We will actively seek opportunities through the delivery of the LSIP to develop collaboration across the provider landscape, drawing together the collective expertise of our FE, HE and Independent training providers. In particular, we will work alongside our partners in the skills system to advocate for, and enable where possible and appropriate, data and intelligence aggregation, sharing and simplification.

Delivering the LSIP Priorities

Approach moving forward

We want to put Worcestershire at the heart of high quality skills delivery in England and be a leading voice in lobbying for improvements to our skills system nationally. As we move forward over the next three years with the delivery of the LSIP we will retain the collaborative approach that has been at the core of its development.

Guided by our LSIP Board, our LSIP delivery team will work with employers, providers, WCC, the LEP and other local stakeholders. Together we will put together an LSIP delivery plan that will:

- Maximise what is possible with the resources currently at our disposal, which means explicitly linking to related activities and projects already in motion that have shared objectives.
- Target and deploy additional funding and investment where it can best build our collective capacity and capability; and
- Advocate for wider change that could further enhance delivery of our objectives, outcomes and impacts.

Monitoring and evaluation

Ongoing monitoring and evaluation will enable us to understand progress as we implement the LSIP, communicate outcomes and, critically, modify our approach to delivery where required.

Each activity in the delivery plan will be tagged to an objective and outcome in the LSIP and assigned a measure of success. Where possible the measures will be quantitative, but in most cases we anticipate these being descriptions of what success looks like. I.e. How we know something is working. This will allow us to review progress at two levels:

1. Activity level, whereby measures related to each specific project or activity will be reported on by the responsible delivery partner.
2. Plan level, to assess the strategic impact of delivery as a whole. This will involve monitoring success measures across the LSIP to communicate the story of change in Worcestershire's system and those operating within it.

We will provide quarterly progress briefings to the LSIP Board, as well as annually published evaluations and impact reports. In addition to understanding progress, this level of reporting will result in a rich evidence base for us and partners, giving insight into what works, where and for who, that can be utilised to inform the design of future activities.

Roadmap

Below we set out our high-level roadmap for delivery of the LSIP. At this point in time it focusses on the initial establishment of tasks for the next six months, which are critical to our activities over the coming years. As delivery progresses, further detail on actions will be added.

Figure 16. LSIP roadmap

