

Leicester & Leicestershire Enterprise Partnership

LLEP Skills Plan 2022-2024



Leicester and Leicestershire Enterprise Partnership Limited
2022

The 2022-24 LLEP Skills Plan sets out the local priorities and actions required for Leicester and Leicestershire, based on the Local Economic Growth Plan 2021-30 published by the LLEP in December 2021.

The plan is guided by the four pillars of the plan:

Productive	Innovative	Inclusive	Sustainable
Having the skills to increase productivity. The key to a higher wage economy.	The skills to do things differently, however big or small.	Ensure opportunity is available and accessible and no potential remains untapped.	Adapt to the new greener economy and support industry change.

The plan is also guided by the ambition to have a High Skill, High Wage economy. This has been a long-standing ambition of the LLEP area and is also an aspiration of the current government as a key element of Levelling Up.





Policy Context

There are two significant drivers of the Skills Strategy: one local, one national, that will influence both the content of the strategy and future delivery of skills in the LLEP area.

Local Skills Improvement Plan (LSIP)

Leicestershire was one of only eight areas to be chosen as a Trailblazer for this new government initiative with the local pilot being led by the East Midlands Chamber of Commerce. The LSIP aimed to engage local employers to help influence the skills provision offered locally and address skills gaps.

Following the national pilot programme LSIPs will be rolled out nationally from Autumn 2022. The plan will be central to the local skills agenda and the LLEP Skills Strategy will aim to complement the LSIP.

The local LSIP will involve innovative and complex data use, as well as employer survey data, to provide intelligence to serve local stakeholder groups including businesses, education, policy writers and training providers (including the voluntary sector and pre-employment support).

Levelling Up

The government's Levelling Up policy is a key policy document for skills and will impact the focus and delivery of future work. Skills policies and initiatives outlined in the Levelling Up White Paper include:

- Skills Bootcamps
- Apprenticeships and T Levels
- Higher Technical Qualifications (Level 4 and 5)
- Institutes of Technology (IoTs)
- Local Skills Improvement Plans (LSIPs)

[Levelling Up White Paper](#)



Skills for Life

As part of the Levelling Up agenda, the government launched its new Skills for Life campaign in January 2022 to support adults at all stages of their career to gain qualifications, earn a higher salary, boost job prospects and improve job satisfaction – this includes Skills Bootcamps and Free Courses for Jobs, which allows adults of all ages to take their first level 3 qualification for free.

However, to succeed at Level 3 and beyond, several steps can be required whether it be baseline literacy and numeracy or other steps to enable this, for example digital skills or more general Preparation for Life and Work courses which can be pre-level 1 and are the most popular courses for adults. The role of Adult and Community learning is pivotal here, alongside FE colleges. Statistics show that the LLEP area has more people with no qualifications than the England average and this is particularly concentrated in the city.

Adult and Community Learning statistics

Economic context

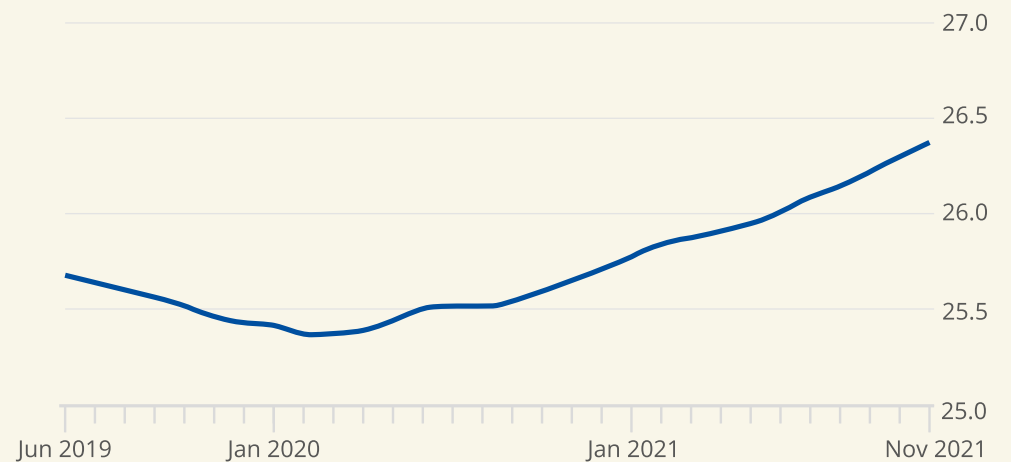
2022 is proving to be another volatile year for both the global economy and the UK economy, with skills shortages one of the biggest challenges faced by employers. Local intelligence tells us that this is not confined to specific sectors but is being felt across the spectrum of work from childcare and hospitality to manufacturing, engineering and construction.

Factors driving the skills shortage include the number of European Union citizens who left the labour market and have not been replaced, along with the high number of skilled workers over 50 who have become economically inactive.

Source: ONS data

The proportion of older people who have left the UK workforce has increased since the start of the pandemic

Inactivity rate (%) of Britons aged 50-64





Work in 2022 and beyond

It has been well documented that the working world is changing on an unprecedented scale. The predicted mega trends (such as automation and low carbon) are already happening with other aspects of 'future work' accelerated by the pandemic, such as increased flexible working and use of technology.

The reality is, what has previously been painted as the future is happening now. Change will continue but the process has started.

The table below shows some of the trends of future work and how a local skills strategy can help to future proof the workforce to thrive in the modern economy.

Future work:

- Mega trends are happening now – digital, low carbon, ageing population
- New ways of working (including flexible time and place)
- Multiple job and career changes
- Planning for jobs that don't exist
- Demographic trends impacting labour supply
- More high skilled jobs and increased use of technology
- Automation of routine jobs
- The future of globalisation is unclear with technology, geopolitics and supply chains all being disrupting forces in recent years

Future proofing the workforce:

- Sound base of digital skills
- More Level 4+ qualified workers
- Lifelong learning, In-work training and reskilling
- Core life skills and behaviours
- Inclusivity
- Local skills ecosystem to support the diverse economy of the LLEP
- Sound evidence base of workforce requirements
- Attracting workers to growth sectors and roles
- Maximising awareness of local skills offers

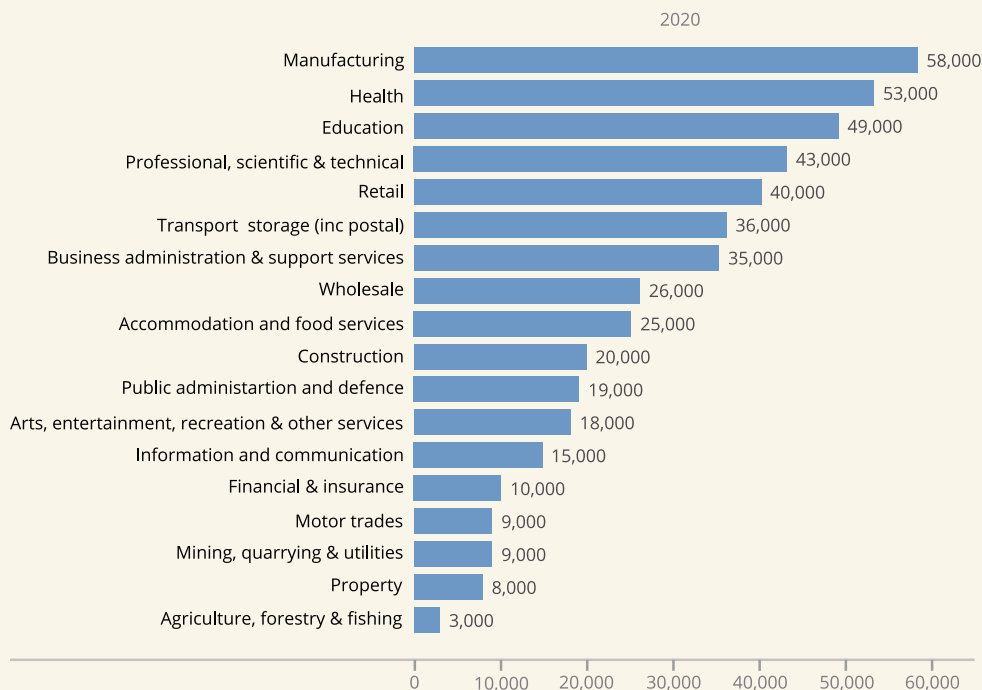
Actions to support the future workforce will be outlined later in the strategy

The local economy

The Local Economic Growth Strategy defined the LLEP area as a diverse economy. The LLEP does have area specialisms, such as Space, where jobs and growth are more concentrated than elsewhere in the country but also vital high-volume employment sectors, such as Health and Education.

The diversity of the LLEP area economy proved to be a strength during the economic disruption of the pandemic with the unemployment claimant rate consistently over 1% lower in the LLEP area than at a national level according to official data.

The graph below shows the number of jobs per sector using the Office for National Statistics (ONS) classifications and data. It should be noted that the data below represents 2020 data when the economy had been hit by the pandemic and employment rates had not yet recovered to pre-pandemic levels:



Key sectors:

In 2021, the LLEP published 15 Sector Profiles of specialist and significant sectors to the LLEP. The work was undertaken by Cambridge Econometrics and considered the following sectors:

- Low Carbon
- Agri Food and Drink
- Advanced Manufacturing and Engineering
- Aerospace and Satellite Technology
- Construction and Development
- Creative and Cultural
- Sport and Physical Activity
- Textiles and Fashion
- Digital Technology and Communications
- Health and Social Care
- Life Sciences and Biotech
- Logistics and Distribution
- Professional and Financial Services
- Retail and Wholesale
- Tourism and Hospitality

The Sector Profiles are available on the LLEP website

Please note – sectors used by Cambridge Econometrics are not comparable with standard ONS sector classifications. Cambridge Econometric sectors are also not discrete and will include overlap due to inclusion of supply chain and back-office jobs featuring in more than one sector.

Growth and volume

It is important to see which sectors are growing but also the sectors with high volumes of jobs that will remain large employers into the future.

Growth in jobs and volume of jobs should not be conflated. Growth in the Space sector will provide high productivity, highly skilled, well-paid jobs and the Aerospace and Satellite Technology sector is expected to employ 4,367 people by 2030.

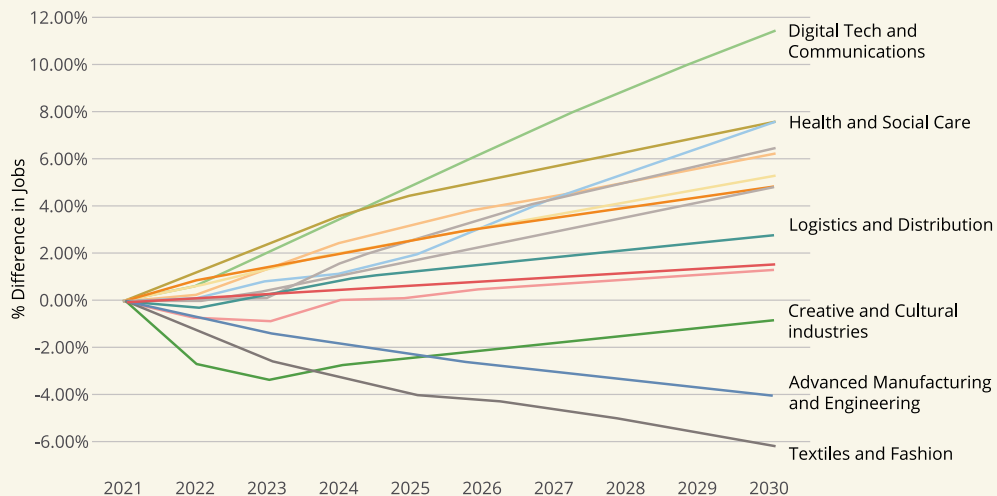
Manufacturing will show negative job growth over the next nine years due to advances in technology (e.g. automated processes) but 77,102 people are still expected to be employed in Advanced Manufacturing and Engineering in 2030.

The volume of jobs is important as even if growth is low, replacement demand i.e. workers to replace those retiring or otherwise leaving, can be significant. The DfE report 'Working Futures' (2020) estimated replacement demand to be between 2-4% per year across different industries. This would mean around 2,313 Advanced manufacturing and engineering jobs using a middle figure of 3%.

The graph below shows that Advanced Manufacturing and Textiles and Fashion are likely to have less jobs in 2030 than in 2020, whereas Digital Tech and Communications, Health and Social Care and Aerospace and Satellite Technology are the main growth areas.



Jobs by Sector Growth 2021 to 2030

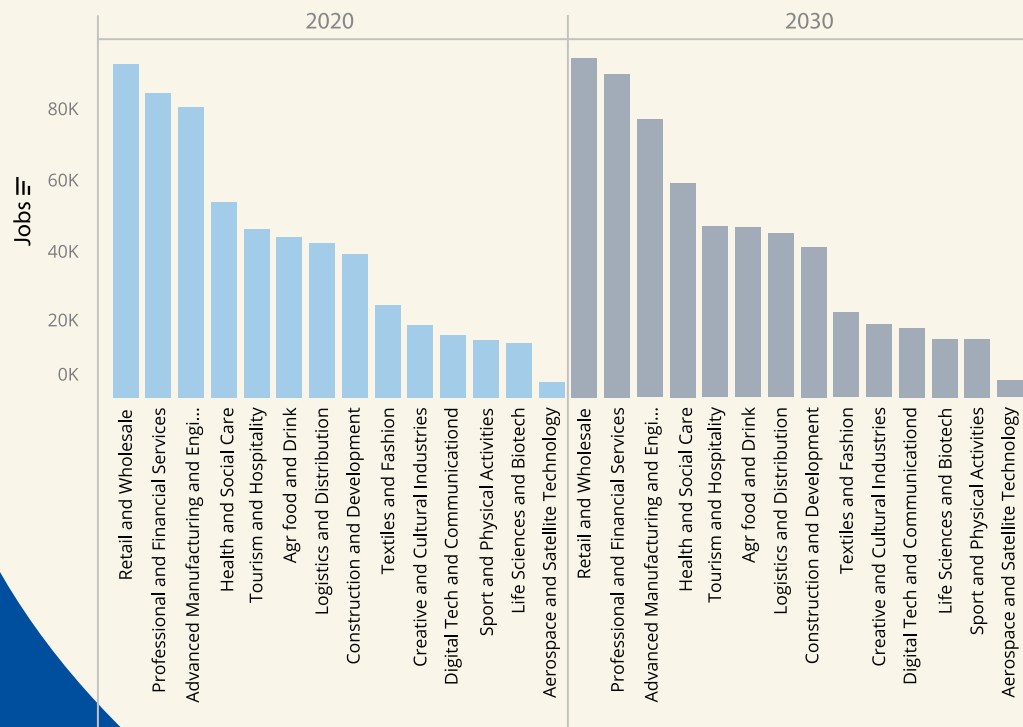


Industry

- Advanced Manufacturing and Engineering
- Aerospace and Satellite Technology
- Agri-food and Drink
- Construction and Development
- Creative and Cultural industries
- Digital Tech and Communications
- Health and Social Care
- Life Sciences and Biotech
- Logistics and Distribution
- Professional and Financial Services
- Retail and Wholesale
- Sport and Physical Activity
- Textiles and Fashion
- Tourism and Hospitality

However, the graph below shows that even over 10 years, the relative growth of each sector is not large enough to alter the order of sectors by size. This is exemplified by the growth sector of Digital Tech and Communications being predicted to still employ fewer people than the Textile and Fashion sector in 2030, despite the number of jobs in the latter being expected to decrease over the decade.

Jobs by Sector



The Sector Profiles also highlight sectors where there are less barriers to entry due to qualifications but are still potentially lucrative careers due to advancement opportunities. The sectors highlighted are:

- Low Carbon
- Advanced Manufacturing and Engineering
- Agri food and drink
- Construction and Development
- Health and Social Care
- Logistics and Distribution
- Retail and Wholesale
- Textiles and Fashion
- Tourism and Hospitality

This demonstrates the different career paths open, both as a young person or an adult in work or seeking opportunities. As part of the Skills for Life policy, different avenues are supported for in-career progression via skills training. These include Skills Bootcamps, University delivered short courses and Apprenticeships (including Higher and Degree Level).

Skills training can also improve employee retention, an increasingly important factor when recruitment becomes more difficult. Retention includes ensuring employees are happy in work, and managerial skills to support employees play a key role here.

“ Skills training can also improve employee retention ”

Future proofing the workforce through common skills

It is estimated that around 9% of the workforce changed their job each year between 2000 and 2018 (source: ONS) and this is before we consider the disruption to the labour market during what is billed as Industry 4.0. It should also be considered that remaining in the same job may require significant retraining, for example a mechanic reskilling to work on electric vehicles.

Before considering specific skills, is worth considering the top 10 work skills identified by the World Economic Forum **What are the top 10 job skills for the future? | World Economic Forum ([weforum.org](https://www.weforum.org))**

Top 10 skills of 2025

- Analytical thinking and innovation
- Active learning and learning strategies
- Complex problem-solving
- Critical thinking and analysis
- Creativity, originality and initiative
- Leadership and social influence
- Technology use, monitoring and control
- Technology design and programming
- Resilience, stress tolerance and flexibility
- Reasoning, problem-solving and ideation

The clear message is that what is taught cross-discipline will lay the foundation on which a fulfilling career can be built, adding sector specific skills and experience, along with education and training as appropriate for each individual.

“ *Many experienced employees who find themselves looking for work often have strong common skills, built through years of employment* ”



Common skills, also referred to as soft skills or Knowledge, Skills and Behaviours (KSBs) are increasingly demanded by employers who feel young people are not always work-ready despite strong academic achievements. Other groups, such as workforce returners, will also need to demonstrate the required common skills.

Many experienced employees who find themselves looking for work often have strong common skills, built through years of employment. Recognition of this by both the job seeker and employer can support a more flexible approach to recruitment, where job specific skills can be acquired via training for the right person.

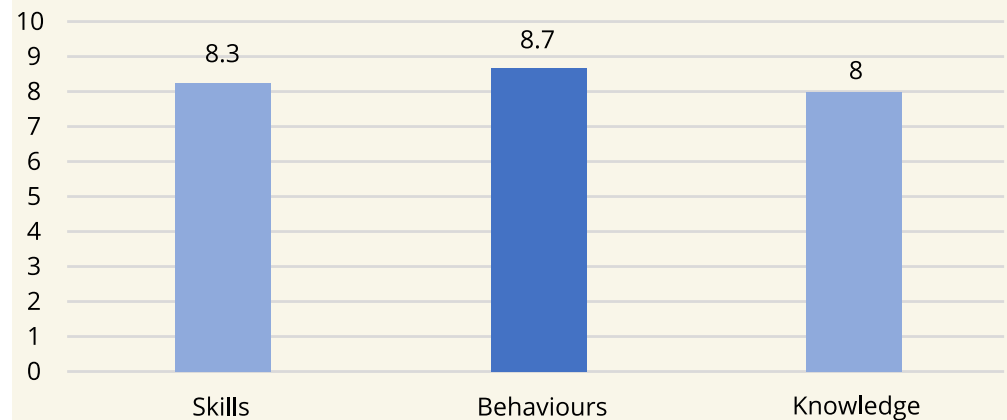
The Local Skills Improvement Plan trailblazer being developed in Leicestershire will specifically look at the KSBs identified by employers in the area and the findings will support the implementation of this strategy.



LSIP findings

An early finding from the LSIP, based on a sample of 120 local businesses in Advanced Logistics; Advanced Manufacturing; and Sport and Health found behaviour to be the most important factor for local businesses, above both skills and knowledge:

How important are the right Skills, Knowledge and Behaviours to the success of your business (ranked 1-10)



Source: Collective Intelligence Skills Observatory (insight-unlocked.co.uk)

“behaviour was found to be the most important factor for local businesses, above both skills and knowledge”

Mega Trends and Skills

There are two particular golden threads that feature in any discussion about future work – **Digital Skills** and **Green Jobs**. But what do those terms mean?

Digital Skills

Digital Skills are represented on the pyramid below as something that are required by almost everyone at a very basic level, both in life and work. From applying for a job, to recording working times, booking leave and receiving instructions. Increasing digital skills does not mean that everybody needs coding skills, but employees face two potential glass ceilings without up-to-date skills:

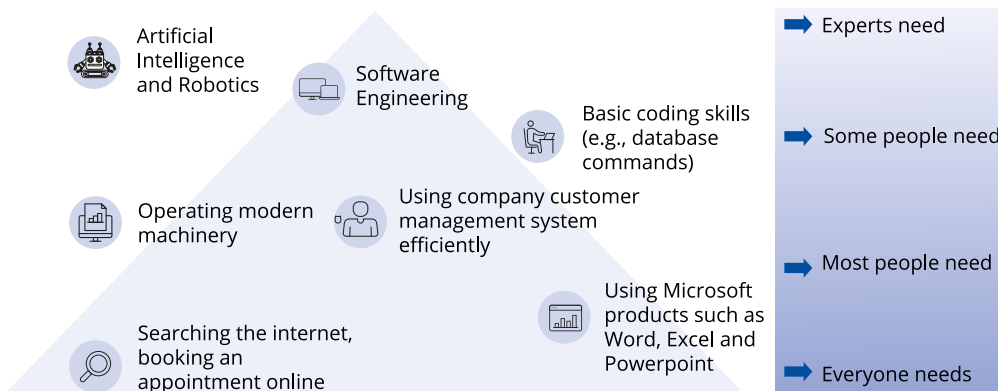
Entry to the job market

- Being able to find and apply for a job online
- Doing the job. Increasingly, entry level jobs require employers to log actions electronically, or send and receive information via devices

Progression in the job market

- Mid-career workers may find progression stalling if they are unable to upskill and use new tools
- Traditionally well-paid occupations such as marketing or information management could be especially susceptible to this.

Digital Skills Pyramid



“Once I started working, I realised how lacking I was in digital skills.”

The importance of digital skills - Case study

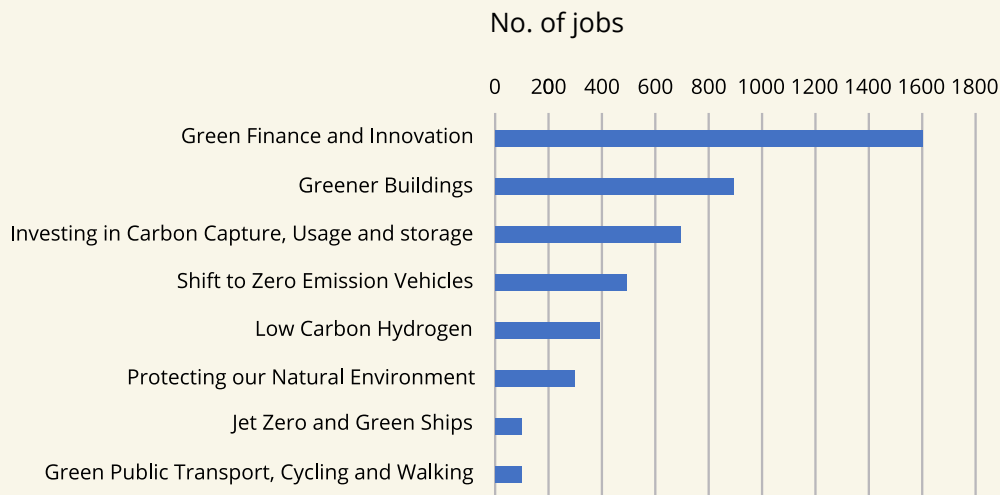
Digital skills requirements are now found in a wide range of jobs which are often viewed as non-technical. An example of the impact on employees can be seen below:

“I have to use a device which monitors speed and efficiency when picking and packing items ordered by customers online. At first, I struggled when logging-in and updating records. My attendance and time keeping was good, I work hard, and my boss says my attitude is great .. but my monthly report flagged my performance as ‘RED – requiring improvement’. After some basic digital training, work has become less stressful and I’m getting more done.”

Green Jobs

Definitions of Green Jobs can be very different, sometimes with a narrow focus on new technologies or ecology; and sometimes with a far wider scope to include a broader range of jobs, supply chain and back-office functions. Cambridge Econometrics have looked in-depth at the kind of jobs that will be created, or increased, due to the decarbonisation of the economy in the LLEP area, by 2030.

No. of Green jobs directly created by 2030



Source: EMSI economic modelling

This graph demonstrates where the volume of green jobs are expected to be found with well-established sectors being the highest employers:

- Green Finance (found within Professional Services, a high-volume area of employment locally and nationally)
- Greener Buildings (i.e. Construction)
- Shift to Zero Emission Vehicles (Motor trades)

This analysis suggests that the bulk of green jobs will be in existing sectors and may require a significant amount of retraining and upskilling for current employees.

The exception to the above is the expected growth in Carbon Capture, Usage and Storage, and Low Carbon Hydrogen. Both are new emerging sectors, focussing exclusively on carbon reduction.

The Cambridge analysis shows a potential 4,500 direct green jobs by 2030 in the LLEP area. The report adds that potentially thousands more jobs could be created indirectly, supported by the increased investment in the local low carbon supply chain.



Demographic Trends

The LLEP recently commissioned De Montfort University to look at the impact of demographics on the local labour market. There have been suggestions that population growth in the UK will plateau in the future and that the UK has an ageing population with an increasing number of people of retirement age. With economic growth demanding skills and labour, it is important to consider how the LLEP workforce may look in the next decade.

What the research shows?

- Leicestershire is projected to see relatively high growth rate of the overall population of around 9% over 2020-2030. This is nearly double the national average.
- Leicestershire is projected to see relatively high growth rate of the working age population of around 7% over 2020-2030. This is well above the national average.
- While there is a tendency towards an ageing population, Leicestershire is projected to see consistently high growth across all age ranges.
- Population growth in Leicester is driven by births, international migration into the city, and internal migration out of the city. By contrast, population growth in Leicestershire is driven by internal migration from other areas (including Leicester city).

The working age population of the LLEP area is predicted to be 720,000 by 2030, compared to 673,600 in 2020. A rise of almost 47,000. The research shows that this is above predictions for the UK, defining Leicestershire as a growth area.

9%

Predicted growth of the LLEP area population (twice national rate)

7%

Predicted growth of LLEP area workforce, above national average

47,000

Predicted rise in LLEP area workforce by 2030

The Future Workforce of Leicestershire – full report

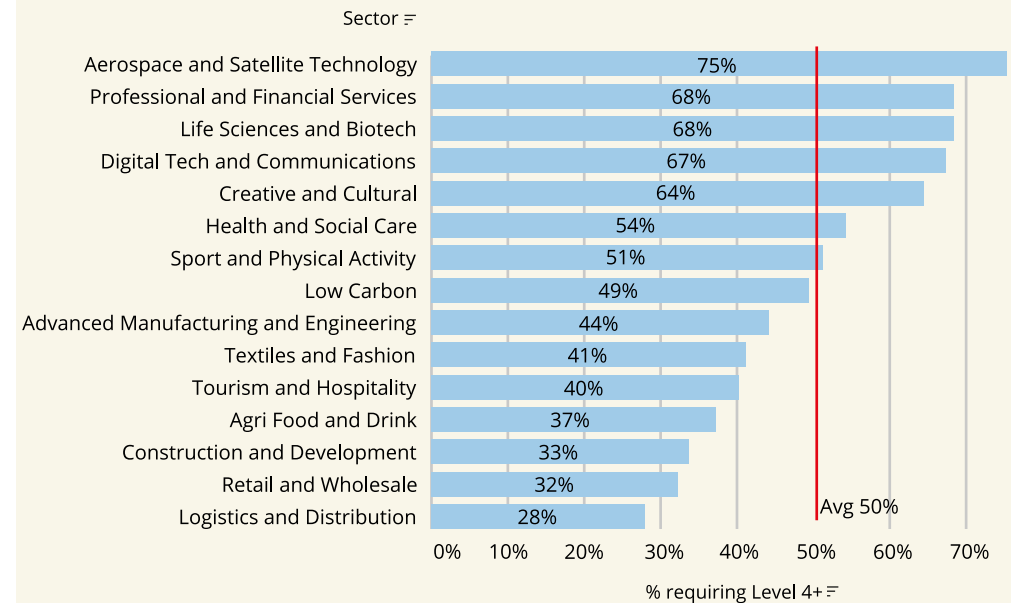




A High skilled Economy

Recent analysis by Cambridge Econometrics for the LLEP suggested that supporting a high skilled economy would mean half of the workforce being qualified to Level 4 or above (this is higher than A Level but lower than degree level) when considering the key local sectors.

Percentage of jobs in sector requiring Level 4+ qualifications by 2024



The latest figures available show that 40% of residents in the LLEP area are currently qualified to Level 4 or above, lower than the England average of 43.1%. However, there is large difference between city and county. Only 35.6% of city residents are qualified to this level and 42.5% in the county. Increasing Level 4+ qualifications outside the traditional university degree route will be supported in the LLEP area by the Institute of Technology in Loughborough; Higher Level Apprenticeships; and Degree level short courses being developed by the University of Leicester and De Montfort University.

The implementation of the LLEP Skills Strategy will be built around the four pillars identified in the Economic Growth Strategy.

The LLEP will work with partners on the following actions:

Productive

Digital Skills

- To maintain and develop the local established Digital Skills Partnerships
- Allocate resource for a partner organisation to drive forward the DSP
- Support to ensure Skills Bootcamps are established and successful in the LLEP area

High skill, high wage economy

- Increased Graduate retention, supported by initiatives such as Graduate City Leicester and working directly with universities
- Support for manufacturing including the Textile industry via Growth Hub initiatives and the government Made Smarter initiative
- Apprenticeships and T-level strategy including work with local colleges
- Promote lifelong learning for the current workforce as part of Skills for Life programme

Business skills

- Support sector initiatives such as local partnership work to support recovery of the Hospitality sector as part of the Tourism growth plan

Innovative

Digital Skills

- Local offer of digital support for SMEs produced by the Skilled Workforce subgroup of the digital skills partnership and backed by dedicated resource
- Support emerging business skills needs by linking with providers and national programmes, such as current work with Microsoft and PayPal

LLEP Innovation board

- Take actions from the Innovation Board steering group to help address skills gaps through innovation

University links

- Promote and support universities offer to employers including and placement and internships offer
- Support local bids such as Short Course challenge and Skills Bootcamps

Local Skills Improvement Plan (LSIP)

- Support the findings and learning from the LSIP work undertaken by the East Midlands Chamber of Commerce
- Funding secured from Careers Enterprise Company for a Data Accelerator project, making practical use of LSIP findings
- Work jointly via the Skills Advisory Panel to implement actions

Continued support for Enterprise zones

- Help to develop Enterprise Zone skills plans
- Enterprise Zone event for school heads and career leaders led by Careers Hub

Inclusive

Digital Poverty

- Seven LLEP projects funded due to begin in 2022
- Harness the willingness of local and national partners to support digital poverty
- Work with the VCS sector for example Moneywise Plus Digital Skills Support

Cornerstone employers

- Work with Careers Hub Cornerstone employers to look at inclusive recruitment practices (e.g. guaranteed interviews)

Special Educational Needs and Disabilities (SEND)

- We Discover effective transitions project for SEND pupils, delivered by the Careers Hub

Support lifelong learning

- Work across city, county and districts to promote Skills for Life adult Level 3 offer
- Raise awareness of careers support services such as National Careers Service and Adult Learning offers, including the earliest stages of learning at Level 1 or below
- Support adults and young people with clear, local labour market information resources

Voluntary and Community Sector and other statutory services links

- Seek out partnerships and opportunities where objectives align and connect to other partners

Apprenticeship Strategy

- Training session with advisers who support adults and young people: how to promote apprenticeships
- Strong links with local training providers and FE colleges
- Funding secured to improve local Apprenticeship Ambassador programme

Careers Hub

- Strong network of employee advisors from local business to inspire young people
- All local schools are now covered in network, raise Gatsby Benchmark scores

Engage small business and micro business

- Update LLEP Building the Workforce of the Future Guide to raise awareness of the benefits to business of offering experience of the workplace
- Simplify area apprenticeship and other skills support information for SMEs

Key Employment sites

- Maintain presence and influence in groups focussed on supporting local employment sites (like EMEG site near East Midlands airport, Mercia Park and Glen Parva Prison build) work with partners to ensure employers know how to recruit local people, utilise apprenticeships and offer options to support those new to the labour market like work experience or work trials

Sustainable

Green jobs including retraining existing workforce (mechanics, retrofitting)

- Increase awareness of jobs to support a low carbon economy
- Support school and college understanding of low carbon jobs
- Assist those who support adults in understanding low carbon jobs, including potential new schemes such as Green Skills bootcamps

Help businesses make the transition

- LLEP Innovation Board to consider how skills transfer can help SMEs decarbonise
- Support Green Skills bootcamps being established in LLEP area
- Support business and education events focussed on green skills