



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

February 3rd 2023

TITLE: *North Wales Skills and Employment Plan 2023-2025*

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1. PURPOSE OF THE REPORT

- 1.1. The North Wales Skills and Employment Plan 2023-2025 (included in **Appendix 1**) has been developed to inform Welsh Government's strategic approach to the delivery of skills and employment provision in the region.
- 1.2. It has been produced by the North Wales Regional Skills Partnership after consultations with regional stakeholders, providers, and industry from April – September 2022.

2. DECISION SOUGHT

- 2.1. To endorse the regional Skills and Employment Plan and the priorities as set out in the plan.

3. REASONS FOR THE DECISION

- 3.1. To report to the North Wales Economic Ambition Board on the Regional Skills and Employment Plan.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. Purpose and Approach

- 4.1.1. The North Wales Regional Skills Partnership (RSP) has been given a key role by Welsh Government in their mission to help break the cycle of low skills, low wages and low productivity. The RSP's role is to identify skills gaps and skills shortages in the region by better understanding the opportunities and investment pipelines and drawing on intelligence of regional employers and stakeholders.
- 4.1.2. The Regional Skills Partnership receives an annual contract from Welsh Government to undertake specific tasks and work packages. The RSP is contracted to deliver a regional employment and skills plan to Welsh Government as well as recommendations for regional and sub-regional priorities for post 16 Further Education and Work Based Learning in line with data, labour market intelligence and employer need. The contract schedule from Welsh Government also contains requirements for the RSP to focus on key policy areas including Net Zero skills, Welsh Language Skills and Digital skills.
- 4.1.3. For 2022-23, the RSP has been tasked by Welsh Government to produce a 3-year Regional Employment Plan. The RSP team have been working with employers and regional stakeholders/providers over the summer. In developing the plan, the RSP carried out a comprehensive review

of economic and policy context, analysis of labour market intelligence along with primary intelligence, which was mainly gathered through our North Wales Employer Skills Survey.

- 4.1.4. To further bolster our survey responses, we held focus groups, workshops and one to one meetings with employers from across our sectors. Over 400 businesses from across the region took part in the consultation process and helped shape the priorities of the plan.
- 4.1.5. Following this period of consultation, the Skills and Employment plan for the region was submitted to Welsh Government for approval and was endorsed and adopted at the Regional Skills Partnership meeting at the end of November, 2022.
- 4.1.6. We recently received approval for the Skills Plan from Welsh Government and will be launching the plan at our Skills Event on 27th January, 2023.

4.2. Overview of the Plan

- 4.2.1. The North Wales Skills and Employment Plan 2023-2025 brings together an overview of the employment, recruitment and skills needs of local businesses and employers, together with the skills that individuals need to achieve their potential. It includes an overview of our economy, labour market and skills landscape as it currently stands, and addresses some of the key challenges that the region will need to tackle in order to have a sustainable skills system.
- 4.2.2. One of the key chapters in the plan is an overview of what employers have told us are the key skills issues and challenges for their businesses and the region as a whole. The region is facing significant challenges due to the combined challenges and the continued impacts of COVID-19, the UK exiting the EU and the current cost of living/energy crisis. Employers are currently reporting acute labour supply shortages and unfilled vacancies across most of the region and sectors, with loss of skilled staff an issue for the Manufacturing sector and staff retention issues in Health and Social Care sector. With fewer unemployed people chasing each vacancy, employers will have to find different ways to find and keep staff including increased wages and other benefits such as flexible and sustainable work.
- 4.2.3. More widely, the evidence from our consultation has indicated the changing nature of the labour market and the different skills set that will be needed to satisfy employer needs in line with Net Zero, Digital developments and Welsh Language. This includes:
 - **Immediate skills gaps** in specific Low Carbon Construction and Retrofit Construction such as Retrofit Coordinators, Retrofit Assessors, Surveying, Design and Energy Evaluation.
 - 43% of respondents in our Employer Skills Survey (May 2022) said that they anticipate some new job roles and/or skills within their organisation over the next three years to be considered as **'green jobs'** and aligned to Net Zero.
 - **Digital transformation** which has exposed skills gaps in all areas of digital skills, but particularly in advanced areas such as **coding, social digital marketing and cyber security**.
 - Employers across all sectors are planning to recruit for the following digital roles over the next year: Data Analysts, Software Developers, IT Support, Robotics, AI Specialists, IT Networking, Data Processor and Desktop Support roles.
 - 48% of employers in our Employer Skills Survey (May 2022) said that they struggle to recruit and/or retain a workforce with the right level of digital skills.
 - A number of employers across many sectors struggle to recruit people with the right level of Welsh language skills

4.2.4. The Plan also focuses on the 8 key and growth sectors in the region. The 'Spotlight on our Sectors' section of the plan details the skills challenges, issues and priorities that are facing each of the sectors, and things that need we need to focus on to address the challenges.

4.3. Priorities of the Plan

4.3.1. The plan brings together our vision, priorities and actions for to overcome some of the challenges and issues outlined above. These priorities and recommendations will dictate the RSP's activity over the next three years. Underpinning all issues and priorities is the need for more robust Labour Market Intelligence:

Priority 1 Enabling and Empowering Employers

- Encourage employers to invest in their brand, and wider 'North Wales' brand, to attract the region's workforce by promoting opportunities and progression routes into sectors
- Support employers to extend their reach to a wider group of North Wales residents and other local talent pools and diversify their workforce in light of changing demographics and ageing workforce by promoting fair work practices
- Increase employer awareness and access to support available to employers via skills and employment programmes via campaigns, roadshows and expos
- The 'fit' between local employer skills and recruitment needs and the courses/ training/qualifications that the local and national training providers deliver
- The links between local employers and young people to inspire and inform them about local career opportunities and help them make informed decisions about jobs and careers
- Promotion of the benefits from Apprenticeships and work based learning opportunities, including Shared Apprenticeships and Degree Apprenticeships
- The 'fit' between local employer skills and recruitment needs and the courses/ training/qualifications that the local and national training providers deliver

Priority 2 Enabling and Empowering Individuals

- Developing the talent pipeline within and from education, schools, apprenticeships, FE and HE; and empower education leavers to positively respond to the need of North Wales' employers.
- Ensuring that all individuals know their options when it comes to their career path and make sure that people are connected to the opportunities that living in North Wales presents by producing quality labour market information.
- Attracting and retaining a high-quality workforce in North Wales, focusing on our local population and selling North Wales as a great place to live and work.
- Engagement into work, and promoting routes into sustainable jobs / careers for individuals.
- Promoting re-skilling and up-skilling opportunities for current workforce across our sectors and expanding support for career switchers.
- Develop a strong and clear pathway for NEET, veterans, ex-offenders, refugees, those recovering from long term health conditions and over 50's to upskill, re-skill and re-enter the workforce are required.
- Promoting work experience opportunities for pre-16 and post-16 individuals.
- Incentivising the people of North Wales of the benefits of lifelong learning.
- Promote Enterprise and Innovation skills across all stages of the employment pathway.

Priority 3 How support is provided and making the connections

- Bring support providers and key stakeholders together
- Develop the support providers (e.g. mentoring the mentors)
- Understanding what works - collecting and sharing good practice

- Promote streamlining and de-cluttering - avoiding duplication and encouraging simplicity
- Supporting the development of an agile approach that can respond to needs now and, in the future
- Challenging policy and promoting evidence-based policy and decision making

4.4. Next Steps

4.4.1. The next stage for the RSP will be to develop these priorities and recommendations into a more specific and detailed action plan, which will be a shared delivery plan for the region for the next three years. The priorities articulated here will be further refined and delivered in a number of different ways, to make the most of resource capacity and partnership working.

5. FINANCIAL IMPLICATIONS

5.1. No request from RSP for NWEAB to finance their mainstream function, although subsequent projects may have a resource implication.

6. LEGAL IMPLICATIONS

6.1. None at this stage.

7. STAFFING IMPLICATIONS

7.1. None at this stage.

8. IMPACT ON EQUALITIES

8.1. None identified.

9. CONSULTATIONS UNDERTAKEN

9.1. Consultation has taken place with the regional forum across, the North Wales Regional Skills Partnership Board and employers, providers and stakeholders over the summer 2022.

APPENDICES:

Appendix 1 North Wales Skills and Employment Plan 2023-25

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Host Authority:

“Any observations will be provided at the meeting.”

ii. Statutory Finance Officer (the Host Authority’s Section 151 Officer):

“The report notes that there is no direct financial implication on the Ambition Board of adopting this scheme, and I support its contents. Any applications for funding for individual projects will need to be subject to the normal arrangements.”

