West Midlands Skills Agreement 2018

July 2018
## Contents

Summary 3

   Expiry or review date 3
   Who is this publication for? 3
   Main points 3

West Midlands Combined Authority Skills Agreement July 2018 4

   Apprenticeship Ambition 4
   Apprenticeship Transfers 4
   Apprenticeship Promise 5

Making the West Midlands a technical education centre of excellence 5

Digital Skills Revolution 6

Careers 6

Evaluation 7
Summary

This skills agreement sets out the way the Government will work with the West Midlands Combined Authority to tackle skills challenges in the region.

Expiry or review date

This document will be reviewed before January 2020

Who is this publication for?

This document is for:

- Local authorities
- Mayoral Combined Authorities
- Local Enterprise Partnerships
- West Midlands Further Education Colleges and private training providers
- West Midlands Employers
- Careers Leaders in Schools and Colleges

Main points

This skills agreement between the Government and the West Midlands Combined Authority will boost digital and technical skills, job opportunities and productivity across the region – supporting more young people and adults into work as well as upskilling and retraining local people of all ages.

This package will inform the West Midlands’ Local Industrial Strategy.
West Midlands Combined Authority Skills Agreement
July 2018

1. The Government’s modern Industrial Strategy sets out plans to tackle long-term challenges for the UK economy, with explicit aims to boost productivity and earning power for all. Employers and the Government working together to equip people with the right skills is a key foundation to achieving this.

2. The Industrial Strategy committed the Government to working with the West Midlands Combined Authority (WMCA) through a new skills agreement, paving the way for its Local Industrial Strategy. This builds on the ongoing pilots the Government is delivering with the West Midlands to support more people into employment, and the commitments set out at Autumn Budget 2017. It also builds on and complements wider investments directly to West Midlands skills providers ahead of T Level rollout and any successful Institutes of Technology.

3. The substantial package of agreements and investment set out here help to deliver the West Midlands Combined Authority’s Regional Skills Plan, as well as the Government’s Midlands Engine Strategy.

Apprenticeship Ambition

4. WMCA will establish a regional Apprenticeship and Technical Education Taskforce in partnership with the Government.\(^1\) The taskforce will bring together national and regional work on employer engagement, communications and online platforms.

5. The Government commits to enhance plans for communications activity within the WMCA. This will include targeting businesses, promoting apprenticeships in schools and building capacity with local intermediaries, for example the local Chambers and Federation of Small Business, to advise SMEs on apprenticeships.

6. The Government commits to supporting WMCA with its work to drive up apprenticeship starts with small and medium-sized employers in high priority areas. WMCA and the NAS will work together to raise awareness of apprenticeships, take advantage of levy transfers and joint purchasing and encourage greater diversity across apprenticeships.

Apprenticeship Transfers

7. The Government will work with WMCA to convene employers so they can use their joint purchasing to turbocharge the number of apprenticeships available in the West Midlands. WMCA aims to unlock £40m of extra purchasing of apprenticeships over five years. WMCA will work with public and private sector levy payers, including those whose headquarters are outside of the region but with

\(^1\)Department for Education (DfE) including the Education and Skills Funding Agency (ESFA)/National Apprenticeship Service (NAS), and Department for Work and Pensions (DWP).
a significant regional presence.

**Apprenticeship Promise**

8. The Mayor of West Midlands commits to working with local employers to make sure an apprenticeship or training place is available to every young person in the region that wants one. The Government applauds this commitment.

9. For young people who are disadvantaged and need extra support to gain an apprenticeship:

   - The Government\(^2\) will work with WMCA to promote traineeship and Sector Based Work Academy opportunities as routes to apprenticeships.

   - DfE commits to piloting an expansion of the Apprenticeship Support and Knowledge Programme with schools in WMCA region, dedicated to raising awareness and working to promote financial support on offer to employers to help young people access the training they need.

   - Government will support WMCA to map local provision for young people at risk of being NEET, and identify how they can be more effectively engaged and supported to benefit from training opportunities and apprenticeships.

   - DWP will work with WMCA to support the testing of ‘progression coaches’ in Birmingham and Solihull. These will support and mentor unemployed and disadvantaged young people as they work towards gaining and progressing in an apprenticeship or other job.

**Making the West Midlands a technical education centre of excellence**

10. WMCA will establish a joint technical education and apprenticeship taskforce with the Government\(^3\) to bring together national and regional work on employer engagement, communications and online platforms.

11. As part of this, we will develop and implement a joint employer engagement and communication plan to ensure a coherent approach to T Level development and implementation across the region.

12. The Taskforce will also oversee a strategic approach to investment applications from T Level providers across the West Midlands. This will build on the £6.5m investment in the West Midlands to prepare for T Level industry placements and

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\(^2\) DfE and DWP

\(^3\) DFE, including ESFA/NAS and DWP
further support for the nine T Level early adopters in the region. The Taskforce will develop an evidence-based approach to target any future funding, complementing existing provision to deliver high quality technical education that meets the skills needs of the region.

13. The Government will also work with WMCA as DfE continues to develop work on transition support for young people to access T Levels.

Digital Skills Revolution

14. With three bids that involve WMCA providers moving through to the second stage of the Institutes of Technology competition, Government welcomes the priority the region puts on equipping learners with the skills, including digital skills, needed by employers now and going forward to boost productivity in the region.

15. The Government commits to supporting WMCA further to boost digital skills locally and the Government will support the launch (likely in the autumn) of a pilot Local Digital Skills Partnership in the West Midlands. This will include a grant from DCMS to fund the appointment of a regional coordinator for 12 months.

16. The Government will make up to £5m available to WMCA to work with employers and DfE to design, operate and evaluate a pilot to inform the National Retraining Scheme (NRS) to drive adult learning and retraining in digital as well as wider technical skills.

17. The Government will allocate to WMCA a proportion of funding announced in the Autumn 2017 budget for AI and edtech for adults to invest in cutting-edge machine learning applications in the region to support the delivery of adult learning. This money will go towards a fund which will challenge firms to build an open source AI product that local college and providers can integrate into existing online platforms to improve the delivery of key skills in the area.

18. The Government will allocate a proportion of the expanded Cyber Skills Immediate Impact Fund (CSIIF) exclusively for initiatives that take place in WMCA region. This will open up funding opportunities for a range of organisations to develop new, creative and innovative approaches, or to scale up existing initiatives, that boost numbers and diversity of adults entering the cyber security profession quickly.

Careers

19. The Government’s careers strategy commits to testing career ‘hubs’ which will link schools, colleges and other local organisations to drive progress against the Gatsby benchmarks and improve career outcomes for young people.

20. The Government announced in July that there would be a careers hub in the Black Country to explore the practicalities and impact of putting the Gatsby benchmarks
into practice. The hub will start from September 2018. We will build on this by committing to a strategic partnership with WMCA on careers and employer engagement working with the Careers and Enterprise Company. Funding for these career activities will total £1m.

21. The Government recognises the importance of work experience for secondary school students, inspiring young people, helping them decide on future careers, and to demonstrate their potential to future employers. We will support schools and employers in the West Midlands to find and offer opportunities by investing in an online work experience portal to be in place for testing, from September 2019.

**Evaluation**

22. The Government and WMCA will work together to make sure outcomes are captured from this work. It will be key for Government, MCAs and other local areas to learn from this partnership and pilots.

23. This package will inform the West Midlands’ Local Industrial Strategy.