

Skills Strategy for Exeter  
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## A Skills Strategy for Exeter

***“By the time they are an adult, a child born in Exeter today will live in a city that is inclusive, healthy and sustainable – a city where the opportunities and benefits of prosperity are shared and all citizens are able to participate fully in the city’s economic, social, cultural and civic life.”***

***“Employers will be able to recruit, nurture and retain a skilled local workforce as well as attracting the best global talent. “***

*Exeter Vision 2040*

### **Executive Summary**

The Skills Strategy for Exeter is intended to highlight the significant role that the skills of our workforce and residents play in the success of our economy, enabling the productivity of the city to grow and for everyone to be actively engaged. The identified, evidence-based priorities will provide focus for the strategy and for all the partners engaged. There are many different organisations, initiatives and key partners that are integral to the direction and delivery of the skills agenda for Exeter. The City Council is one of those partners, and this strategy will highlight our central role.

The strategy acknowledges the wide range of strategic and operational initiatives that are underway across the city, including; the development of the ‘Skills Escalator’ approach in Data Analytics, and the scope to extend to other sectors, such as; health, construction and aviation, the successful bid for the South West Institute of Technology and many others. The City Council will play a role in supporting our key strategic partners; Exeter College and the University of Exeter, as well as the Training Provider community, businesses and others in the development and delivery of a wide range of initiatives to address the identified priorities. This is particularly highlighted under the work streams to support our identified growth and future potential sectors, and the requirement for higher level skills within our businesses.

We also acknowledge the role that the city plays in the wider functional economic geography and the relationship between residents and businesses of the city and surrounding areas, in relation to employment and the demand and supply for skilled labour. We will work with our neighbouring local authority colleagues, and other key strategic partners as appropriate in the delivery of the strategy.

Developing and maintaining partnerships has been acknowledged as a key part of the delivery of this work, and the City Council will seek to add value to the work of others, or to lead whenever it is appropriate.

## Exeter Skills Strategy

### 1. Setting the Context

This Strategy highlights the significant role that skills play in the success of our economy as an enabler of productivity and sustainable growth and as a tool for equality and inclusion, ensuring everyone has a stake in our cities' success.

Exeter is a growing city. The most recent data we have suggests its population has grown by 1% or more for each of the last two years, considerably more than most cities, giving it an estimated current population of over 130,000 people.<sup>12</sup> City economies are predominantly driven by their businesses and Exeter is no exception. The overall number of businesses in a city, as well as the number of new business start-ups and closures, are all good indicators of the strength of a city's economy. Between 2016 and 2017, the number of business closures nationally increased by 24%. Exeter was the only major city in England between 2017 and 2018 where the number of closures fell (-2.0%) hinting at an unusual Exeter business dynamism.

Though focussed primarily on Exeter it is important to recognise that increasingly Exeter's economy is linked to its wider region. Towns such as Okehampton and Newton Abbot used to have their own 'Travel to Work' geographies – but are increasingly found to now lie within Exeter's Travel to Work area. This gives Exeter a large 'functional geography'<sup>3</sup> which is increasingly dependent on the City for its jobs, retail and leisure.

There are a relatively low number of large enterprises within the area, but these employ a significant number of highly-skilled employees and are therefore extremely important when looking at the associated training and skills delivery – the Flybe Engineering Apprenticeship being a fine example.

It can be a challenge to see where a small regions real competitive edge in a globalised economy will lie. In Exeter it is almost certainly in the intersection between data analytics and environmental intelligence. The existing Exeter and the Heart of Devon Shared Strategy has incorporated the aim of the Innovation Exeter programme - committing to establishing the Greater Exeter Region as *“one of the UK's leading knowledge economies, foremost in the areas of high performance computing, data analytics and environmental futures.”* Further, it states that, *“Analytical skills are at the heart of any successful city development programme of the future. The skills element of Exeter's approach is comprised of 4 proposals: “Exeter Digital and Data Education Hub (EDDE-Hub)”, “Sparx Roll-out”, “Skills Escalators” and leadership of the “South West Institute of Technology””.*

This complements two of the three Heart of the South West LEP's priorities: 'Clean Energy' and 'Digital Futures' and its identification and communication is helping to attract additional funding, such as the recent Environmental Intelligence Accelerator bid (£32m) and the Industrial Digital Technology Hub (£65m).

Chris Skidmore, the new Universities, Science, Research and Innovation Minister stated recently: *“We believe the future of the UK's prosperity - lies in making our nation a global science superpower. Meeting the global challenges that are facing us will be found in investing in R&D, new technologies and our world leading scientific expertise. Cutting-edge ideas, advanced technologies and rewarding new jobs will power our economy and transform our society.”* This recognises that without considerable investment in infrastructure, technology and skills there will be little potential for the

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<sup>1</sup> ONS 2018, Population estimates, 2016 and 2017 data

<sup>2</sup> ONS, 2019, Population estimates, 2017 and 2018 data.

<sup>3</sup> Functional regions are made up of a central place and surrounding areas affected by it.

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rest of the UK to catch up and that the kinds of solutions and investment being targeted at the Northern Powerhouse and Midlands Engine are also needed in the 'Great South West'. R&D and universities have been earmarked for potentially large investments – but these must have a societal/economic impact. This is on top of relatively new initiatives such as the Industrial Strategy Challenge Fund and the Strength in Places Fund.

The existing UK Industrial Strategy sets out a series of Grand Challenges to put the UK at the forefront of the industries of the future, ensuring that the UK takes advantage of major global changes, improving people's lives and the country's productivity. The first 4 Grand Challenges are focused on the global trends which will transform our nation's future: artificial Intelligence and data; ageing society; clean growth and; future of mobility. The Greater Exeter region is already active in researching and investing in a number of these. The South West Institute for Technology (SWIoT) and Environmental Futures and Big Data Impact Lab are both recent innovations seeking to drive up employer demand and capability and the subsequent supply of suitably skilled workers. New qualifications, including degree apprenticeships are also now available in the city and the Greater Exeter Data Analytics Skills Escalator is a response to the AI and Data and Clean Growth priorities.

Whilst Exeter City Council has relatively few levers when it comes to skills, it does have a role in bringing together the key players in the City and setting the direction of travel. This necessitates working in partnership with many players - Central Government, Colleges, employers, Devon County Council and our Local Enterprise Partnership. This Strategy therefore brings together many strands of activity setting out a bold direction of travel for the next few years. It complements the Exeter Vision 2040, seeking to build on Exeter's growth and success and recognising the three main drivers of activity: Tackling congestion and accessibility; promoting active and healthy lifestyles, and; building great neighbourhoods. It also complements Exeter City Council's Corporate Plan (2018 – 2021) and the UK Industrial Strategy with Exeter as an engine for regional growth. The recommendations and actions generated within our Strategy target employment, education, social inclusion and poverty reduction. The role of the Skills Strategy in supporting the delivery of the Exeter Vision 2040 and Exeter City Council's Corporate Plan is set out in Appendix 1.

### **Why Skills?**

The Gross Value Added (GVA - a measure of productivity) for Exeter is £54,300 per worker, below the GB average of £57,600 but on a par with a number of smaller UK Cities including Derby, Cambridge and Oxford. Driving up skills is a key component in ensuring the UK improves its productivity. The regions have long lagged behind London and much of the South East when it comes to productivity levels. The recent (2019) General Election and the gains achieved by the Conservative Party in the Midlands and Northern England have in part focused political minds on a need for a levelling up of economic performance and productivity. Skills will be an important part of any strategy to improve productivity, therefore ensuring we have clear ambitions, such as those set out in this strategy, and a means to deliver them are extremely timely.

The international consultants McKinsey (2018)<sup>4</sup> identified four phenomena to explain much of the recent decline in labour-productivity growth, to which the UK in particular, has suffered — financial sector boom and bust, employment growth, investment decline, and uneven digitization. To overcome this they recommend 'skill building' for the existing and future workforce and managers; accelerating adoption of digital technologies through better information, access to finance, collaborations, and a favourable policy environment; and promoting additional investment and

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<sup>4</sup> Solving the United Kingdom's productivity puzzle in a digital age  
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exports. In terms of solving this problem with productivity, McKinsey, prioritised improving education and skills: *“It is well understood that enhancing employees’ skills is critical for driving productivity growth and maintaining high levels of employment in an era of rapid technological change.”*<sup>5</sup>

Exeter achieves consistently high employment levels<sup>6</sup> registering the seventh highest for any major GB city (ONS 2018<sup>7</sup>) at an impressive 79.1%. The corresponding claimant count rate was less than 1% (0.9%), the third lowest in the Centre for Cities Outlook studies for both 2019 and 2020.

The composition of employment in Exeter is also important. Whilst private sector jobs outnumber public sector ones by a factor of 1.8:1 (61,000 – 33,500)<sup>8</sup>, by contrast cities like London and Reading have ratios of 3.6:1 and 3.7:1. This impacts both on priorities – a recognised desire to grow an innovating and high skilled but rather small private sector, but also a need to ensure the public sector workers, much of which in the City is high skilled high wage (health and education in particular) also have access to the skills they will need to progress.

Exeter’s recent renaissance has been recognised<sup>9</sup>. A 2019 research summary by Ron Martin of Cambridge University and co-authors identified a group of 27 cities which have “pulled ahead” of the national average in Industrial Strategy Council: UK Regional Productivity Differences in terms of productivity growth over the past three decades. This group includes cities such as Cambridge, Reading, Derby, *Exeter*, and Leamington Spa.<sup>10</sup>

Further information relating to the Future of Work is contained in Appendix 2.

## Skills and Inclusion

Government priorities around ensuring all have access to skills include the new National Retraining Scheme which will support adults whose jobs are at risk due to automation and who wish to retrain and find better jobs to work in new growth sectors; an adult apprenticeship programme funded through an employer levy; a Flexible Learning Fund which has been launched to stimulate new delivery methods that make learning more attractive and easier to access for adults; and continued support for the Union Learning Fund which has successfully targeted low skilled workers for a number of years.

The Conservative manifesto for the 2019 General Election continued the pledge to create a ‘United Kingdom Shared Prosperity Fund’ to replace Structural Funds (ESIF - ESF & ERDF) with a UK funding system. This Fund would be intended to reduce inequality between communities across the four nations and to deliver sustainable, inclusive growth: *“We want to ensure that we are not just*

<sup>5</sup> <https://www.mckinsey.com/featured-insights/regions-in-focus/solving-the-united-kingdoms-productivity-puzzle-in-a-digital-age>

<sup>6</sup> ONS Annual Population Surveys

<sup>7</sup> Resident’s analysis, Jul 2016 – June 2017 and July 2017 – June 2018. Confidence intervals for this data though are high (7%) and this ‘leap’ should be treated with caution.

<sup>8</sup> ONS 2019, Business Register and Employment Survey, 2018 data.

<sup>9</sup> Zymek, R and Jones, B (2020). UK Regional Productivity Differences: An Evidence Review. Industrial Strategy Council Research Paper.

[https://industrialstrategycouncil.org/sites/default/files/attachments/UK%20Regional%20Productivity%20Differences%20-%20An%20Evidence%20Review\\_0.pdf](https://industrialstrategycouncil.org/sites/default/files/attachments/UK%20Regional%20Productivity%20Differences%20-%20An%20Evidence%20Review_0.pdf)

<sup>10</sup> Martin, R., Bailey, D., Evenhuis, E., Gardiner, B., Pike, A., Sunley, P., and P. Tyler (2019). The Economic Performance of Britain’s Cities: Patterns, Processes and Policy Implications. City revolutions. Retrieved from: <https://www.cityevolutions.org.uk/wp-content/uploads/The-Evolving-Economic-Performance-of-Britain%E2%80%99s-Cities-Patterns-Processes-and-Policy-Implications.pdf>

*tackling inequality between communities through investments in infrastructure and business but that we are also empowering individuals to give them the skills they need to succeed. That is why we will use the opportunity of Brexit to replace the ineffective and bureaucratic European Social Funds (ESF) with a tailored, individual-centred skills programme through the UK Shared Prosperity Fund."*

The recent national UNISON study by the University of Exeter found that even in the public sector members with no or low level qualifications were considerably less likely than their more highly qualified peers to have undertaken any learning. Ensuring a local offer that targets those most in need and the hardest to reach and least likely to train is essential. But this is by definition a challenge. Adult Learning Budgets are far smaller than in previous decades and routes within workplaces (such as the Union Learning Fund) remain quite small resources. Exeter has particular wards where progression from State Schools in Higher Education<sup>11</sup> is very low, and even where participation is higher, percentages still lag behind the national average.

There is also a strong gender dimension to expected employment changes that must inform inclusion programmes. Gender gaps appear to be more pronounced within both high growth and declining job families. For example, women make up low numbers in the fast-growing STEM job families and female employment is also concentrated in low-growth or declining job families such as Sales, Business and Financial Operations and Office and Administrative. This may lead to a possible reversal of some of the gains made in workplace gender parity over the past decade.

With the digitalisation of services and support ensuring citizens can be active online is important for social inclusion – as is seeking to ensure that ESOL remains available for those who need it. People need digital competence to be able to participate and benefit from digital opportunities - but also to mitigate possible risks. In 2018 over 4 million UK citizens were estimated by the Office for National statistics to have no digital skills. Almost a third (29.3%) of the UK population aged between 16 and 74 has insufficient digital skills, as demonstrated by the Digital Economy and Society Index (DESI) indicator on digital skills<sup>12</sup>. Digital competence – or the confident and critical use of ICT tools in these areas - is vital for participation in today's society and economy.

In Exeter there is scope to work with employers to help those farthest from the labour market to access sustainable employment including those with disabilities, and other barriers to employment who nonetheless can offer much to the right employer.

### **A highly qualified workforce**

In Exeter over 40% of the working population has a degree level qualification - ranking it 17<sup>th</sup> out of 63 cities in the GB geography of the Cities Outlook 2020 report<sup>13</sup>. This is relatively high but there is scope for improvement and given Exeter is 2<sup>nd</sup> in the same study for having the lowest proportion of adults with no formal qualifications (4.3%) it indicates a workforce with considerable intermediate qualifications with the potential to progress to higher levels, if the opportunity is there.

Exeter is one of the least affordable cities for housing in the UK<sup>14</sup> with house prices high and incomes relatively low. Consequently with lower prices for those commuting often considerable distances, it is not surprising to see those with the least potential to earn high salaries moving away from the

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<sup>11</sup> Source: Office for Students (2020)

<sup>12</sup> [https://ec.europa.eu/information\\_society/newsroom/image/document/2018-20/uk-desi\\_2018-country-profile\\_eng\\_B4415D06-056C-DDB7-6B695AFEDFB5F952\\_52236.pdf](https://ec.europa.eu/information_society/newsroom/image/document/2018-20/uk-desi_2018-country-profile_eng_B4415D06-056C-DDB7-6B695AFEDFB5F952_52236.pdf)

<sup>13</sup> Centre for Cities Outlook, 2020.

<sup>14</sup> <https://www.business-live.co.uk/economic-development/exeter-least-affordable-place-uk-16925001>

City. 'Gentrification' of this kind is not uncommon but in terms of skills it places one particular pressure on policymakers – to ensure that where good new jobs are being created, local workers have access to the skills and training needed to access them. This necessitates placed-based interventions of which the Greater Exeter Data Analytic Skills Escalator is a fine example.

Apprenticeships remain paramount in Government thinking around skills and this has been further emphasised by the recent arrival of T-Levels. A challenge for the Strategy will be ensuring that local employers embrace vocational training opportunities that now include BTECs, HND/HNC, NVQs, T-Levels (A-Level equivalent) all the way to Postgraduate Apprenticeships. In terms of smaller employers accessing apprenticeships there is positive news that government seems to be moving towards an opening up of funding and opportunities to non-levy paying companies.

### **Place-based solutions**

This Strategy acknowledges the wide range of strategic and operational initiatives that are underway across the city, including the development of the Greater Exeter Data Analytic Skills Escalator and we propose exploring the potential of extending this model into the health, construction and aviation sectors.

In the recent Centre for Cities Outlook 2020 a medium-sized university city (Cambridge) had the largest gap between the wealthiest and poorest communities. The Greater Exeter Data Analytics Skills Escalator is an approach that seeks to try and help prevent this happening in Exeter by firstly identifying the key skills that will be pivotal to the city's success - Data Analytics with a particular focus on environmental intelligence at the higher end of the qualifications spectrum – and then seeking to put in place a series of developments and opportunities to ensure that those in the region can build their skills and competences in this field. The aim being to ensure local workers and citizens have access to these careers.

Efforts aimed at closing skills gaps and tackling skills shortages will increasingly need to be grounded in a solid understanding of a region or industry's skills base and of the changing future skills requirements. The University of Exeter is part of the Skills Advisory Panel (SAP) providing labour market information to the LEP region and can be a resource for evidence-based policy on skills.

Our research accompanying this strategy has identified many issues and priorities that help illustrate why action is needed now. Within the study we found that 48% of vacancies in Exeter were 'hard to fill' compared to only 33% in England. 1/3 of businesses identified skills gaps in their workforce, 73% said staff would need new skills or knowledge in the next 12 months but only 20% are employing an apprentice - demonstrating the potential to develop and support this offer in the city. Solutions to these problems will include sectoral interventions such as Building Greater Exeter and steps aimed at retaining talent through linking with the university and others to create an offer for recent graduates to help ensure they stay in the region and recognise its attractiveness as a place to live and work.

Employment growth for the city is forecast to be of the order of 9,000 full-time equivalent jobs by 2029, primarily in the higher skilled and qualified occupations. Given part-time working this number equates to around 12,000 people. However, the population projections only indicate an increase of around 6,000 people of working age in the city – and a corresponding labour shortfall of another 6,000 working age people. The jobs will be there, the challenge is to ensure our citizens have the skills to embrace them.

Our research underpinning this Strategy also identified a “gap” in the occupational profile of the city’s residents (typically skilled trades and caring, leisure and service occupations) which indicates the inter-dependence of the city and its economy with its neighbouring areas, as these roles are primarily filled by residents of the surrounding geographies. Consideration need to be given to the longer-term impact of this on social cohesion, travel patterns and training, particularly as the employment and population projections (and factors such as house prices) suggest this trend will continue.

### **Partnerships**

This work has been undertaken with a back drop of local government cuts which since 2010 have impacted considerably. Fields critical to skills development such as economic development and inward investment lack statutory protection and have suffered accordingly. The capacity of Local Government to deliver major investment in skills and other fields has been dented. Despite these challenges, the council is committed to delivering on this strategy and supporting the development of skills across the city.

Given this lack of resource, partnerships will be pivotal to delivering recommendations and actions in this document so it is heartening that Exeter’s success has come down at least in part, to an ongoing commitment from the major employers and partners in the City. Exeter College, the University of Exeter and key employers like the Met Office have demonstrated a willingness to work in partnership to address priorities where the City Region can be seen to have a genuinely global competitive edge. Examples of successful partnership working include the growing work programme around Building Greater Exeter and the new Exeter Place Board facilitating city-wide partnership working.

### **In summary**

Exeter has a long and proud history as a successful City in the Heart of the South West with a high quality of life and role as a market-place and business-hub for the region. Logically, Exeter City Council seeks to ensure every resident has the skills needed for their own personal development, for social inclusion, for community engagement and high quality, rewarding employment. This requires a mix of ‘employability’ skills (literacy, numeracy, and basic-digital) ‘hard’ sector specific and job-specific skills (programming, legal, technical, etc.) and ‘transferable’ skills (team work, entrepreneurship, problem solving etc.).

This Skills Strategy seeks to ensure the City and the City Region it serves has the skills needed to ensure it strengthens its role as a centre for innovation and sustainable quality employment by establishing a place-based, dynamic, skills offer which places the citizens at the heart of the strategy: whether leaving full time education and entering employment, seeking to progress in work, or looking to gain the 21<sup>st</sup> Century Skills needed for employment, community and social inclusion.

Standing still is not an option. Exeter’s future cannot be left to simple gentrification and a hope of attracting lifestyle business relocations from London and the South East. This Strategy forms part of an emerging narrative that seeks to ensure our employers have access to a highly educated, adaptable, resilient workforce equipped with the skills they need to thrive. Further, it recognises that real progress is dependent upon having a shared vision for our City and working in partnership with our University, College, Employers, schools, social partners, Devon County Council, our neighbouring District Councils and most importantly, our citizens.

## 2. Evidence Base

Exeter City Council commissioned Transform Research in 2019 to bring together the evidence base for this skills strategy. There were two parts to the research;

1. **Evidence Base** – An analysis of the key demand and supply data for employment and skills in Exeter. Also including the corresponding information for the 3 surrounding local authorities of East Devon, Mid Devon and Teignbridge to enable comparison, and to establish dependencies and relationships between the city and surrounding areas in relation to the labour market and skills supply and demand.
2. **Business Survey** – A survey of 200 businesses representative of the sectoral composition across the city. Providing a better understanding of the key challenges and opportunities faced by the business community and how these relate to the information gathered through the evidence base.

The full research reports and findings are available at Annexe 1 and 2.

In addition, research commissioned in conjunction with the 3 other Greater Exeter local authorities of East Devon, Mid Devon and Teignbridge has specifically identified the industry clusters that present strengths and opportunities locally. A further report has also been produced to provide more granular detail on sectors that present key strengths and growth potential for Exeter. This has been produced by EMSI.

### Key Indicators

From the compilation of the evidence base, a set of key indicators can be used to support the ongoing understanding of the employment and skills landscape in Exeter. These will form the basis of an annual briefing.

The key indicators for Exeter from the most recent data sets are;

Indicator	Exeter	National
<b>Employment</b>		
Economic Activity (October 2018 – Sept 2019)	80.5% (74,400)	78.9%
Out of Work Benefit (December 2019)	1.6% (1,395)	2.9%
Unemployment Rate (October 2018 – Sept 2019)	3% (2,200)	3.9%
Self-Employment (April 2018 – March 2019)	13% (12,700)	10.8%
Job Density (2018)	1.23	0.86
Resident Weekly Salary (2019)	£570.60 (approx. £29.6k annual salary)	£587 (approx. £30.5k annual salary)
Workplace Weekly Salary (2019)	£579.60 (approx. £30.1k annual salary)	£586.50 (approx. £30.5k annual salary)

<b>Skills</b>		
Level 2 or above (2018)	80.9%	74.9%
Level 3 or above (2018)	68.2%	57.8%
Level 4 or above (2018)	40.6%	39.3%
<b>Education</b>		
GCSE Attainment (English and Maths, 2018)	42.1%	43%
Apprenticeship Starts (2017 / 18)	860	
Apprenticeship Achievements (2017 /18)	630	
Graduate Retention 2016/17 (University of Exeter graduates)	12.2%	

Sources: NOMIS / ONS / University of Exeter / DFE

The indicators enable us to understand the key factors relating to the labour market in Exeter and the skills profile of our residents. Each of these areas is explored in more detail within the evidence base document in Annexe 1.

#### Business Survey Findings

The business survey was undertaken in February 2019, with 202 businesses taking part. The businesses were selected in line with the sectoral composition of Exeter. The key areas that businesses were asked about were;

- Recruitment – Vacancies, Challenges and Requirements;
- Skills Sets – Existing and Future Requirements;
- Apprenticeships and Training; and
- Engagement with Education.

The key findings were;

- 2/3 of businesses recruited in 2018 (England 50%);
- 48% of vacancies were 'hard to fill' (England 33%);
- 1/3 of businesses identified skills gaps in their workforce;
- 73% said staff would need new skills or knowledge in the next 12 months;
- 3/4 of staff have had some training in past 12 months;
- Only 20% are employing an apprentice;
- 2/3 had not engaged with a School, College or University in the past 12 months.

The full findings from the survey can be found in Annexe 2.

### EMSI Strength Finder analysis

Across the Greater Exeter area (Exeter, East Devon, Teignbridge and Mid Devon), EMSI were commissioned to explore the opportunities for the economy, by reviewing the position of sector clusters. Through access to the online tool, we are also able to review the sector clusters in which we currently have strengths and opportunities. By analysing the available information, we are able to identify the sectors we may wish to focus on, and also understand the skills and employment requirements of businesses within those sectors. These sectors were; Digital, Knowledge Industries, Health and Care and Professional Services.

The Exeter Sectors report can be found at Annexe 3.

### **3. Priorities, Challenges and Opportunities**

From the sources of evidence that have been compiled, and the consideration of the broad strategic context for the city, the following priorities have been identified.

#### Growth in more highly qualified jobs

Much of the forecast employment growth in the city will be in the more highly qualified occupations of professional, scientific and technical, human health and social work, and business admin and support service roles.

The specific skills needs of these roles and the sectors they will be in needs to be better understood, and approaches developed to grow, attract and retain a workforce with the skills required.

There is a clear role for education and training provision in supporting the current workforce and residents to gain the skills and qualifications required to access these opportunities.

Graduate retention and partnerships between the university and business community can support this priority area.

#### Matching local young people's skills with job growth forecasts

As noted above, most employment growth is forecast to be in more highly qualified jobs, therefore, work is needed to continuously raise the aspirations of the city's young people in line with this growth, with a particular focus on STEM subjects and jobs.

The role of Careers Education, Information, Advice and Guidance in supporting our young people to reach their full potential is pivotal. Providing labour market intelligence and opportunities for key members of school staff to broaden and enhance their knowledge of the business community and opportunities is crucial to supporting this.

#### Apprenticeships

In terms of improving the broad supply of young people with skills, the drop off in the number of Apprenticeship starts that the research found needs to be addressed. The opportunities offered to both the apprentices and their employers are very significant and should be further developed, promoted and encouraged. The business survey findings that only 20% of Exeter businesses are taking on an apprentice, demonstrate the potential to develop and support this offer in the city.

#### Vacancy and recruitment issues

The total number of vacancies in Devon nearly doubled between 2013 and 2017, while the number that were hard-to-fill had more than tripled in the same period. Furthermore, the number of those who did not have the skills required to perform their current job increased by over 4,000.

To meet the demand for employment locally, there is a role for supporting those in employment to continue to develop and progress, freeing up entry level jobs in the labour market. This follows the A Skills Strategy for Exeter, February 2020 v.7 - draft

ABC model of moving people from 'A job' to 'a Better job' and in to 'a Career', demonstrating progression.

To address this priority there is scope to work with employers to support them to access those in the labour market that they aren't currently, for example, those with disabilities, and also to promote the adoption of working practices to support the workforce.

#### Inclusion

To address the high to low skills dynamic of the city, there is more that can be done to move our 'harder to reach' residents towards the labour market, through working with training providers and others to support learning and skills development. Working in partnership with Job Centre Plus will be key to this, to ensure that local and nationally commissioned provision will meet the needs of our residents who are furthest from the labour market, this includes pro-active work with sectors that can support those entering / returning to the labour market – e.g. construction, and supporting the acquisition of key skills for employment – such as digital.

Addressing inclusion will include developing partnership working with other key programmes and projects, for example the Wellbeing Exeter programme, and working with our communities.

#### Supporting Exeter's Growth and Opportunity Sectors

In relation to the priorities outlined above, the role of sectors must also be considered, and the role that different businesses can and will play in addressing some of the challenges. There will also be a case for regularly assessing data and information in relation to the performance of sectors and their role in the employment market, as well as acknowledging and supporting sectors that aren't of critical mass within the city, but on the periphery and significantly important to our economy.

Sectors that have been identified currently include; Digital, Health and Care, Knowledge Industries, Professional Services and Construction.

#### Self-Employment

Further research is needed to explore and understand the market for self-employment in the city, now accounting for c.12% of employment. The available data does not provide sufficient detail on the employment characteristics, qualifications or aspirations of this group of workers to fully assess their requirements. This will be addressed under the cross cutting activity of 'Strategic Intelligence', to determine what and if further work is required.

### **4. Strategic Priorities**

The following priority areas have been identified through the compilation of the evidence base. They are however, not skills and employment issues in isolation, and a much broader strategic approach to addressing these is required.

#### Forecast shortfall in the size of the working age population

The total employment growth for the city is forecast to be of the order of 9,000 FTEs by 2029, primarily in the higher skilled and qualified occupations. This number of FTEs equates to c.12,000 people, allowing for part-time working. However, the population projections only indicate an increase of c.6,000 people of working age in the city by this date. On this basis there will be an overall shortfall of c.6,000 working age people.

### Lack of residents working in skilled trades and caring, leisure and service occupations

The “gap” in the occupational profile of the city’s residents indicates the inter-dependence of the city and its economy with its neighbouring areas, as these roles are primarily filled by residents of the surrounding areas. Consideration should be given to the longer-term impact of this on social cohesion, travel patterns and training, particularly as the employment and population projections indicate that the trend will continue to increase.

### Role of the City Council

Exeter City Council has a significant role to play in demonstrating how businesses can support the priorities within the strategy, this includes; work experience (including T Levels), mentoring, apprenticeships, engagement with school facing programmes, such as the careers hub and STEM Ambassador programmes. There should be a cross-authority approach to identifying opportunities to work collaboratively to support the delivery of the priorities.

### Achieving and sustaining #NetZeroCarbon

Exeter has declared a climate emergency and #NetZeroExeter calls for skills that not only enable the city to meet its 2030 goals, but also to *sustain carbon neutrality into the future*. The ambition to achieve carbon neutrality is driving both the need to apply existing skills and knowledge in new ways, and the need to acquire new skills, new business models, and new technology. It is an exciting time of cross-sector challenge and opportunity that runs through all of the above priorities and growth sectors, particularly highlighting a need to focus on the advance of entrepreneurial, analytical and problem-solving skills in our workforce and a need to support innovation within existing skills used in finance and procurement.

It is also a time of great transition for the city that will require significant Research and Development (in education, business and technology), innovation in education and training (including academic, professional and vocational), and opportunity to practically implement the new skills. Exeter, in continuing to develop a dynamic eco-system of collaboration and innovation, is well-positioned to nurture and deliver on this.

However, Exeter must also look at how to better retain the talent and capability developed in order to continue to capitalise on the commercially innovative and high-skills economy that emerges.

## **5. Cross-cutting / Underpinning Themes and Activities**

The following areas cut across the priorities and will underpin the delivery of the strategy.

### Strategic Intelligence

There will be a need to ensure that the evidence base, indicators and intelligence relating to skills and employment in Exeter is maintained, reported and shared. This includes the commissioning of additional research to support some of the priorities and to make decisions about further programmes of work.

### Partnerships

As identified previously, partnerships and collaborative working will be key to the successful delivery of the identified priorities. There will be an ongoing process of identifying where appropriate partnerships need to be developed. Our identified list of partners is included at Appendix 3.

### Communications / Celebrating Success

Exeter has much to celebrate and communicate about its people and businesses. Linking with the Exeter Live Better initiative to do this is essential.

Consideration should be given to any appropriate 'status' that would support the city to do more and achieve recognition in relation to education, learning and skills.

### Funding

An ongoing process to identify appropriate sources of funding to support the delivery of the action plan. This includes support for organisations to access funding, not just the City Council.

Also, ensuring that businesses and residents are aware of the opportunities that are available to them through funding programmes and projects.

### Reporting & Monitoring

An annual update report will be produced to provide an update on the key indicators, with commentary relating to the key trends, and any resulting required changes to the identified priorities. Ongoing monitoring of any regularly released data will be undertaken and trends analysed to support decision-making.

### Governance

The Skills Strategy for Exeter will be subject to the council's own governance and scrutiny process, in addition a group of key strategic stakeholders will form the 'Exeter Skills Advisory Group' to support the ongoing identification of priorities and to ensure delivery of the action plan. This structure is explained in Appendix 4.

## **6. Action Plan**

The action plan setting out the activities that are required to address the priorities is attached. This document will be key to driving the work programme over the next 2 years, and will be updated on a quarterly basis.

## **Appendix 1 – Strategic Context**

The section below outlines where the skills strategy sits against the priorities outlined in; the Exeter Vision 2040, the Exeter City Council Corporate Plan 2018 – 2021 and the Local Industrial Strategy.

### **Exeter Vision 2040**

The Skills Strategy for Exeter aims to support the Emerging Exeter Vision 2040. In order for all citizens to participate fully in the city’s economic, social, cultural and civic life, we must address the abilities of those citizens in relation to employment and skills, alongside the needs of the business community.

The role of addressing the relevant employment and skills opportunities and challenges in delivering the Exeter vision can be summarised under each of the headline areas as follows;

<b>Vision</b>	<b>Role of Skills Strategy</b>
Innovative and Analytical City	Use of data; through up-skilling and re-skilling, creating an expert community that is able to maximise the use of data and provide world leading solutions and services.  Young people-friendly city; our young people are the future of the city, ensuring they are fully prepared to maximise the opportunities that will exist for them to have rewarding careers in the city.
Healthy and Inclusive	Supporting all of our residents to be part of the economic prosperity of the city. Ensuring opportunities for those with no and low skills to gain skills and qualifications and for employment to follow.  Acknowledging and harnessing the role that physical activity can have in relation to mental well-being, and subsequent benefits in relation to supporting engagement in the labour market.
The Most Active City in the UK	This is a key factor in supporting employers to attract and retain the talent they require in order to make their businesses grow and develop – not only from the perspective of commuting, but in living their daily lives in the city.
Accessible World-Class Education	Education and Lifelong learning for the city that supports appropriate skills and professional development for individuals and businesses. Supporting our young people to continue to learn.  High Quality Employment and Fair Wages – raising the levels of our average salaries.  Attracting, Recruiting, Nurturing and Retaining a skilled local workforce and attracting the best global talent, through the provision of outstanding careers advice to our young people, and the positioning of the city as a place to live and work.
Liveable and Connected	A crucial factor in attracting, recruiting, nurturing and retaining a skilled workforce

	Growth that has a People focus - Live, Work, Socialise. Communities identifying their needs.
A Leading Sustainable City	Factor in attracting, recruiting, nurturing and retaining a skilled workforce Flexible approached to employment and working practices to support this ambition

#### Exeter City Council Corporate Plan 2018 - 2021

The role of the Skills Strategy in relation to the priorities identified within the Corporate Plan is summarised as follows;

#### **Tackling Congestion and Accessibility**

The impact of congestion and accessibility on our businesses and their ability to recruit, attract and retain talent should not be underestimated. Our business community and the workforce need to be engaged in developing and sharing solutions, such as agile and flexible working practices, balancing this alongside supporting a vibrant and flourishing city centre – in tandem with the City Centre Strategy.

#### **Building Great Communities**

Ensuring that our approach is inclusive all of our residents have the opportunity to be economically active and play a full part in their community. Local Services that are geared towards supporting people in to contributing - whether through employment, volunteering or other means. Addressing the high to low skills dynamic of the city.

#### **Promoting Healthy and Active Lifestyles**

Recognising the importance of physical and mental wellbeing in enabling our residents to be economically active. Supporting our businesses to address flexible and adapted ways of working to support people in to employment and to remain there.

The role of our businesses and the workforce in adopting healthy and active lifestyles, flexible and agile working, access to opportunities, supported by the right infrastructure.

#### **Providing Value for Money Services**

Working in partnership with others to deliver the priorities and ambitions identified in this strategy. In particular to address the needs of our residents who need the most help and support, specifically those furthest from the labour market.

#### **Leading a Well-Run council**

Identifying the opportunities to provide leadership through our Skills Strategy; developing appropriate and meaningful partnerships to enable successful influence and delivery to take place.

#### UK Industrial Strategy – Exeter – the engine for regional growth

The Skills Strategy will play an active role in the delivery of the ambition in our Industrial Strategy under theme 3: Data and Skills, which states;

*“These proposals address how we will use data more effectively to enhance the city’s planning, education, businesses and communities and develop the skills that will be needed for the future employment opportunities within our city.”*

The Skills Strategy will support the 4 proposals identified, and this will be reflected in the action plan;

- Exeter Digital and Data Education Hub
- Sparx Rollout
- Skills Escalators
- South West Institute of Technology

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## Appendix 2 – The Future of Work

According to a recent report from IBM<sup>15</sup>, only 41% of CEOs say they have the necessary skills within their workforce to “execute their business strategies”. This report also showed a significant shift in the types of skills required “in 2016, executives ranked technical core capabilities for STEM and basic computer and software/application skills as the top two most critical skills for employees. In 2018, the top two skills sought were behavioural skills – willingness to be flexible, agile, adaptable to change, time management skills and the ability to prioritize.”

Skills responses therefore need to address both the pressing need for the kind of ‘hard’ skills that will enable employers to take advantage of the opportunities posed through digitalisation and automation (data analysis, programming, robotics) but also those ‘soft’ skills that will become essential as many roles lose some of their more mundane and easily automated functions (collaboration, communication, entrepreneurship etc.).

The Future of Work is gaining increasing attention with policymakers, businesses and educators. Major changes to the way that sectors operate and to the skills and aptitudes that individuals must possess are placing increased stress on traditional education systems. Educational institutions at all levels need to develop their teaching, learning and student support offer in order to help ensure that students are equipped with the skills that will help them to flourish. They will need to collaborate more closely with employers who must play a role in sense-checking and even co-designing materials ensuring they are relevant for the rapidly evolving world of work.

Nesta (2018)<sup>16</sup> highlight the skills that are likely to be in greater demand in the future, which include interpersonal skills, higher-order cognitive skills, and systems skills. The future workforce will need broad-based knowledge in addition to the more specialised skills that will be needed for specific occupations. Nesta’s analysis detected the skills needed for different jobs, and showed how those have changed over time. They also provided estimates of the market value they command. Skill groups with relatively high salaries and high growth were revealed to be: data engineering, IT security operations, marketing research, App development and web development. By contrast skill groups with relatively low salaries and low growth include: shipping and warehouse operations, medical administration and coding, general sales, archiving and libraries, journalism and writing. The digital skills most likely to be needed in growing job sectors are ones that are used in non-routine tasks, problem-solving and the creation of digital outputs.

Skill shortages are costly and can hamper growth, with the Open University (in Nesta 2018) estimating that they cost the UK £2bn a year in higher salaries, recruitment costs and temporary staffing bills. Authors increasingly report a shift in the expectation of the impact of the Future of Work away from the emergence of more technological and data/AI driven roles towards a need for different, enhanced, soft skills in jobs and roles that will change:

- Empathy and Communication<sup>17</sup>
- Critical Thinking and Creative Problem Solving<sup>18</sup>

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<sup>15</sup> IBM/IBV (2019). The Enterprise Guide to Closing the Skills Gap

<sup>16</sup> Nesta The Future of Skills: Employment in 2030 Project (2018)

<sup>17</sup> According to The Wall Street Journal, 20% of employers now offer empathy and communication training, up substantially from 10 years prior (Lublin, J.S 2016)

<sup>18</sup> Humans will always need to be present to make critical decisions and brainstorm new and innovative solutions” (Law Society Article, December 2018)

- Creativity (World Economic Forum (2018) predicts that)<sup>19</sup>
- Imagination, Innovation, and Vision<sup>20</sup>

As a result of the UK's predominantly knowledge-based economy, social and emotional skills—directing, supervising, managing, and coordinating—will overtake physical and manual skills as the largest skill group, rising from 21 percent of working hours in 2016 to 26 percent by 2030.<sup>21</sup>

It is also increasingly recognised that circular economy skills are very much skills for the future and an area that the City has a particular strength given the increasing focus on environmental intelligence and the presence of the University with its circular economy expertise.

During previous industrial revolutions, it has often taken decades to build the training systems and labour market institutions needed to develop major new skill sets on a large scale. Given the upcoming pace and scale of disruption brought about by this the 'Fourth Industrial Revolution', this may simply not be an option.

### **Gig Economy**

One in ten Britons takes a job via a digital platform at least once a week and the services they provide are increasingly taken for granted by consumers. The data-driven innovation that matches customers' wishes to workers' capabilities has opened new opportunities for those who already had them. For those with existing skills and financial means, gig work offers flexibility and freedom. The rapid emergence of the Gig Economy<sup>22</sup> is a barrier to conventional skills and training delivery: *"Everyone has dreams for their future. But for workers who are stuck in a trap of precarious gigs, it's hard to make these a reality. When tasks are reduced to their simplest form, there's no incentive for workers to grow and develop. Long hours and financial insecurity make it hard to make plans. The career progression that's available to people in employment becomes unattainable."*<sup>23</sup>

In a recent study despite many interviews with gig economy workers, Doteveryone<sup>24</sup> recognised *"none had a clear roadmap for achieving their goals"* and one responded *"I do not have the time to improve my skills, because my number one priority is to be earning enough to survive, be comfortable."*

If gig workers lives are to be fragmented their opportunities for skills and education will need to be likewise broken into small chunks, capable of being learned at short notice and through a variety of online media. Missing shifts can be penalised and peak (lucrative) shifts subsequently restricted. For these workers, learning must be available when it is needed and capable of swift digestion. Given the rapid movement between jobs – a focus on transferable skills seems the best route for the next step up their career ladder to progress. Gig economy workers are already bearing the brunt of technological disruption and quite reasonably require support.

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<sup>19</sup> Creativity will go from being the tenth most important job skill in 2015 to the third most important job skill by 2020 World Economic Forum: The Future of Jobs Report (2018)

<sup>20</sup> Developing the 21st Century Skills of tomorrow in workplaces today will provide employees with the opportunity to use the very skills that make them human to work with their future AI co-workers, not against them (Madsen, T.B eLearning Industry article, 2019)

<sup>21</sup> Skill shift: Automation and the future of the workforce, McKinsey Global Institute, May 2018.

<sup>22</sup> <https://www.tuc.org.uk/news/uk%E2%80%99s-gig-economy-workforce-has-doubled-2016-tuc-and-feps-backed-research-shows>

<sup>23</sup> <https://www.doteveryone.org.uk/report/betterwork/>

<sup>24</sup> Better work in the gig economy (2019)

## Lifelong Learning and CEIAG

A recent research study estimated that over 30% of workers in developed economies will need to switch occupational categories in order to remain employed by 2030.<sup>25</sup> The lion's share (roughly 76 percent) of the United Kingdom's 2030 workforce has already entered the workforce.<sup>26</sup> Both of these findings point to the central importance of retraining and skill-building programmes for existing workers.

As the UK Industrial Strategy (2019) puts it; *"We still face challenges in meeting our business needs for talent, skills and labour. [...] We do not have enough people skilled in science, technology, engineering and maths. We need to narrow disparities between communities in skills and education and remove barriers faced by workers from underrepresented groups in realising their potential."*

If young people too are to realise their full potential upon leaving full-time education they need both a 'foundation' of knowledge along with the attributes needed to support long and productive working lives with lifelong learning.

Enhanced and coordinated Careers Education Information Advice and Guidance (CEIAG) has long been an ask from the skills sector and progress in Exeter will be dependent upon linking education providers (at all levels) into up-to-date labour market intelligence and the various support bodies that exists such as the National Careers Service, local specialist and the HOTSW Careers Hub and seeking to grow work experience and placement activities – including linking employers into schools. The Gatsby Benchmarks now have considerable traction as a benchmark for schools to deliver quality careers support for their students.

## Business Leadership and Management

The UK government has already recognized the importance of management practices by launching the Business Productivity Review and by backing *Be the Business*, a national movement to improve performance and highlight best practice advice and experiences.<sup>27</sup> For example, poor management practices make it less likely that a firm will invest in and adopt ICT and digital technology effectively.<sup>28</sup> The evidence on "what works" to boost managerial practices is limited, especially in the case of the nearly 80 percent of UK small and medium-size enterprises (SMEs) that believe their business is as productive as or more productive than their peers.<sup>29</sup> Experiences in other countries shows that active advice and coaching of business leaders can be effective in boosting sales, employment, and productivity.<sup>30</sup> However, the most proven methods for enhancing managerial skills and practices tend to involve relatively intense, often face-to-face and on-the-job support, such as a "field and forum" approach that combines classroom-based instruction with experiential

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<sup>25</sup> Jobs lost, jobs gained: Workforce transitions in a time of automation, McKinsey Global Institute, November 2017.

<sup>26</sup> Calculated as the share of the current working age population (16- to 64-year-olds) who will still be in the working population in 2030 based on 2015-based population projections from Eurostat.

<sup>27</sup> Industrial strategy: Building a Britain fit for the future, HM Government, November 2017; Business productivity review: Government call for evidence, Department for Business, Energy and Industrial Strategy, May 2018.

<sup>28</sup> From ostrich to magpie: Increasing business take-up of proven ideas and technologies, Confederation of British Industry, November 2017.

<sup>29</sup> Overconfidence on productivity is hampering British performance, Be the Business, May 2018.

<sup>30</sup> Business productivity review: Government call for evidence, Department for Business, Energy and Industrial Strategy, May 2018.

learning.<sup>31</sup> There are expert business coaches and business leadership programmes in the region and more could be made of these elements within an enhanced Executive Education offer from College and University.

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<sup>31</sup> Elena Dumitrescu, Erhard Feige, Cinzia Lacopeta, and Amy Radermacher. To make a transformation succeed, invest in capability building, McKinsey & Company, October 2017; David McKenzie and Chris Woodruff, “Business practices in small firms in developing countries”, *Management Science*, 2017, Volume 63, Issue 9, pp. 2967–81.

## **Appendix 3**

### **Partnerships**

To enable the successful delivery of the Skills Strategy for Exeter and to demonstrate impact, partnership working with a number of partners will be essential. It is also expected that further partnerships and opportunities for collaboration will develop as the delivery of the strategy evolves.

### **Businesses**

The business community is central to the direction setting and success of the strategy. Their views and input will shape the priorities and enable change to take place. Without their contributions and feedback, it will not be possible to ensure that the relationships are developed with education and training provision and that they can access the workforce they need now, and in the future. Our key routes to engagement will be with representative organisations, such as; the FSB, Exeter Chamber of Commerce, Tech Exeter, EXIST. We will ensure that we have sectoral representation – particularly in those sectors identified as having growth potential, and as being central to our economy.

### **Education**

The priorities have highlighted the need for the work delivered under this strategy to be closely aligned to the education and training provision across the city, this will include;

- Primary and Secondary Education
- Further Education – Exeter College (and other FE provision in close proximity to the city)
- Higher Education – University of Exeter
- Adult and Community Learning
- Private Training Provision

### **Greater Exeter Local Authorities**

There is a long standing relationship between Exeter and the 3 surrounding local authorities of East Devon, Mid Devon and Teignbridge. We continue to work together as a group of officers with a broad remit to support the local economy, with a strategy that focuses on areas that we can work collectively to deliver. Employment and Skills has been identified as one of those areas, and the priorities for that plan are being developed, alongside conversations with the employer based group for the area.

Through the compilation of the evidence base, the relationship between the areas has become ever more apparent, particularly in relation to commuter flows and residency patterns for those employed in particular occupational sectors.

### **Devon County Council**

Working together to ensure a joined up approach for the city where there are joint working opportunities. Engaging with the Adult and Community learning service; Learn Devon to ensure that their provision within the city is aligned to the needs of our communities.

### **HOTSW LEP**

#### **Skills Advisory Panel**

Through the Heart of the South West Local Enterprise Partnership, a local 'Skills Advisory Panel' (SAP) is being established (Autumn 2019), working with key partners and stakeholders from across the LEP geography. A key role of this group is to produce a comprehensive evidence base to inform

decision-making, the Exeter evidence base has been put together in line with the guidance issued to LEPs.

### **Careers Hub**

We have a close working relationship with the HOTSW LEP Careers Hub, through financial and officer support for the activity that is undertaken with the schools in Exeter.

### **Digital Skills Partnership**

Member of the group, maximise the links and connections that the group can bring to support businesses and residents of Exeter.

### Employment

#### **Job Centre Plus / Department for Work and Pensions**

We need to have a close working relationship with Job Centre Plus / DWP in order to understand the labour market beyond the data and to identify we can work together. This is key not just in supporting our businesses, but also in supporting the customers that the city council interacts with on a daily basis.

#### **Employment Support Organisations**

There are a range of services, organisations in existence that are supporting people in to employment. These may be commissioned by DWP – such as the Work and Health Programme contractor, or smaller, nice providers – for example those who form part of the Co-Lab offering. Working in partnership to ensure that support in place and providing results in central to supporting all of our residents to engage fully in the labour market and civic life. A number of the partnerships in this area will be with third sector organisations.

### Internal Partnerships

Skills is a theme that cuts across a number of Exeter City Council services, and we are in a position to support a range of our customers directly. Closer working relationships will ensure appropriate working / support can be embedded, in particular;

- Customer Service
- Wellbeing Exeter
- Human Resources
- Communities
- Housing
- Revenue and Benefits

## Appendix 4

### Governance

It is proposed that in addition to the internal Exeter City Council process for oversight relating to this strategy, that a small group with key external partners and stakeholders is established to drive forward the priority areas for action. This will be the Exeter Skills Advisory Group. A full governance paper will be developed.

The purpose of the group is to;

- Monitor the delivery of priorities within the strategy;
- Ensure an annual review process is followed;
- Identify opportunities to work in partnership with other programmes etc. to support the delivery of the strategy;
- Be alert to trends within the economy that will have an impact on the priorities and delivery of the Skills Strategy;
- Identify requirements for labour market intelligence and economic intelligence to support the strategy, overseeing commissions where appropriate;
- Provide links to and work with other relevant groups;
- Provide support and challenge to the education and provider community;
- Be representative of businesses across the city – in size and sector;

### Membership

- To ensure that a range of partners and stakeholders are represented, including; employers, training and education providers, public sector partners and the VCSE;
- Members will be expected to be able to demonstrate clear knowledge of the skills needs of the local economy and speak authoritatively to the topic. Members collectively will also be able to understand financial and resources matters linked to skills provision;
- Members should be able to demonstrate a wide reach through their networks – either in their own business sector or representative groups to ensure maximum reach and input to and from the business and provider / representative community;
- To participate in task and finish groups when appropriate;
- Number of members shall not exceed 12. See below for proposed list of members;
- A Chair and vice-chair will be dominated from the members;
- Advisors and other key individuals may also be invited to attend to discuss specific agenda items.
- The group will be supported by the Skills and Business Manger

<b>Sector</b>	<b>Representative / s</b>
Business	1 x Chamber 1 x FSB Up to 4 x key sector representatives (growth potential sectors)
Education / Training Provision	1 x Schools Representative 1 x College 1 x University 1 x Devon and Cornwall Training Provider Network
Employment Services	1 x JCP 1 x VCSE

### Appendix 4 Skills Strategy Action Plan

ACTION	PARTNERSHIPS	INTENDED IMPACT	TIMESCALE	COST	LEAD	OTHER	STRATEGIC LINKS
<b>PRIORITY: Growth in more highly qualified jobs</b>							
Undertake further research with businesses to determine <b>Higher Level Skills Requirements</b> ( <i>link to Strategic Intelligence work programme</i> )	<i>See Strategic Intelligence work programme</i>						
Work with the Careers and Employability Team at University of Exeter on the development of programmes to encourage Exeter businesses to support <b>Graduate Retention</b> in the local labour market.	University / Business Community / Chamber of Commerce / FSB	Increase in graduate retention in Exeter businesses. Increase % of Exeter residents qualified at Level 4 and above.	action plan agreed by end March 2020	Staff time £ for programme support / development tbc.	RB	VH	Vision, Corporate Plan, LEP SAP
Work in partnership with local businesses to support the trial of <b>Graduate Recruitment schemes</b> to attract talent to Exeter - new and returning, work with local Alumni programmes.	University / Business Community / Chamber of Commerce / FSB / school & college alumni programmes	Trial of Graduate Recruitment Scheme. Business Feedback on graduate employment	trial in place end of 2020	staff time	RB	VH	Vision, Corporate Plan, LEP LIS
Support approaches such as the <b>Skills Escalators</b> to enable access into career pathways at all levels through access to learning and qualifications. With a focus on growth potential sectors. ( <i>links to Sectors work programme</i> )	University / Exeter College / Training Providers / Businesses / Sector Representative Groups	Escalator models produced for growth potential sectors, employer feedback	ongoing	staff time	RB	VH	Vision, Exeter LIS, LEP SAP
Promote the role of Higher Level <b>Apprenticeships</b> in supporting access to developing higher level skills to enable people to access these job opportunities.	University / Business Community / Chamber of Commerce / FSB / Exeter	Increase in number of higher level apprenticeship vacancies and starts,	baseline by end of April 2020	staff time	RB	VH / SP	Vision, corporate plan, Exeter LIS, LEP SAP

(Links to Apprenticeships work programme)	College / Training Providers	broken down by sector.					
<b>PRIORITY: Matching Young People's Skills and Aspirations to Job Growth</b>							
Use of <b>Job Forecast and Vacancy information</b> to inform this programme of activity (Link to Strategic Intelligence Work Programme)	See Strategic Intelligence work programme						
A Programme of activity to support our schools (in particular) with the delivery of well-informed, <b>locally contextualised CEIAG to our Young People</b> . With a particular focus on high growth potential sectors.	HOTSW Careers Hub / Schools / Exeter College / Businesses / Growth Sectors	Programme of activities and resources developed. Engagement from all Exeter schools / Feedback. Consider study of 'distance travelled' in relation to understanding amongst Careers Leaders.	In place by end April 2020	tbc - cost of resources / events where required to be identified	RB	DC	Vision, Exeter LIS, Evidence Base, LEP SAP
Work with the <b>HOTSW Careers Hub and Enterprise Adviser Network</b> to ensure the delivery of the National Careers Strategy within our schools	HOTSW Careers Hub / Schools / Exeter College	Achievement of Gatsby Benchmarks across our schools	Ongoing with review in September 2020	£10k to support 2 academic years activity 18/19 and 19/20	RB	DC	Vision, Corporate Plan, LEP

<b>Work Experience</b> - work with schools and businesses to enable young people to access high quality work experience placements that provide access and exposure to opportunities linked to identified job growth ( <i>links to Sectors work programme</i> )	Schools / Exeter College / Businesses / Sector Representative Groups / potentially CSW Group (WEX Support provider)	Increase in work experience placements offered by businesses in identified sectors (Trial with one sector)	baseline September 2020, year on year	staff time	RB		Vision, Corporate Plan, LEP LIS
Address <b>Progression to HE</b> (all routes) of Exeter's young people - in relation to growth of highly skilled jobs. In particular working with funded programmes, such as Next Steps SW	NSSW / Schools / Exeter College	Increase in young people from Exeter accessing higher education	establish baseline by March 2020	staff time	RB	SP	Vision, Corporate Plan, Evidence Base
Support, where needed, the roll out of <b>Sparx</b> to support the development of Maths skills and attainment across the city.	SPARX / Schools	Increase in GCSE Maths attainment	establish role Spring 2020	staff time	RB		Exeter LIS
Support <b>In2Science</b> to extend and grow their programme in Exeter to engage our disadvantaged young people to access placements and increase aspirations in relation to Higher Education	In2Science / University / Exeter College / Businesses / EXIST	Increase uptake of In2Science placements	annually from summer 2020	staff time and grant contribution of £500	RB		Vision, Evidence Base
Engage with other <b>projects and programmes</b> (funded locally and nationally) that can support our young people and residents to maximise the opportunities available to them in our growing sectors.	As Required	to fit with priorities	ongoing	staff time	RB		Vision, Evidence base
<b>PRIORITY: Apprenticeships</b>							

<p><b>Undertake a comprehensive analysis of Apprenticeships data and information</b> (Links to Strategic Intelligence Work Programme)</p>	<p>See Strategic Intelligence work programme</p>						
<p>Develop a comprehensive <b>Action Plan</b> in conjunction with a range of partners to support uptake of Apprenticeships</p>	<p>Training Providers / Exeter College / University / Businesses / Chamber of Commerce / FSB / ESFA / AAN</p>	<p>Increase in business engagement in Apprenticeships Increase in Apprenticeship Starts and Achievements</p>	<p>Action Plan by end May 2020</p>	<p>to be identified</p>	<p>RB</p>		<p>Evidence Base, Vision, Exeter LIS, LEP SAP</p>
<p><b>PRIORITY: Vacancy and Recruitment Issues</b></p>							
<p>Work with businesses and recruitment agencies to understand the challenges in relation to <b>'hard to fill' vacancies</b> and what can be done to address them. Includes feedback to Education and training Providers.</p>	<p>Recruitment Agencies / Businesses / FSB / Chamber of Commerce Training Providers / Education</p>	<p>Reduction in hard to fill vacancies Employer feedback on skills of prospective employees</p>	<p>ongoing</p>	<p>staff time</p>	<p>RB</p>		<p>Evidence Base, Vision,</p>
<p>Explore the potential to develop the <b>Job Fairs</b> concept to focus on careers, higher level jobs and those roles that are particularly difficult to recruit to.</p>	<p>Recruitment Agencies / Exeter College / University / Businesses / JCP</p>	<p>Recruitment to Higher Level Roles</p>	<p>scoping by summer 2020</p>	<p>staff time - initially</p>	<p>RB</p>	<p>VH</p>	<p>Evidence Base, Vision, Exeter LIS</p>
<p>Support for skills development - particularly in the workplace and <b>progression</b> to free up jobs in the labour market - <b>ABC model</b>. (Links to Skills Escalators piece of work)</p>	<p>Businesses / Training Providers / Exeter College / University</p>	<p>demonstrate impact of investment in skills development to promote progression routes</p>	<p>ongoing</p>	<p>staff time</p>	<p>RB</p>		<p>Evidence Base, Vision, Exeter LIS</p>
<p><b>PRIORITY: Inclusion</b></p>							

Develop <b>partnership working with Job Centre Plus</b> to address needs of those furthest from the labour market. Ensure that nationally funded provision delivered locally is meeting the needs of our residents and communities.	JCP / Providers / Co-Lab	Reduction in job seekers in hard to reach groups	ongoing, baseline data by June 2020	staff time	RB	SP	Evidence Base, Vision, Corporate Plan
Continue to jointly deliver <b>Jobs Fairs</b> with JCP to enable job seekers to easily access a range of employers and opportunities	JCP / Businesses / Providers	Numbers attending fairs Business feedback Reduction in number of job seekers / number gaining employment	1 fair per annum	staff time, £2k for venue hire and associated costs	RB	Comms Team	Evidence Base, Vision, Corporate Plan
<b>"Fair Wages"</b> - scope to increase the average salary levels of residents, including consideration of the role of the Living Wage and Real Living Wage.	Businesses / JCP / Recruitment Agencies	Numbers of employers paying LW and RLW Increase in average salary levels	ongoing	staff time	RB		Evidence Base, Vision, Corporate Plan
Work with <b>Wellbeing Exeter</b> team to establish an action plan for joint working relating to our communities, particularly focussed on inclusion in the labour market	Wellbeing Exeter (and associated partners)	Action Plan that adds value to both areas of work and maximises use of resources	establish plan by June 2020	staff time	RB	JB	Evidence Base, Vision, Corporate Plan
Ensure there is sufficient and appropriate provision for those who have <b>no / low skills</b> (with particular reference to <b>Digital Skills</b> ) and need to develop these in order to access the labour market. Audit provision and influence where required.	Training Providers / JCP / Co-Lab / DSP	Access to provision for those who require it - feedback that all requirements can be fulfilled.	Audit by September 2020	staff time	RB		Evidence Base, Vision, Corporate Plan

Work with JCP and Businesses to encourage more businesses to understand the benefits and possibilities of employing those with a disability, supporting engagement in to the labour market. <b>Disability Confident</b> scheme.	JCP / Businesses / Chamber of Commerce / FSB	increase number of businesses accredited with disability confident	ongoing	staff time	RB		Evidence Base, Vision, Corporate Plan
<b>PRIORITY: Supporting Growth Potential / Priority Sectors</b>							
Delivery of the <b>Building Greater Exeter</b> programme to support the skilled labour gap within our local <b>Construction</b> sector. Aligned to our local growth and housing delivery requirements.	Teignbridge & East Devon local authorities / Construction Sector businesses / Training Providers / FE Colleges / University / Sector Groups	Reduce vacancies, increase pipeline of skilled labour, increase uptake of apprenticeships / courses (see project action plan)	to March 2021 (beyond funding dependent)	ExCC £15k per annum	DC	RB / VH	Liveable Exeter, Evidence Base, Vision, Corporate Plan, LEP SAP
<b>Digital</b> - Skills for the sector and digital skills in the broadest sense (particularly in relation to accessing the labour market). Development of an Action Plan to identify and address priorities.	Tech Exeter / Digital Exeter / HOTSW LEP / DSP / SW IoT / Businesses / Chamber of Commerce / FSB / Training Providers	To be determined by priority setting	develop plan by September 2020	staff time	RB	VH	Corporate Plan / Vision / Exeter LIS / LEP LIS & SAP
Address challenges around recruitment, retention and skills development within the <b>Health &amp; Social Care sectors</b> . Explore the development of a Skills Escalator approach.	RD&E / Care Providers / Recruitment Agencies / Exeter College / University / Training Providers / Proud to Care	To be determined with sector partners.	scoping with key partners by September 2020	staff time	RB		Corporate Plan / Vision / Exeter LIS / LEP LIS & SAP
To continue to monitor the sectoral composition of businesses in Exeter. Identify Growth potential and	<i>See Strategic Intelligence Work Programme</i>						

opportunity clusters. ( <i>link to Strategic Intelligence work programme</i> )							
<b>PRIORITY: #ZERONETCARBON &amp; SKILLS</b>							
Work collaboratively with University of Exeter and Exeter City Futures to develop strategic approach to skills development in relation to <b>#zeronetcarbon</b>	University / ECF / Training Providers	Informed approach to skills development to support carbon neutral ambitions.	In line with carbon neutral blueprint activity	Staff time	RB	VH	Vision, Corporate Plan, Carbon Neutral Blueprint
<b>CROSS CUTTING &amp; UNDERPINNING ACTIVITIES</b>							
<b>STRATEGIC INTELLIGENCE</b>							
Maintain and update the core <b>Evidence Base</b> on an annual basis. Trend analysis of the key indicators. Communication to partners and stakeholders	All relevant partners and stakeholders	Ensure City position and performance is communicated, use as a basis to review priorities.	annually in line with data releases	staff time	RB	SP / VH	Vision, Corporate Plan, Exeter LIS, LEP SAP
Research with businesses to understand in more detail <b>Higher Level Skills</b> requirements and employment opportunities.	Businesses / Chamber of Commerce / FSB	Inform activity with all partners and stakeholders in relation to LMI, CEIAG, training provision and availability.	Commission mid-2020	£3k for research Staff time	RB	SP	Vision, Exeter LIS, LEP SAP
Use of <b>EMSI</b> data to establish more detail in relation to our sectors and businesses, their jobs and future growth. To use this to support decision-making in to future investment and activities. Use job posting / vacancy information to support LMI.	Businesses / Greater Exeter local authorities / DCC / HOTSW LEP	Establish priorities for intervention, watching brief on sector performance	First review by end of Jan 2020, quarterly review thereafter	ongoing cost to be established Staff time	RB	SP	Vision, Corporate Plan, Exeter LIS

<b>Apprenticeships</b> - undertake a comprehensive analysis of apprenticeships data and information to inform the development of a dedicated action plan.	Training Providers / ESFA / Businesses / Exeter College / University	Inform development of action plan	Review by May 2020	staff time	RB	SP	Vision, Corporate Plan
<b>Self-Employment</b> - further research to understand the growth in self-employment within Exeter and the wider impact on the labour market	DCC / HOTSW LEP / Greater Exeter Local Authorities	Understand drivers for and impact of self-employment. Establish if there are any knock on impacts for the wider labour market.	Commission mid-2020	£3k for research Staff time	RB	SP	Vision, Corporate Plan, Exeter LIS, LEP SAP, Evidence Base
<b>PARTNERSHIPS</b>							
To provide support, guidance and evidence when needed and required in relation to <b>Local Opportunities, Developments and Investments</b> relevant to employment and skills.	Education / Training Providers / local authorities / VCSE / communities	Attract investment, secure relevant funding, raise the profile of Exeter	As and when required	staff time	RB	VH / others	Vision, Corporate Plan
<b>To work collaboratively</b> with a wide range of partners and organisations across the city to support all elements of skills and employment.	As required and relevant	To ensure that all aspects of the Skills landscape are supported.	ongoing	staff time	RB		Vision, Corporate Plan
<b>COMMUNICATIONS / CELEBRATING SUCCESS</b>							
Work with the Exeter Live Better team to ensure that <b>successes and key messages</b> relating to skills and employment are communicated.	Exeter Live Better / Range of partners as appropriate and relevant	Continually raise the profile of successes in relation to skills	ongoing	staff time	RB	Comms Team	Vision, Corporate Plan

Explore any <b>appropriate 'status'</b> for Exeter in relation to skills, e.g. UNESCO City of Learning	as required	Raise the profile of Exeter in relation to skills	ongoing	staff time	RB	Comms Team	Vision
<b>FUNDING</b>							
<b>Identify suitable and appropriate funding sources</b> on an ongoing basis in relation to the priorities. Includes identification of suitable lead organisations and ExCC role.	as required	To source and attract funding to deliver activity supporting the identified priorities.	ongoing	staff time	RB		Vision, Corporate Plan, Skills Strategy
<b>REPORTING / MONITORING</b>							
Provide an annual bulletin of <b>key indicators</b> demonstrating Exeter's performance - such as employment, qualification levels etc.		Informed members, officers, partners, stakeholders	From April 2020 on an annual basis	staff time	RB	VH	Evidence Base, Skills Strategy, LEP SAP
<b>GOVERNANCE</b>							
Establish an Exeter <b>Skills Advisory Group</b> to support and monitor the delivery of the Skills Strategy.	Businesses / Education / JCP / VCSE / Training Providers	Ensure delivery of action plan	Established by April 2020	staff time	RB	VH	Skills Strategy
Ensure Exeter representation on the <b>LEP Skills Advisory Panel</b> . Provide officer support to enable suitable business representative to fulfil role.	HOTSW LEP / Business Community / Greater Exeter Partners	Influence in relation to the skills priorities for Exeter. Support to develop interventions for the GEX Area.	In line with LEP SAP meeting schedule	staff time	RB	VH / GEX leads	Vision, Corporate Plan, Exeter LIS
<b>ROLE OF EXETER CITY COUNCIL</b>							

To ensure Exeter City Council demonstrates the opportunities for businesses to support a variety of initiatives through leading by example, including; work experience, mentoring, STEM Ambassadors etc.	Internal collaboration	lead by example, influence others	ongoing	staff time	RB / HR	whole organisation	Vision, Corporate Plan, Skills Strategy
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KEY				Staff	
FSB	Federation of Small Businesses	DCC	Devon County Council	RB	Rosie Bates
LEP SAP	Skills Advisory Panel	SWIoT	South West Institute of Technology	VH	Victoria Hatfield
LIS	Local Industrial Strategy	DSP	Digital Skills Partnership	SP	Sam Prangley
ESFA	Education and Skills Funding Agency			DC	Dawn Chamberlain
AAN	Apprenticeship Ambassador Network			JB	James Bogue
JCP	Job Centre Plus			Comms Team	
HOTSW LEP	Heart of the South West Local Enterprise Partnership				