



# Releasing our potential

Hertfordshire Skills Strategy to 2020

**Councillor David Williams,  
Leader of Hertfordshire  
County Council and Executive  
Member with responsibility  
for Resources, Property &  
the Economy**

Significant progress has been made implementing the first Hertfordshire Skills Strategy during the last three years and there is evidence to show recruitment difficulties have eased in Hertfordshire. While lack of skills remains a factor in the county, the percentage of hard to fill vacancies that are a result of skills shortages has reduced. The need remains for a partnership approach to progress this important work and I am delighted to introduce the second Hertfordshire Skills Strategy tailored to our county's particular needs. The strategy makes clear our approach, and commitment, of how we will grow and develop our workforce to support a strong economy within which businesses can thrive, whilst enabling all residents of Hertfordshire to maximise their own individual potential and share in Hertfordshire's prosperity.

**James Snelling,  
District Manager of  
Bedfordshire and  
Hertfordshire, Department  
for Work and Pensions**

I believe that the work done by the partnerships formed under the last Skills Strategy has shown great benefits for the residents and customers of Hertfordshire. With the additional challenges and uncertainties faced as we look to the next few years, the idea of refreshing and refocusing our joint focus is a good one, and an opportunity for the new Skills Strategy to look proactively and progressively is very welcomed. I am excited by what the partnership has enabled to be delivered to date, and believe that this Skills Strategy will build on that success and ensure the growth of Hertfordshire's economy with the expansion of Universal Credit being a key enabler to this outcome.

**Mark Bretton,  
Chair, Hertfordshire Local  
Enterprise Partnership**

It is three years since the first Skills Strategy for Hertfordshire was published. During that time, excellent progress has been made in implementing its recommendations at a time of significant change in the wider political and economic landscape. Brexit, technological advances in Artificial Intelligence and Big Data, increasingly fluid work patterns and the demands of an ageing society; all have the potential to impact on the skills agenda in the years to come. This coupled with the opportunity to deliver a local Industrial Strategy that reflects business needs means we are in a position to respond positively to these changes. To that end, following a wide consultation process, we have revised our Skills Strategy to 2020 so that we remain agile in our approach and ensure that everyone has a stake in Hertfordshire's growing economy.

# Contents

|   |           |
|---|-----------|
| <b>Executive Summary</b>  | <b>04</b> |
| <b>Introduction</b>   | <b>05</b> |
| Why do we need a Skills Strategy?                                 | 05        |
| Working in partnership  | 06        |
| Key themes  | 06        |
| Planned actions   | 07        |
| Monitoring progress   | 07        |
| <b>Theme 1:</b> Developing our future workforce                   | 08        |
| <b>Theme 2:</b> Towards fuller employment                         | 10        |
| <b>Theme 3:</b> Enhancing opportunities through lifelong learning | 12        |
| <b>Theme 4:</b> A leading economy; skills to drive growth         | 14        |
| <b>Theme 5:</b> Skills to grow small and medium size businesses   | 16        |
| <b>Action Plan</b>  | <b>18</b> |
| <b>Contact details</b>  | <b>27</b> |

# Executive Summary

Skills contribute significantly to the economic output of an area and are a dynamic driver of enterprise, investment and new industries. Employers in Hertfordshire view the overall proficiency of their workforce as key to their performance and business competitiveness.

Significant progress has been made implementing the first Skills Strategy; recruitment difficulties have eased in Hertfordshire and the percentage of hard to fill vacancies that are a result of skills shortages has reduced significantly. However, there is still a need to increase and develop our workforce and the aim remains; to increase and develop our workforce to ensure we can support a strong economy within which businesses can thrive, whilst enabling all residents of Hertfordshire to maximise their own individual potential and share in Hertfordshire's prosperity.

The strategy is arranged into five themes:

- Developing our future workforce - supporting young people aged 16-24 years in the transition from education to employment
- Towards fuller employment - supporting vulnerable adults into employment, increasing the available workforce and enabling priority groups to fulfil their potential
- Enhancing opportunities through lifelong learning, adopting a culture of lifelong learning to benefit individuals as well as local businesses
- A leading economy; skills to drive growth. Working with businesses and training providers to improve the skills of both the existing workforce and the future labour market in order to sustain economic growth

- Skills to grow small and medium sized businesses (SMEs), providing targeted support to SMEs and their workforce in order to facilitate growth

Hertfordshire Local Enterprise Partnership, Hertfordshire County Council and the Department for Work and Pensions are working together to implement and drive this strategy. The influences, views and needs of employers, training providers, schools, colleges and public sector organisations remains vital and have been incorporated in this strategy. Partner organisations across Hertfordshire are encouraged to refer to this strategy and reflect it in their individual planning, knowing that we will be working towards the same strategic outcomes.

Our shared interest has enabled a collaborative approach which we favour and promote in Hertfordshire, and this graphic demonstrates how we work together to support the county's workforce:



# Introduction

## Why do we need a Skills Strategy?

Skills contribute significantly to the economic output of an area and are a dynamic driver of enterprise, investment and new industries. Employers in Hertfordshire view the overall proficiency of their workforce as key to their performance and business competitiveness.

The original Skills Strategy published in 2015 was developed to address the growing appetite for a strategy attuned to the county's particular needs and brings together key stakeholders' strategic plans into a coherent whole; a Skills and Labour Market review in 2014 of Hertfordshire businesses showed that nearly half of employers identified skills gaps in their existing workforce. This second Skills Strategy is a refreshed version of the first and the aim remains to increase and develop our workforce to ensure we can support a strong economy within which businesses can thrive, whilst enabling all residents of Hertfordshire to maximise their own individual potential and share in Hertfordshire's prosperity.

Significant progress has been made implementing the first Skills Strategy and the Hertfordshire Skills and Labour market update from March 2016 reports favourably on a number of areas that the Skills Strategy has strived to address; recruitment difficulties have eased in Hertfordshire. While lack of skills remains

a key factor behind recruitment difficulties in the county, the percentage of hard to fill vacancies that are a result of skills shortages has reduced significantly.

Over the life of the first Skills Strategy we have seen major changes to the skills agenda: apprenticeship reforms including introduction of the Apprenticeship Levy, the government's Industrial Strategy proposals and rapid technological changes. Looking to the future we anticipate further developments: government's School Careers Strategy and plans for T (Technical) Level courses, with a need to be mindful of any implications of Brexit, the devolution agenda and the impact on the workforce from an ageing population.

Since the start of the 21st century with inventions such as artificial intelligence, 3D printing, autonomous vehicles, technology and biotechnology, commentators have identified that we are experiencing the 'Fourth Industrial Revolution'. These rapidly developing technologies are changing the way we work and the jobs and skills required to do them. The useful skills in the workplace of the future are likely to be different from those needed today. We are mindful of the need to remain agile and this strategy is deliberately short-term to 2020 to ensure we allow for further future proofing.

## Working in partnership

Hertfordshire Local Enterprise Partnership, Hertfordshire County Council and the Department for Work and Pensions are working together to produce, implement and drive this strategy. Incorporating the influences, views and needs of employers, training providers, schools, colleges and public sector organisations remains vital and a second Skills Summit held in October 2017 provided an opportunity for all stakeholders to be involved. Findings from the Summit have been analysed, considered and incorporated into this Skills Strategy.

Ensuring our workforce has the right skills to encourage future economic growth lies at the heart of delivering the Hertfordshire Local Enterprise Partnership (LEP) Strategic Economic Plan (SEP) which has defined the following vision: 'by 2030 Hertfordshire will be among the UK's leading economies, helping to realise the full economic potential of the assets and opportunities within the 'Golden Triangle' of London – Cambridge – Oxford.' Developing the STEM (Science, Technology, Engineering and Mathematics) skills of both our future and existing workforce will be key to improving the economic growth of the county. In addition, the provision of both qualification and non-qualification based provision to develop the leadership and management skills of our workforce are an important element in achieving this vision; more and better workforce skills are essential.

Hertfordshire County Council's (HCC) vision of a 'County of Opportunity'; envisages a county where people have the opportunity to live

healthy, fulfilling lives in thriving, prosperous communities. It wants Hertfordshire to be recognised as a great place to do business, with a skilled workforce and infrastructure that supports the developing needs of the local economy. At the same time, it seeks to give every Hertfordshire resident the opportunity to maximise their potential and live a full life as a confident and resilient citizen.

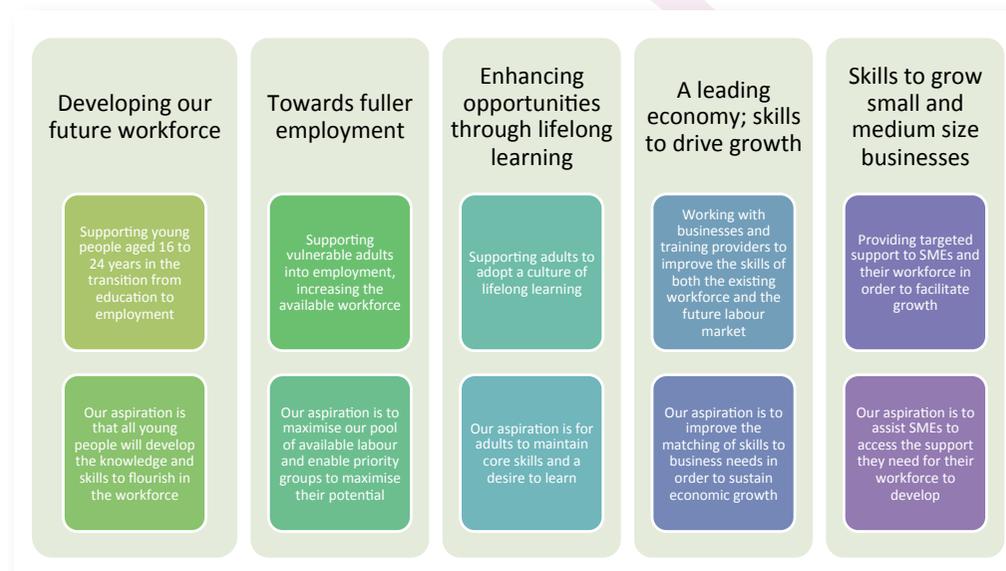
The Department for Work and Pensions (DWP) works to provide security, extend opportunity, and give people the support they need to transform their lives; helping the most vulnerable people in our society by addressing the root causes of disadvantage and supporting

them to turn their lives around and ensuring that everyone who is able to work is given all the support they need to do so, while those who cannot are protected.

We work in partnership; all three organisations aspire to support a strong economy within which businesses can thrive, whilst enabling all residents of Hertfordshire to maximise their own individual potential and share in Hertfordshire's prosperity. Partner organisations across Hertfordshire such as the District and Borough councils and training providers are encouraged to refer to this strategy and reflect it in their individual planning, knowing that we will be working towards the same strategic outcomes.

## Key themes

Our key themes and aspirations remain:



## Planned actions

This strategy includes a detailed action plan from page 18 identifying the planned work programme for each of the three organisations responsible for implementing this strategy.

## Monitoring progress

The progress of the action plan and the performance measures will be monitored by Hertfordshire County Council Resources, Property & the Economy Cabinet Panel and the Skills and Employment Programme Board of the Hertfordshire LEP, which includes senior representation from Department of Work and Pensions. It is also reported to Hertfordshire Forward, the county Local Strategic Partnership. A review of this strategy is planned for 2020.

Our performance measures are:

- We will increase the percentage of young people (16 and 17 years old) opting to stay in education and training from 97.9% in 2017 to 98.3% in 2020
- We will decrease the lost contact and Not in Education, Employment or Training (NEET) 3 month average for 16 and 17 year olds from 3.39% (December 2016 - February 2017) to 3.0% in 2020
- We will increase the number of young people (16 – 18 years) who start an apprenticeship pathway from 1955 in 2016 to 2255 in 2020.

- We will organise annual 'Voice of the Customer' forums within Hertfordshire Jobcentres to understand the challenges that people with disabilities face in the modern labour market
- We will organise one Jobs Fair per quarter in all Hertfordshire Jobcentres
- We will organise a joint LEP/DWP employer's workshop to explore the needs and attitudes to retaining/retraining and recruiting 50+ workers
- We will increase the number of Sector Based Work Academy placements year on year of which 25% will be for those who are aged 50+
- We will maintain the number of learning opportunities (accredited or non-accredited) funded by the Education and Skills Funding Agency (ESFA) taken up by unemployed or economically inactive adults aged 19-65 at 22,000 per year
- We will maintain the number of residents aged 19-65 passing successfully English, maths and digital skills provision (accredited or non-accredited) each year (9974 in 2015/16)
- We will engage with 7000 residents aged 19+ per year with complex barriers to learning and employment to take part in community engagement activities to improve their aspirations and resilience

- We will increase the number of advanced/ higher and degree level apprenticeship starts from 2757 in 2016 to 3697 in 2020
- We will promote the take up of STEM apprenticeships in 2018 to increase starts to 1394 in 2019 and 1492 in 2020
- We will hold 2 sector based skills events per year to encourage greater collaboration between employers and local skills providers to meet business needs
- We will increase the percentage of SME businesses that undertake formal training and development of their workforce from 65% in 2016 to 67% in 2020
- We will increase the number of SMEs supported by the Skills Advisors at the Hertfordshire Growth Hub from 229 in 2017 to 750 in 2018

We will also continue to report the performance of our overarching ambitions including:

- Percentage of unemployed residents
- Percentage unemployed residents aged 50+
- Percentage of working age residents with no qualifications
- Percentage of working age residents with level 2+ qualifications
- Skills shortages as reported by Hertfordshire businesses

# Theme 1: Developing our future workforce

Young people have an essential part to play in the future prosperity of Hertfordshire and our aspiration is that they develop and acquire the knowledge and skills to flourish in the workforce:



## Current situation

Research tells us that for young people the transition from education to work can be difficult; Backing Soft Skills (McDonalds UK, 2015) stresses that

**“this is especially challenging for young people who are disadvantaged in some way, such as those with disabilities or behavioural difficulties.”**

Further we know that employers have concerns about young people’s employability skills; Results for Life, (Princes Trust, 2017) highlighted that 72% of employers believe that young people do not have the soft skills to do well when they first start work, most typically lacking: confidence, communication and reliability. The report proposes that on the whole pupils do not leave school with these skills.

Statutory guidance requires governing bodies to ensure all registered pupils are provided with independent careers guidance from years 8 to 13. The guidance states schools should consider the following principles for good practice when developing their strategy:

- High quality work experience that properly reflects an individual’s studies and strengths, and supports the academic curriculum
- Face to face advice and guidance to build confidence and motivation

- Access to a range of activities that inspire young people, including employer talks, careers fairs, motivational speakers, colleges and university visits, coaches and mentors
- Building strong links with employers, who can help to boost young people’s attitudes and employability skills, inform pupils about the range of roles and opportunities available and help them understand how to make this a reality

However the extent of this depends on a school prioritising the delivery of these activities and on the whole having the ability to pay for it. The financial landscape is becoming more challenging.

The delivery of the Careers & Enterprise programme in Hertfordshire is progressing well and aims to support these objectives. Ninety schools have received an audit of their careers, enterprise and employer engagement but we need to do more in recruiting Enterprise Advisers from businesses and in engaging with each school’s strategic direction. We can also do more to provide quality opportunities for young people to engage with employers in the priority skills areas as identified by Hertfordshire LEP and improve on imbalances like the lack of young women in STEM related fields: in 2015/16, only 7.2% of the 485 STEM work experience placements provided by YC Hertfordshire [formerly Hertfordshire Youth Connexions] were held by young women.



The 16-18 year old Not in Education, Employment or Training (NEET) rate reached a record low of 3.2% in January 2017. We also know that 96% of young people receive an offer of a confirmed place in learning following year 11 or 12 and that those without one are targeted to support their progression and prevent them becoming NEET.

This data is encouraging but it does hide a number of underlying issues which need to be addressed as part of this Skills Strategy. There are still over 1000 young people not in any form of learning, this includes jobs without training. Those in this group tend to be young people with additional needs or those from vulnerable groups all of whom are the most likely to be NEET beyond their 18th birthday. There are also significant differences between areas: Broxbourne and Welwyn Hatfield have 16-18 NEET rates over 4%, Stevenage over 5% whilst St Albans is under 2%.

### Our goals

- That all young people have access to impartial Careers Education and independent advice and guidance and are made aware of all the learning pathways that exist in Hertfordshire
- To raise awareness of employers, through the Careers and Enterprise programme and other initiatives, of the potential of young people and forge stronger links between employers and education providers to provide young people with face to face learning opportunities, work experience and employer events

- For employers to provide and education providers to promote, opportunities for young people to undertake apprenticeships, traineeships and workplace training, particularly at higher skill levels such as advanced apprenticeships and degree apprenticeships
- To identify those at risk of becoming NEET and those who are NEET and maintain, develop and co-ordinate programmes to move them into education, employment and training. There will be a particular focus on those from vulnerable groups
- To promote quality learning provision that reflects the needs of both the young people and the economic growth of Hertfordshire building on existing best practice and creating new education and training opportunities
- To promote opportunities for work related learning and employment within the STEM sectors and an increase in work placements taken by young women



## Theme 2: Towards fuller employment

In Hertfordshire approximately 80% of working age residents are in employment. Maximising our pool of available labour will both support an increasing demand for labour and create a strong economy; our aspiration is to aim for full employment to support a strong economy within which businesses can thrive:

### Current situation

Hertfordshire's labour market profile has seen a reduction in the number of unemployed Jobseeker claimants of around 20% between January 2016 and January 2017. This reduction has been most marked in the 18-24 age categories with a drop of 46%. The lowest drop has been in the 50+ age category with a reduction of 3%. The 50+ age category, as a percentage of the total unemployed Jobseekers register, is increasing.

Hertfordshire has a number of people who are out of work for reasons including poor health, disability, ex-offenders, caring responsibilities, families with multiple problems, care leavers and being homeless. Whilst it is difficult to categorise a whole group as being vulnerable, as individual circumstances will vary, it is acknowledged that the barriers to employment for certain groups tend to be more complex. Jobcentre Plus (JCP) will support every vulnerable adult looking to re-join the labour market with a named Work Coach to help the claimant design a package of support to help them overcome any barriers and meet their individual needs to gain full employment.

A significant issue facing vulnerable adults is not only securing employment, but retaining this status, as their personal circumstances or resilience may cause issues that can lead to individuals rotating between employment and unemployment. This can only be overcome by working with employers to identify these triggers and increasing in-work support.

A number of organisations work with adults across priority groups in Hertfordshire including HCC's Hertfordshire Adult Family Learning Service (HAFLS) and Work Solutions, Herts Mind Network, DWP, and other organisations from the Voluntary and Community Sector (VCS). By working in partnership, these organisations look to reduce the barriers that vulnerable adults face in competing in the labour market. Support will include working on improving skills set, confidence building, and access to work experience, sector based work academies, apprenticeships, work trials and volunteering.

It is recognised that volunteering provides valuable real life experience as well as supporting community initiatives. DWP Jobcentre Plus in partnership with local employers also offers initiatives such as Work Experience, Work Trials and Sector Based Work Academies. Jobcentre Plus works with employers to put in place workplace adaptations to help support and retain vulnerable adults, with health conditions, in employment.



## Our goals

- We aim to increase the number of economically active individuals in the community by supporting those most vulnerable in work and into work
- We will encourage continued and greater co-ordination between key agencies i.e. JCP, HAFLS and the VCS in order to promote the positive impact that sustained employment has on many health and social issues
- We will work to reduce the differential between the numbers of 50+ aged Jobseekers and other age groups
- We will work with partner organisations to promote volunteering opportunities to enhance the personal skillset, attitudes and knowledge of the hardest to help jobseekers in the labour market

## Theme 3: Enhancing opportunities through lifelong learning

With an ever changing workplace environment, residents are likely to face a number of career changes and therefore having core skills and a desire to learn is a requirement for the management of careers. Adopting a culture of lifelong learning will benefit individuals as well as local businesses. It will provide greater choices and opportunities for both individuals in the workplace and those seeking employment. There is a need for our workforce to aspire to and remain agile, digitally competent and adaptable to changes in the workplace.

### Current situation

Lifelong learning is about personal fulfilment and enterprise; employability and adaptability; active citizenship and social inclusion. It encompasses post-compulsory education, learning and covers the whole range of learning: formal, informal, workplace, and the skills, knowledge, attitudes and behaviours that people acquire in day-to-day experiences. It plays an important role supporting a person in changing circumstances to be flexible in their career choices, which means that they are less likely to become unemployed and therefore can contribute positively to Hertfordshire's economy. Government strategy for adult learning now includes digital literacy in addition to English and maths as a free entitlement to education.

In Hertfordshire there is a gap in participation in learning between those in low skilled employment and those in high skilled jobs and between the skills of those in work and those who are not. Evidence shows that a greater percentage of those individuals who struggle to secure sustainable employment have little or low skill levels. Encouraging this group to invest time and effort in learning will increase the number of individuals likely to remain in sustainable employment.

Whilst many Hertfordshire residents have high levels of qualifications, labour market profiles show that there are quite significant variations across the county with the St Albans area having the highest percentage of adults with level 2 qualifications or above (85.9%) whilst other areas such as Broxbourne and Welwyn Hatfield show the lowest with 71.6% and 71.3%

respectively.

Further Education Colleges, private training providers and Higher Education Institutions are the most common and largest providers of lifelong learning opportunities. However, informal community-based learning plays a crucial role in supporting people to engage in, or return to, learning. Informal learning can often be a first step back into more formal further or higher education for people who have become disengaged from learning. HCC's Adult and Family Learning Service, community centres, local learning providers (e.g. VCS) and local libraries play an important role in supporting learning in less formal settings, through the use of community education approaches, to address people's interests and concerns. Hertfordshire employers report that their skills gaps are having a negative impact on the business and that job applicants are frequently not fully proficient in oral and written communications.



## Our goals

- We will work to raise the level of literacy and numeracy of Hertfordshire's adult population, focusing initially on adults with no qualification in English and maths or below level 2 and residents with English as a second language; in addition we will support the delivery of digital literacy skills
- We will support the development of learning programmes with Community Learning providers, including the voluntary and community sector, to design and deliver discreet provision for those residents with complex barriers to learning and employment and who are hard to engage
- We will deliver more targeted programmes to support those who are unemployed, and more specifically those claiming benefits, to help gain access to and retain employment
- We will support partnership working between learning providers and employers to promote the benefits of work-based learning and apprenticeships up to level 5 and degree level
- We will continue to work with the voluntary and community sector to improve the provision of Community Learning, mindful of the Hertfordshire Compact; a written understanding between the voluntary and community sector and statutory sectors about how we will co-operate and continue to develop positive working relationships for the benefit of Hertfordshire's communities

## Theme 4: A leading economy; skills to drive growth

The Hertfordshire economy has been relatively resilient to recession. There are now clear signs that both labour and skills demands in Hertfordshire have and will continue to increase with further demand pressures ahead. Developing skills for growth will be an important element in Hertfordshire becoming a leading economy at the heart of the UK's 'Golden Triangle'.

Therefore our primary focus will be on developing skills within the following priority sectors;

- Science/technology
- Engineering & manufacturing
- Film & media
- Financial & business services
- High end logistics
- Built environment

### Current situation

Hertfordshire continues to show signs of labour market pressures. Participation in employment is high and growing, and unemployment is low. Vacancies have increased sharply over recent years and the London economy has created a high number of jobs over the past 10 years. A number of Hertfordshire districts (St Albans, Watford and Welwyn Hatfield) have enjoyed strong employment growth. Hertfordshire's working age residents have higher than national average skills levels, however the skills levels of Hertfordshire's workforce is in line with the national average.

Hertfordshire's population has grown significantly over the past decade, and this is projected to continue. Whilst this goes some way towards meeting future labour market demand in the county, a high proportion of the additional workforce are likely to be attracted to work in London.

Hertfordshire has a growing productivity gap with productivity rates significantly below peer economies in the south of England. It seems unlikely that the supply of qualified workers is behind this trend. However, a contributing factor may be that Hertfordshire's employers are less likely to train their staff than the leading local economies.

It is clear that employers responding to the Hertfordshire Businesses' Skills Gap Survey have accepted a responsibility for upskilling staff, both new and existing. This is particularly true of larger and medium sized businesses with 65% of businesses having a training plan/budget. Of those businesses who offer little or no training, the majority of whom are small or micro sized businesses; the two main cited reasons are financial costs and lack of knowledge of available training provision.

The introduction of the Apprenticeship Levy in April 2017 is expected to both encourage greater investment in training and development of staff by Levy payers and increase the number of apprenticeships at higher or degree level. Research on the introduction of the apprenticeship levy on behalf of the Department for Education, Chartered Institute of Personnel and Development, the Institute for Fiscal Studies, and City & Guilds have found that although knowledge of employers around apprenticeships is low the introduction of the levy is likely to increase the number, range and levels currently available.



## Our goals

- We will work with businesses, Higher Education (HE), Further Education (FE) and other training providers to improve the skills of both the existing workforce and the future labour market ensuring a better matching of skills to business needs in order to sustain economic growth with a particular focus on STEM related skills
- We will upskill the workforce to ensure it has the skills required to address technological change and to grow our economy prioritising those in the key growth sectors
- We will strengthen succession planning for our business base ensuring we are developing the leaders and managers of tomorrow
- We will sustain employment opportunities for new entrants to the workforce and support vulnerable individuals who routinely rotate between employment and unemployment
- We will invest in the capacity of local delivery partners to meet the needs of employers and individuals alike

## Theme 5: Skills to grow small and medium sized businesses

The growth of small and medium sized businesses (SMEs) is key to the economic prosperity of Hertfordshire. Studies show that 55% of all employment in Hertfordshire is within SMEs and that economic growth as well as employment growth rates within SMEs are greater than within micro sized or larger businesses. Countywide there are small and medium sized businesses that struggle to access the support they need to grow.

### Current situation

Hertfordshire has a sound economy with around 50,000 businesses which collectively generate Gross Value Added (GVA) in the region of £27 billion, with approximately 530,000 employees.

Approximately 99% of all businesses in Hertfordshire are categorised as being small or medium sized enterprises; micro sized businesses (1-9 employees) account for 90.8% of the total, small sized businesses (10-49) account for 7.4% of the total and medium sized businesses (50-249) account for 1.4% of the total number of businesses in Hertfordshire. Our percentage of small and medium sized businesses is lower than our neighbours in the East of England and lower than the rest of the UK and therefore growing this base is a key priority within Hertfordshire LEP's Strategic Economic Plan.

Nationally 50% of SMEs were predicting a moderate rate of annual growth that is less than 10% whilst a further 20% of SMEs were predicting a significant annual growth of more than 20%. Locally results gathered from the Hertfordshire Businesses' Skills Gap Survey (HBSGS) indicate that 62% of small sized businesses and 22% of medium sized businesses recorded more than 5% increase in turnover in the past 12 months which is comparable to the increase in turnover achieved by larger businesses.

Equally according to the findings of HBSGS 55% of SMEs reported an increase in the recruitment of new staff over the past 12 months, far greater than micro sized businesses at 20% and even

large businesses at less than 5%.

Both the HBSGS and national data indicate that micro sized businesses (55%) and small sized businesses (12%) are less likely to either have a training plan/budget or offer formal training to their staff, whilst 14% of medium sized businesses only produce a training plan/budget every two years. Of those SMEs that provide no formal training to their employees, 27% cited financial costs as a reason whilst a further 20% cited a lack of knowledge of available training provision as the reason for not training employees. SMEs in Hertfordshire are more likely to report that skills gaps have a negative impact on their business compared to the rest of England, i.e. 75% of SMEs in Hertfordshire compared to 63% in England.

Recent developments with regards to apprenticeships should provide beneficial opportunities for SMEs to engage, however greater clarity with regards to such benefits is required. Research by City & Guilds identified that SMEs are often confused by apprenticeships, preferring to communicate in person rather than by using IT solutions only.



## Our goals

- We will focus support including aligning funds from the European Structural Investment Fund (ESIF) on supporting the development of the skills that SMEs require for both their current and future workforce needs
- We will introduce independent online and face to face advisory support that will assist SMEs to identify training and development needs for their employees, to assist them to prioritise identified needs and to identify appropriate solutions to ensure their skills and development needs are met. Whilst we wish to address the skills needs of all growth potential SMEs we realise that improving the skills of SMEs within our priority sectors will have a greater impact on the GVA of the county and ensure greater business economic growth
- We will promote increasing training and development spends per employee; the number of SMEs that allocate annual training plan/budgets will be a key aspiration as well as increasing the percentage of SME businesses that employ at least one apprentice
- We will seek to increase the number of SME businesses that employ higher level apprentices. This will support our aspiration to reduce the number of SMEs citing skills gaps as having a negative impact on their ability to grow their business

# Hertfordshire Skills Strategy Action Plan

| Developing our future workforce |   |   |      |   |
|---------------------------------|---|---|------|---|
| Ref no                          | Action  | How   | Lead | Source of funding                           |
| 1                               | Promote, and where possible, increase the delivery of impartial independent advice and guidance (IAG) and careers education for young people.                           | Promote statutory duties and responsibilities to all education and training providers.  | HCC  | HCC / Schools / National Lottery / ESIF     |
|                                 |   | Target young people at risk of not progressing to a suitable and sustained positive outcome e.g. further education or work with training.   |      |   |
| 2                               | Build greater links between employers and education to promote the progression of young people within education and training and their transition to the labour market. | Use the Careers and Enterprise Company programme to provide an analysis of ongoing activity and promote opportunities for employer engagement with schools.   | HCC  | HCC / Careers & Enterprise Company/ Schools |
|                                 |   | Define a framework for Hertfordshire responding to the skills employers require for a successful economy and that young people need for successful futures. Promote these to employers, young people and education providers. |      |   |
|                                 |   | Evaluate the impact of work experience through the Careers and Enterprise programme.  |      |   |

## Developing our future workforce

| Ref no | Action   | How   | Lead | Source of funding           |
|--------|--|---|------|-----------------------------|
| 3      | Increase the number of young people who undertake an apprenticeship pathway.   | Delivery of the LEP's revised Apprenticeship Strategy with actions.   | LEP  | ESFA / ESIF / NCS           |
|        |  | Promote opportunities within STEM sectors and awareness of pathways to these particularly to young women.   |      |                             |
|        |  | Work to establish a Hertfordshire Young Apprentice Ambassador Network to be a key element in presenting benefits of apprenticeships to schools and parents. |      |                             |
| 4      | Increase the % of young people who are in education and training until their 18th birthday and that those from vulnerable groups make a successful transition into employment. | Delivery of the 16-24 EET Participation Plan, with particular focus on vulnerable groups.   | HCC  | HCC / Schools / ESIF / ESFA |
|        |  | Identify those at risk of not progressing and those that are NEET and provide support to engage them in education, training or employment.                  |      |                             |

## Toward fuller employment, supporting vulnerable adults into sustainable employment

| Ref no | Action  | How   | Lead | Source of funding |
|--------|---|---|------|-------------------|
| 5      | Encourage, support and help residents with health conditions remain and compete in the labour market. | Develop with partners a joint offer to support vulnerable adults with health conditions fulfil their potential in the work environment. | DWP  | DWP / ESIF        |
|        |   | Develop package of support to include building resilience to life events that may lead to the loss of employment.                       |      |                   |
|        |   | Support employers in the retention of staff with health conditions.   |      |                   |
| 6      | Support 50+ Jobseekers to remain and compete in the modern labour market.                             | Target JCP resources to deliver 50+ Job fairs. Source and promote vacancies for older workers.  | DWP  | DWP / LEP / ESIF  |
|        |   | Manage employer's needs and attitudes to retaining/retraining and recruiting 50+ Jobseekers.  |      |                   |
|        |   | Promote the benefits of Sector Based Work Academies and Work Experience with employers.   |      |                   |

## Toward fuller employment, supporting vulnerable adults into sustainable employment

| Ref no | Action  | How  | Lead | Source of funding |
|--------|---|--|------|-------------------|
| 7      | Support key sectors that face recruitment issues in recruiting and retaining sufficient staff to meet business needs, e.g. health & social care, retail, leisure etc. | Build greater links with employers and trade associations to identify barriers to recruitment and retention.       | DWP  | DWP               |
|        |   | Develop a programme to promote the opportunities that exist, working in key sectors, including career progression. |      |                   |
| 8      | Determine current and future initiatives that support vulnerable adults into employment to ensure a joined up approach.   | Map current initiatives that support vulnerable adults into employment.  | DWP  | DWP               |

## Enhancing opportunities through lifelong learning

| Ref no | Action   | How   | Lead | Source of funding    |
|--------|--|---|------|----------------------|
| 9      | Improve basic skills within adult population, i.e. in English, ESOL, maths and digital literacy.   | Map the current discreet education provision in Hertfordshire in English, maths and ESOL.   | HCC  | ESFA / DCLG<br>ESIF  |
|        |  | Encourage education providers to deliver digital literacy skills provision.   |      |                      |
| 10     | Help promote the availability of IAG for adult learners through a gateway for information to learners.                                       | Liaise with existing IAG services currently funded in Hertfordshire and work in partnership to deliver effective IAG more widely to adults.   | HCC  | NCS / HCC            |
|        |  | Continue to promote the use of and maintain the Hertfordshire Directory with up to date signposting for learning and progression routes.  |      |                      |
| 11     | Encourage greater focus on training in both specific geographical areas and specific sectors e.g. health & social care, retail, leisure etc. | Set up a referral system from Jobcentre Plus (JCP) to key learning providers to target specific geographical areas or profiles of adults who would benefit from discreet provision. | DWP  | DWP /<br>ESIF / ESFA |

## A leading economy; skills to drive growth

| Ref no | Action  | How  | Lead | Source of funding |
|--------|---|--|------|-------------------|
| 12     | Establish the Hertfordshire Apprenticeship Plan as a focus for the growth of Apprenticeships in Hertfordshire.  | Review and revise an Apprenticeship action plan for Hertfordshire.   | LEP  | LEP / ESFA        |
|        |   | Determine annual targets for Hertfordshire in line with local Area Review action plan and the Strategic Economic Plan.   |      |                   |
| 13     | Encourage greater investment in higher skills development to meet skills gaps in growth sectors.  | Promote greater take up of STEM related higher level (L3-5) apprenticeships amongst business base and in particular SMEs, creating career progression pathways to Degree Apprenticeships/HE. | LEP  | ESFA / ESIF       |
|        |   | Work in partnership with University of Hertfordshire (UH) and other local HE providers to promote and increase the take up of degree apprenticeships.  |      |                   |
| 14     | <p>Encourage investment in estate and equipment to ensure excellence in the delivery of key growth related higher level skills i.e.</p> <ul style="list-style-type: none"> <li>• Advanced manufacturing</li> <li>• Enviro Tech</li> <li>• Life sciences</li> <li>• Film &amp; media</li> <li>• Advanced IT skills</li> <li>• High-end Logistics</li> <li>• Built Environment</li> </ul> | Establish a joined up approach to providing high quality industry led skills provision working in partnership with key stakeholders i.e. FE, UH and private training providers.              | LEP  | LEP / ESIF        |

## A leading economy; skills to drive growth

| Ref no | Action   | How   | Lead | Source of funding |
|--------|--|---|------|-------------------|
| 15     | Maximise the introduction of the Apprenticeship Levy in Hertfordshire in order to increase the number of businesses that undertake formal training and development of their workforce. | <p>Promote to businesses to invest in apprenticeships/work based learning at levels 2, 3 and 4+.</p> <p>Introduce an incentive for SMEs to recruit both trainees and apprentices. Allocate ESF funding as an incentive pot for SMEs.</p> <p>Encourage greater collaboration between levy paying organisations i.e. public sector, vocational sectors etc.</p> | LEP  | ESFA / ESIF       |

## Skills to grow small and medium sized businesses (SMEs)

| Ref no | Action  | How  | Lead | Source of funding |
|--------|---|--|------|-------------------|
| 16     | Continue with employment of Skills Advisors, based within Hertfordshire Growth Hub (HGH) to provide generic and sector skills support.  | Allocate funding via Local Growth Fund/ESF for recruitment of Advisors.  | LEP  | LEP / ESIF        |
| 17     | Increase take up of training by SMEs with a particular focus on employment growth sectors (e.g. health & social care, retail, leisure etc.) as well as economic growth sectors (e.g. science/technology, engineering & manufacturing, film & media etc.). | Allocate ESF for up-skilling of existing workforce within SMEs.  | LEP  | ESIF / ESFA       |
|        |   | Work with local FE Colleges and private training providers to ensure provision meets local needs of SMEs.        |      |                   |
| 18     | Address Leadership & Management skills gaps within SMEs.  | Develop supply side to provide solutions that meet specific needs of SMEs.                                       | LEP  | ESIF / ESFA       |
|        |   | Promote availability of both qualification based and non-qualification based provision.                          |      |                   |
|        |   | Allocate ESF funding to support take up of agreed provision.   |      |                   |
| 19     | Investigate the establishment of an online Hertfordshire Skills & Apprenticeship Hub i.e. a one stop shop, to provide information to businesses and individuals.  | Build on the Skillmakers pilot to develop an online information portal.  | LEP  | ESIF / LEP        |
|        |   | Work in partnership with the Hertfordshire Growth Hub to host the portal and provide follow up advisory support. |      |                   |
|        |   | Identify potential start up and running budget funds.  |      |                   |

## Skills to grow small and medium sized businesses (SMEs)

| Ref no | Action   | How   | Lead | Source of funding |
|--------|--|---|------|-------------------|
| 20     | Promote the need for a regular updated version of the Hertfordshire Skills and Labour Market review. | To seek funding from partners and stakeholders to commission an updated version of the Hertfordshire Skills and Labour Market review. | LEP  | LEP and partners  |

# Releasing our potential



Hertfordshire Skills Strategy to 2020

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**Hertfordshire**  
Local Enterprise Partnership



Department  
for Work &  
Pensions

