



Adult Skills Fund Strategic Skills Plan

Ver.13

FINAL DRAFT

Version Control

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24.3.25	20.3.25	2	Renamed to Strategic Skills Plan, Amendments to Section 10 – Commissioning Principles (Working group input from 21/3/25)
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31.3.25	28.3.25	4	- Incorporating Jayne Wilcock's comments - Addition of stakeholder engagement appendix 3 and stakeholder engagement/comms plan. - Separated appendices from main doc as it was too large with the stakeholder feedback.
9.4.25	31.3.25	5	Strategic priorities added
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N/A	N/A		Considerations: - Business Case for allocation challenge - Wage benchmark - Delegated decision making

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1. Introduction

This document sets out Hull and East Yorkshire's devolved Adult Skills Fund (ASF) Strategic Skills Plan (SSP). The SSP sets out our strategy for the delivery of ASF in Hull and East Yorkshire and highlights the skills challenges and opportunities across the region and sets out how the ASF will help us deliver the key skills priorities set out in the Hull and East Yorkshire Economic Framework and the Skills Framework.

This document serves as a guiding framework for leveraging ASF funding to ensure that the region's residents have access to the learning and development opportunities they need to thrive in the economy and align to sector growth opportunities. It presents a comprehensive place-based approach to addressing the region's skills challenges and positioning it for long-term economic success.

By investing in targeted learning programmes, building on existing strong stakeholder partnerships, and implementing a robust system of monitoring and evaluation, the SSP will ensure that local adult skills provision is of the highest quality, supports residents to achieve their learning and employment goals and supports local employers to develop their workforce. With the commitment and collaboration of all partners and stakeholders, the plan will serve as a catalyst for the region's continued growth and prosperity.

The SSP is an integral part of the HEYCA's place-based economic development planning. It expands upon the HEYCA's Strategic Economic and Skills Frameworks which were developed from the economic plans, policies and research undertaken by the combined authority's constituent local authorities, Humber Economic Plan, and the HEY Local Skills Improvement Plan (LSIP) and the area's former Local Enterprise Partnership. It aligns with existing successful delivery including Skills Bootcamps, UKSPF, Multiply, the HEY Careers Hub.

It will also align to the HEYCA's Local Growth Plan.

2. Background

The HEYCA was formally established as the devolved body on 5 February 2025 to allow for the transfer of powers and funding from national to local government to address issues that affect Hull and East Yorkshire as a whole. It enables the unitary councils of Hull City Council and East Riding of Yorkshire Council to work together across the Hull and East Yorkshire area to deliver both services that have been delegated by national government to the area, and services that the two constituent councils consider can be better delivered together.

Devolution ensures that decisions are made closer to the local people, communities and businesses they affect. The HEYCA will assume responsibility for the commissioning and management of the ASF from September 2026. This fund will be worth circa £16m and will enable the region to direct funds to the most required provision. Management responsibility for the fund includes:

- defining local priorities which build on local strategic plans
- developing and publishing funding and performance management rules and guidance
- allocation of grants and/or using procurement processes that follow legal regulation
- developing and publishing contracts and conditions of funding arrangements
- setting funding rates and payment arrangements
- managing all contracted providers

The ASF supports the delivery of learning and skills to people aged 19 and over and enables adults to gain the skills needed for both life and work. This includes entering and sustaining work, participating in an apprenticeship opportunities and/or learning that supports second chance learning, widening participation and social mobility, all of which plays a part in reducing reliance on the welfare or health care system.

The ASF's purpose is to engage and support adult learners to gain skills which will either lead them to meaningful, sustained, and relevant employment, or enable them to improve essential everyday skills, increase confidence, improve physical and/or mental health, develop stronger communities, improve independent living skills, increase their understanding of democratic values, improve their ability to support a child's learning and/or progress to further learning.

The English Devolution White Paper¹, states that the previous ringfencing for Skills Bootcamps funding and Free Courses for Jobs funding will be removed and combined with the ASF for Mayoral Strategic Authorities from 2026/27 onwards.

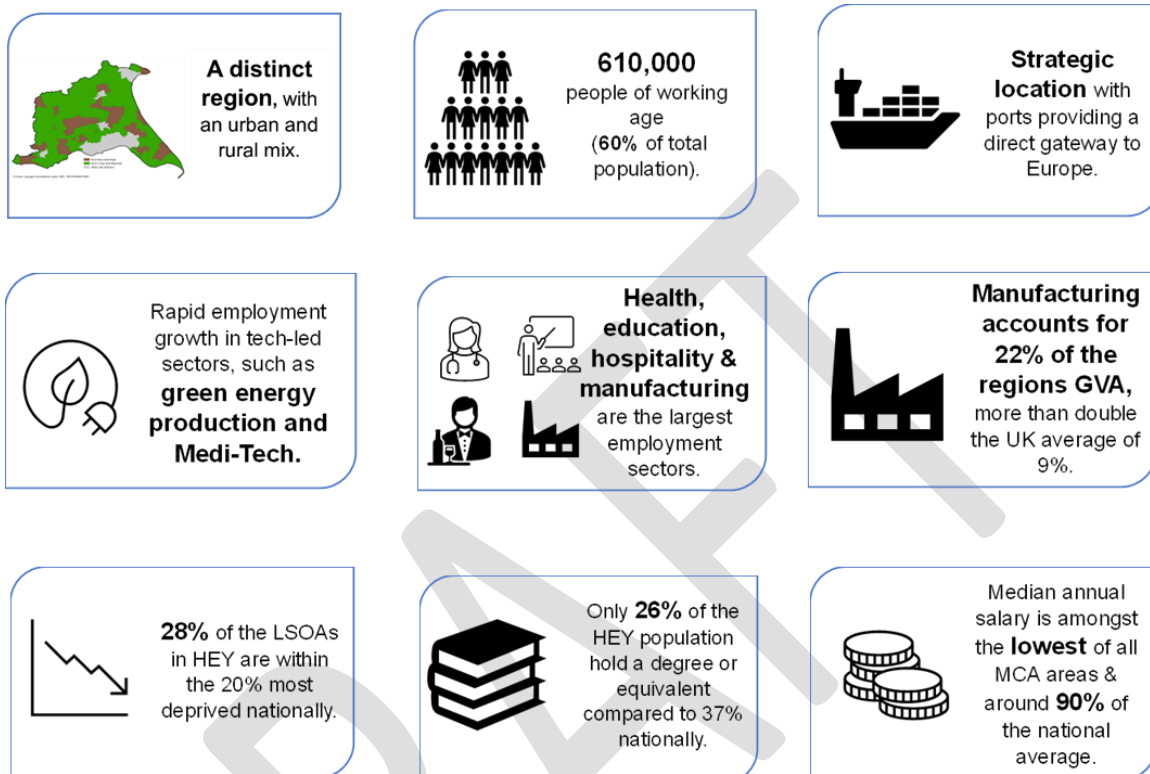
Skills Bootcamps are flexible training courses up to 16 weeks, with a guaranteed job interview (where a candidate is being recruited to a new job) or new opportunities. Developed in conjunction with employers, Skills Bootcamps equip adults with technical skills at Levels 3-5 that enable them to access in-demand jobs, apprenticeships, and new opportunities leading to increased income and productivity.

The SSP will incorporate these changes and provide the vehicle that sets out the HEY region's approach to this change.

¹ English Devolution White Paper: Power and partnership: Foundations for growth - GOV.UK

3. Hull and East Yorkshire Region

3.1 Local Landscape



Hull and East Yorkshire is home to over 610,000 people, with a diverse and dynamic economy. The area has a lower working age population (60.6%), compared to any other existing combined authority, except for York and North Yorkshire, which is driven by an older demographic in the East Riding.²

Located on the UK's east coast, Hull and East Yorkshire provide a direct gateway with Europe through the ports; therefore transport connectivity is critical to improving our productivity.

Hull sits at the centre of the area surrounded by the East Riding and the Humber Estuary, with the River Hull connecting its industrial heartlands to the port-related industries. The surrounding rural and coastal setting of East Yorkshire extends some 30 miles to the north, east and west, with the coast and estuary each extending over 50 miles.

Hull connects with the suburban villages within the East Riding's administrative area including Hessle, Anlaby, Kirk Ella, Willerby, Cottingham to the west and Bilton to the east, forming a continuous built-up area. Other key settlements include Bridlington, Beverley, Driffield and Goole.

² Office for National Statistics (ONS), 2022

Hull and East Yorkshire are tightly connected through employment, trade and culture; 87.9% of people in employment live and work in the area.³ There are variations across Hull and East Yorkshire, with 91% of the East Riding geography classed as rural, but 69% of the population living in areas classified as urban.³ This rural/urban spatial trend across the HEY area is shown in figure 1.

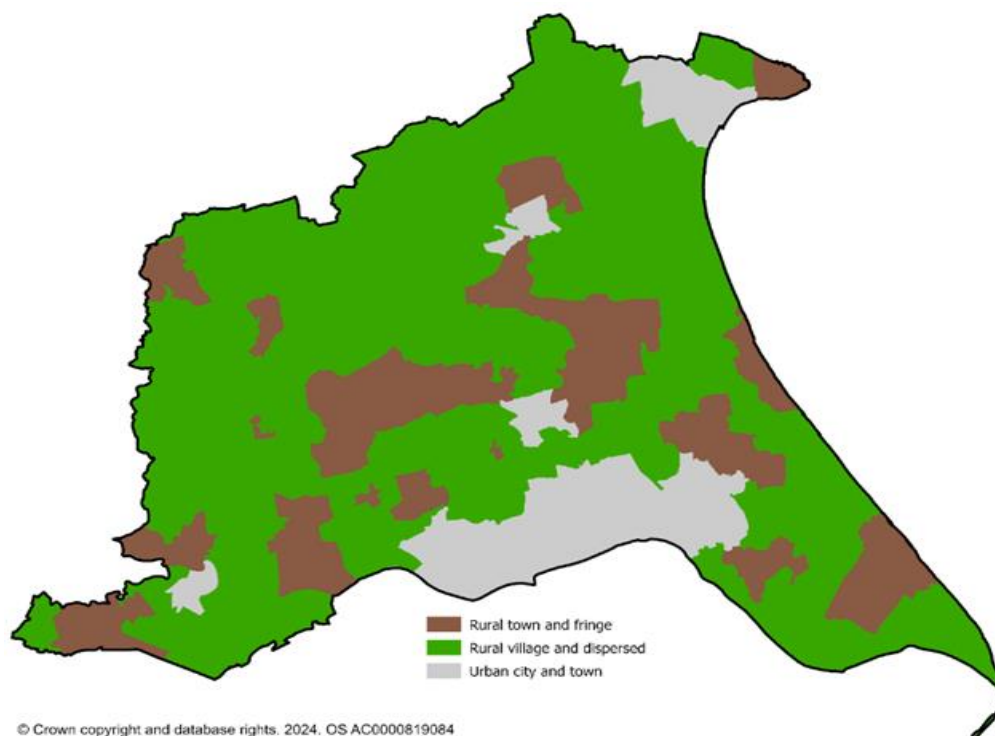


Figure 1: Hull and East Yorkshire Rural-Urban Classification⁴

3.2 Demographics

Age and gender

Figure 2 illustrates the population structure of Hull and East Yorkshire. In 2021, the total population of was 609,230 people, 51% of which were female and 49% were male. Around 61% of the total population are of working age (aged between 16 – 64), which is just shy of the average proportion of the population in England that is working age (63%)⁵.

³ Census, 2021

⁴ Department for the Environment, Food and Rural Affairs (DEFRA), 2011

⁵ Census, 2021

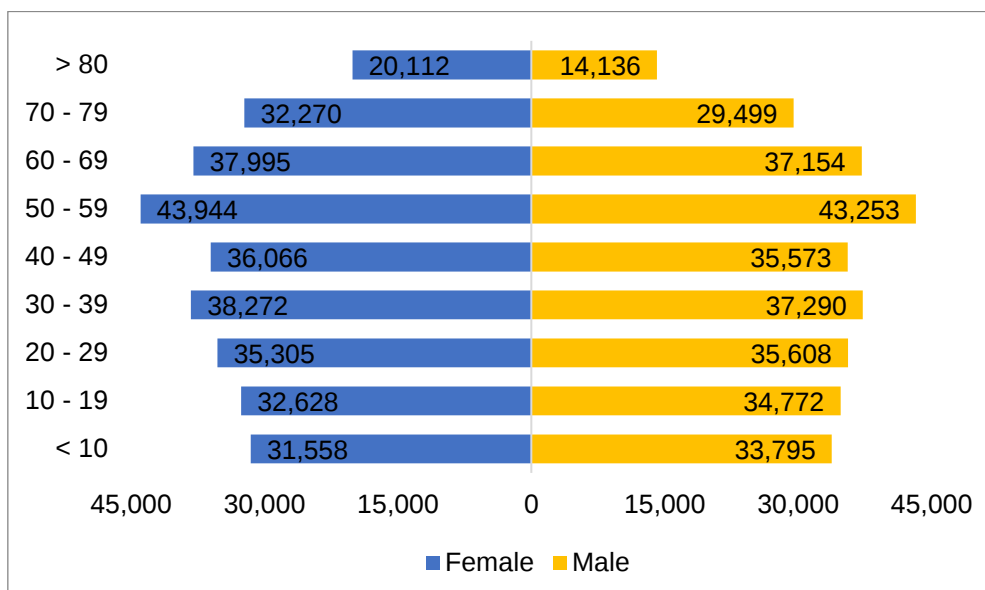


Figure 2: Hull and East Yorkshire population structure by age and gender (2021)⁶.

Population growth

It is recognised that there has been low population growth over the past two decades across Hull and East Yorkshire at 11% compared to 15% nationally. This alongside a shrinking working age population, which is expected to account for only 56% of the total population by 2040⁷, presents a challenge through a tightening of labour supply.

Ethnicity

The majority of the population in Hull and East Yorkshire are of white ethnicity (94.9%) with only 1.8% being Asian, 1.3% mixed ethnicity and 1% being black. White ethnicity is more prevalent than in England as a whole, where the white population makes up 81% of the total population. 94.4% of the population report English as their main language, with 5.6% of the population non-native English speakers⁸.

Health

Almost 80% of the Hull and East Yorkshire population report good health, this is just below the figure for England (82%)⁹. Disability prevalence is slightly above the national average.

Almost a fifth of the population in (19.2%) are classed as disabled under the Equality Act, compared to 17.3% in England¹⁰. The majority of ill health is concentrated in

⁶ Census, 2021

⁷ HEY Employment and Skills Strategy, 2023

⁸ Census, 2021

⁹ Census, 2021

¹⁰ Census, 2021

Hull where the average healthy life expectancy of residents is 55.8¹¹ years, significantly below the current state pension age (66 years). With the average total life expectancy in Hull at 77.7 years, residents experience around 22 years of ill health with poor health likely driven by variations in lifestyle behaviours (e.g. obesity, low levels of physical activity and smoking and resulting lifestyle-related illnesses).

Deprivation

Figure 3 shows the proportion of Lower-layer Super Output Areas (LSOAs) within each Lower Tier Local Authority within the Hull and East Yorkshire boundary which fall in the different deprivation deciles nationally. Nearly a third (28%) of LSOAs are within the 20% most deprived nationally under the Index of Multiple Deprivation (2019). It is clear that the majority of deprivation is concentrated within Hull, with 45% of the LSOAs in Hull classed in the top 10% most deprived households nationally. This is compared to only 6.2% of LSOAs in East Riding of Yorkshire being in the top 10% most deprived areas¹².

Almost half (42%) of LSOAs in Hull are in the top 10% most deprived nationally in terms of employment deprivation, this is the 6th highest of all LSOAs in the country. In comparison, just 5.7% of LSOAs in East Riding are in the top 10% most deprived in this deprivation domain nationally. Hull is also heavily deprived in terms of education, skills and training with 41.6% of its LSOAs in the top 10% most deprived in the country, meaning it is the second most derived Local Authority nationally in terms of skills and training¹³.

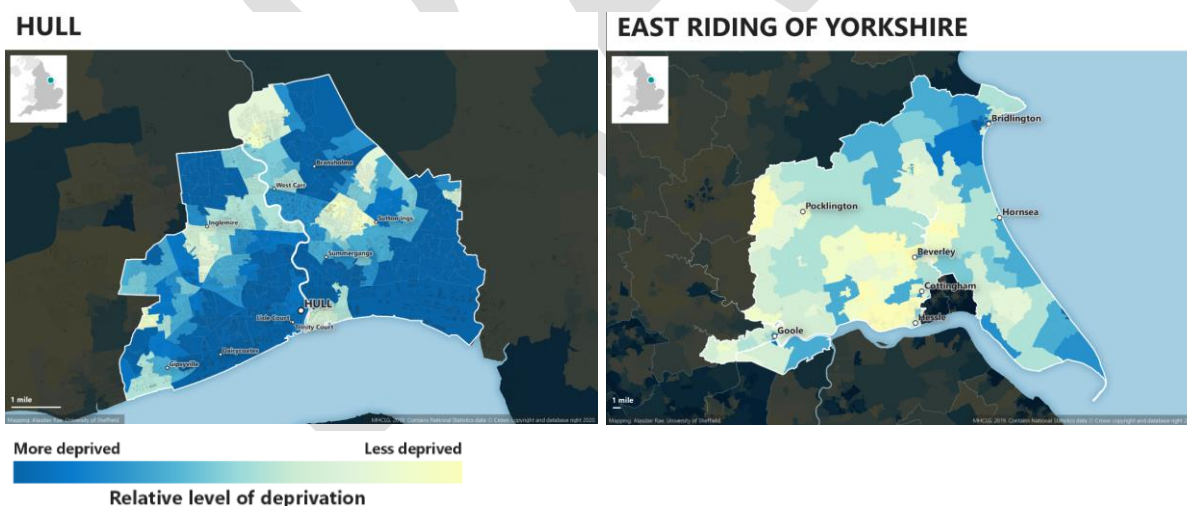


Figure 3: Indices of Multiple Deprivation for LSOAs in each LA¹⁴

¹¹ ONS 2018-20

¹² Ministry of Housing, Communities & Local Government (MHCLG), English Indices of Deprivation, 2019

¹³ Ministry of Housing, Communities & Local Government (MHCLG), English Indices of Deprivation, 2019

¹⁴ My Society, 2019

3.3 Local Employment

Employment rate

Over the last six years, the employment rate across Hull and East Yorkshire has decreased whilst nationally it has increased (2019-2024). In March 2024, the employment rate was 73.3% which was 2.4% below the national rate. Rates of employment dipped following the pandemic in March 2020 but whilst nationally rates recovered fairly quickly, they continued to fall and are now worse than the pre-pandemic employment levels experienced¹⁵.

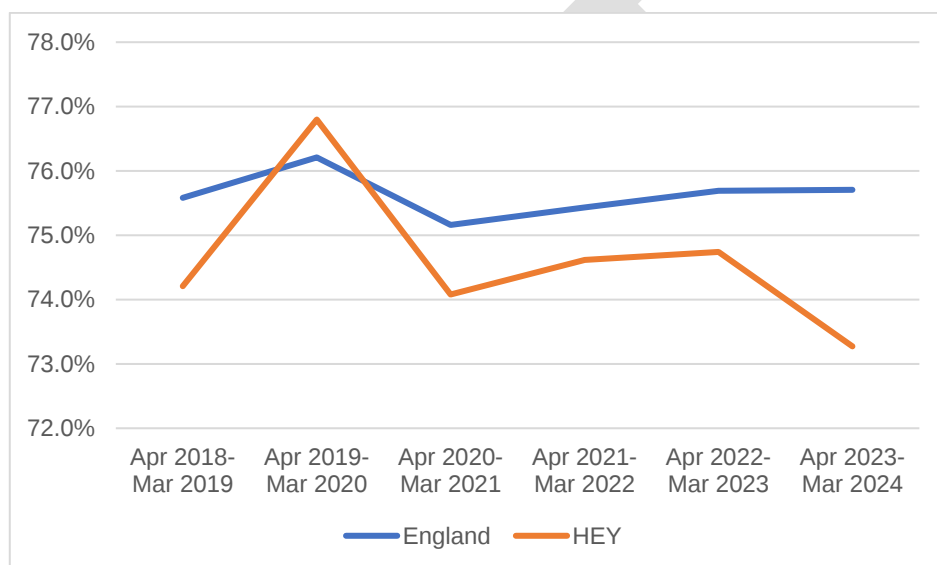


Figure 4: Hull and East Yorkshire Employment Rate (2019-2024)¹⁶.

Key employment sectors

Figure 5 below shows that the 3 largest employment sectors in HEY are:

1. Public admin, education and health (33.5%)
2. Distribution, hotels and restaurants (18.0%)
3. Manufacturing (14.8%)

The predominance of employment in public administration, education and health in Hull and East Yorkshire is similar to many regions nationally but highlights the continued need to focus on the skills needs in these sectors. The continued

¹⁵ Office for National Statistics (ONS) Annual Population Survey, 2025

¹⁶ Office for National Statistics (ONS) Annual Population Survey, 2025

prominence of manufacturing (14.8% of employment compared to 8.2% nationally) makes the Hull and East Yorkshire economy distinctive¹⁷. The significant concentration of manufacturing, accounts for 21.7% of GVA in Hull and East Yorkshire, which is more than double the UK average (9.4%) illustrating the value of the sector in the region¹⁸. Clearly, the visitor economy is an important contributor to the local economy also, with a higher proportion of employment in the hospitality sector than nationally. It is noteworthy that jobs in this sector are often low-wage and low-skilled labour, with a high turnover.

Whilst these industries represent current employment, the region is experiencing rapid growth from the digital sector, which is derived from a base of smaller companies, exploiting the area's digital capability. Alongside this, low carbon technologies have seen a 75% growth in employment in the past 8 years, in response to an under-representation in the sector¹⁹.

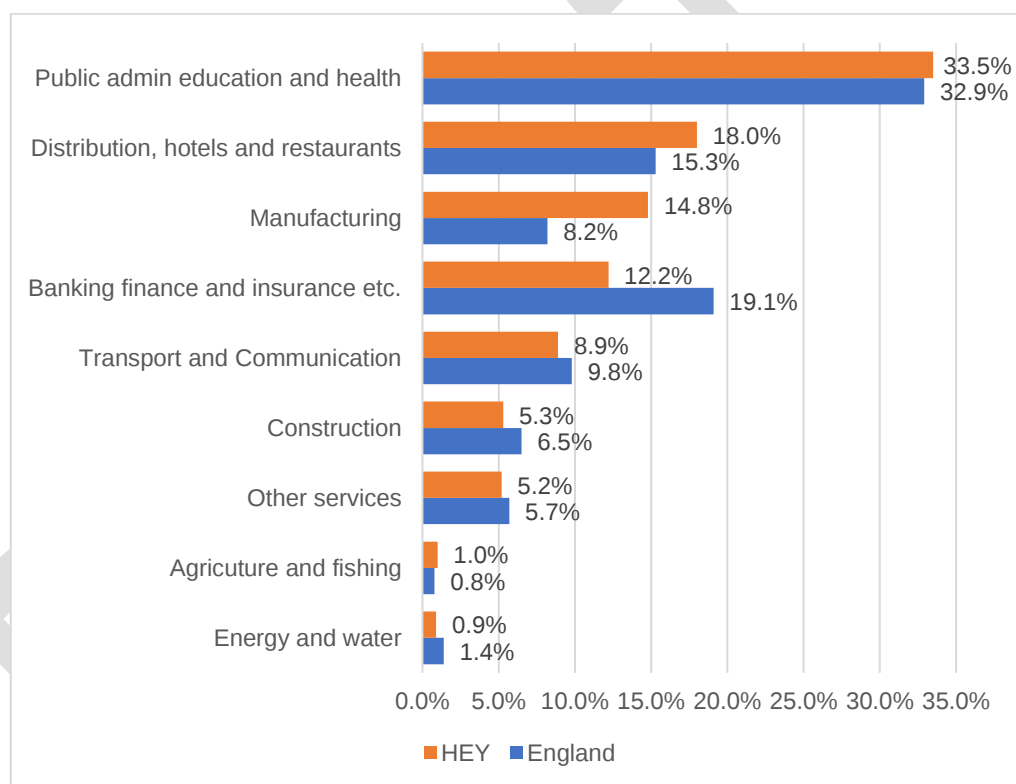


Figure 5: Hull and East Yorkshire Employment by Industry (October 2023 – September 2024)²⁰

Employment by occupation

Figure 6 below illustrates that there is a lower proportion of people employed in highly skilled occupations in Hull and East Yorkshire than nationally²¹. Much of the employment is concentrated in relatively lower skilled occupations, particularly

¹⁷ Office for National Statistics (ONS) Annual Population Survey, 2023-2024

¹⁸ Office for National Statistics (ONS), 2022

¹⁹ HEY Employment and Skills Strategy, 2023

²⁰ Office for National Statistics (ONS) Annual Population Survey, 2023-2024

²¹ Office for National Statistics (ONS) Annual Population Survey, 2023-2024

when compared to national averages. The relative lack of higher paid job opportunities likely limits the ability of the region to retain and attract highly-skilled workers.

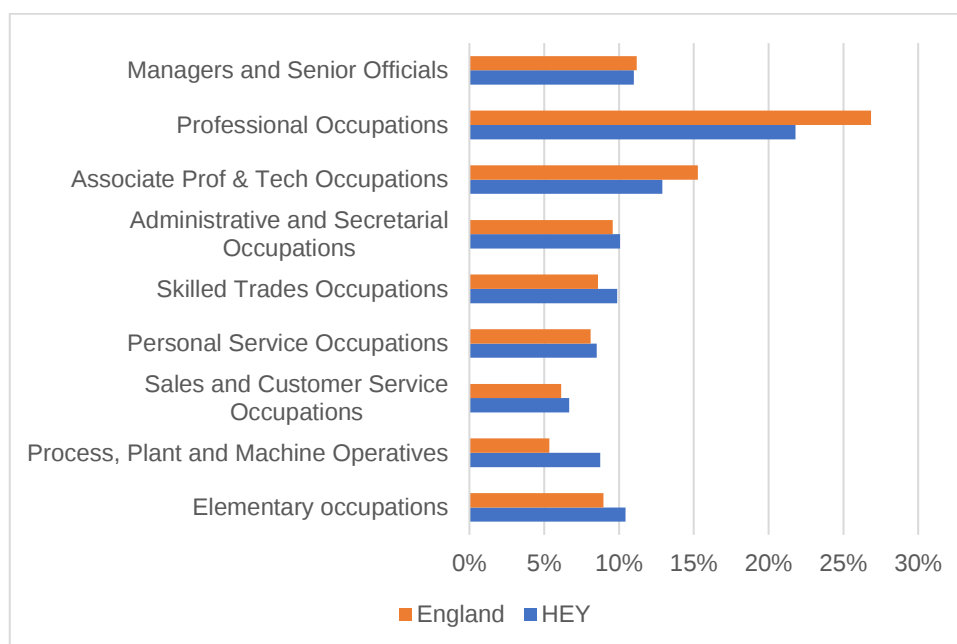


Figure 6: Hull and East Yorkshire Employment by Occupation (January 2024 – December 2024)²¹

Average earnings

Earnings in the Hull and East Yorkshire region are lower than national averages. Gross median weekly pay in Hull is £533 compared to £602 in East Riding, whilst the average in England is £619 illustrating the scale of difference. The same is true for gross disposable household income where it is significantly lower in Hull (£15,038) than East Riding (£20,430) and both are lower than the English average (£22,213)²². The median annual salary for jobs in the region is amongst the lowest of all MCA areas (comparable to the North East), and around 90% of the national average.

Travel to work

Of those in employment in the Hull and East Yorkshire region, 51% of people live within 10 kilometres of their place of work whilst 8% of those in employment travel over 30 kilometres to their place of work. Meanwhile, 23% work mainly from home. This is in comparison to national averages, where only 41% of the population live within 10 kilometres of their workplace, 5% travel over 30 kilometres but 37% of the national population mainly work from home²³.

²² Office for National Statistics (ONS) Local Indicators, 2025

²³ Note that this is based on 2021 census data, hence results may be skewed by working from home patterns induced by the Covid-19 pandemic.

Job vacancies and postings

The willingness to work of those economically inactive points to a lack of opportunity in the area, this is evidenced below²⁴. Online job adverts have seen a downward trend since the end of 2022. Despite an uptick at the beginning of 2024, job adverts declined sharply towards the end of the year.

The number of online job adverts in Hull and East Yorkshire is the lowest of all established Mayoral Combined Authorities, highlighting the limited opportunities. Jobs densities, which represent the ratio of total jobs to the working age population, is 0.77 compared to 0.86 for Great Britain, further highlighting this challenge²⁵.

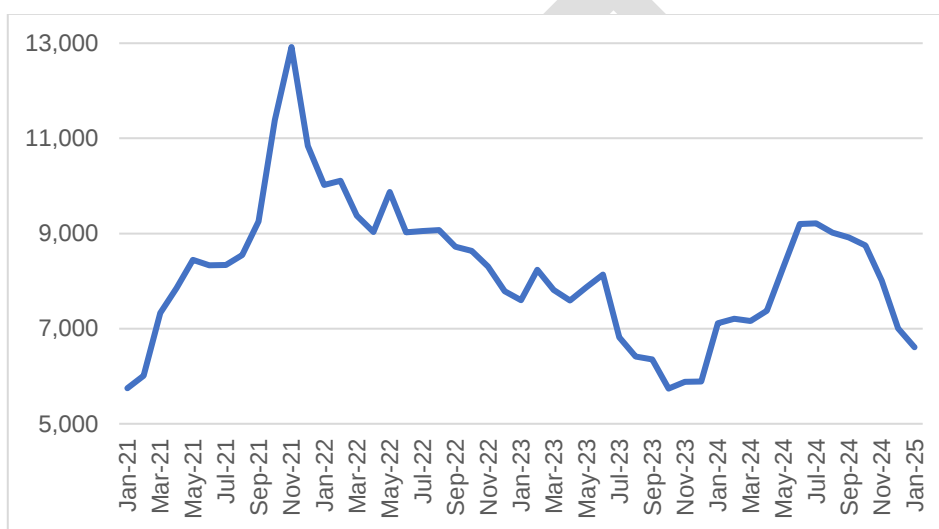


Figure 7: Number of online job postings in HEY 2021-2025²⁴

Economic inactivity

The percentage of people who are economically inactive (25.0%) in Hull and East Yorkshire is considerably higher than the national average (21.2%)²⁶. In addition to this, the inactivity rate has increased at a much faster rate than the national average in the last five years. Since the pandemic, there has been a steepening gap between national inactivity rates and those in Hull and East Yorkshire. Higher economic inactivity is compounded by a higher than average claimant count, equating to 4.4% in the region compared to 4.2% in Great Britain²⁷.

²⁴ Department for Education (DfE) Local Skills Dashboard, 2025

²⁵ ONS Job Density

²⁶ Office for National Statistics (ONS) Annual Population Survey, 2023-2024

²⁷ Office for National Statistics (ONS) Labour Market Profile, 2025

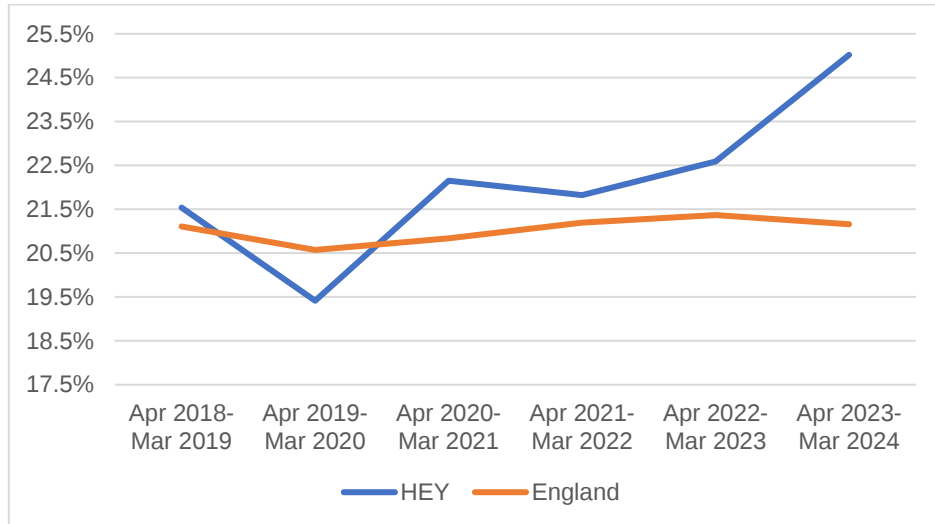


Figure 8: Hull and East Yorkshire Economic Inactivity Rate (2019 – 2024)²⁶

The majority of inactivity is derived from large proportions of the population being classed as long-term sick, meaning they stay out of the labour market due to their illness. Of those economically inactive 24.5% state that they 'want a job', this is significantly higher than the proportion in England of 17.5%.

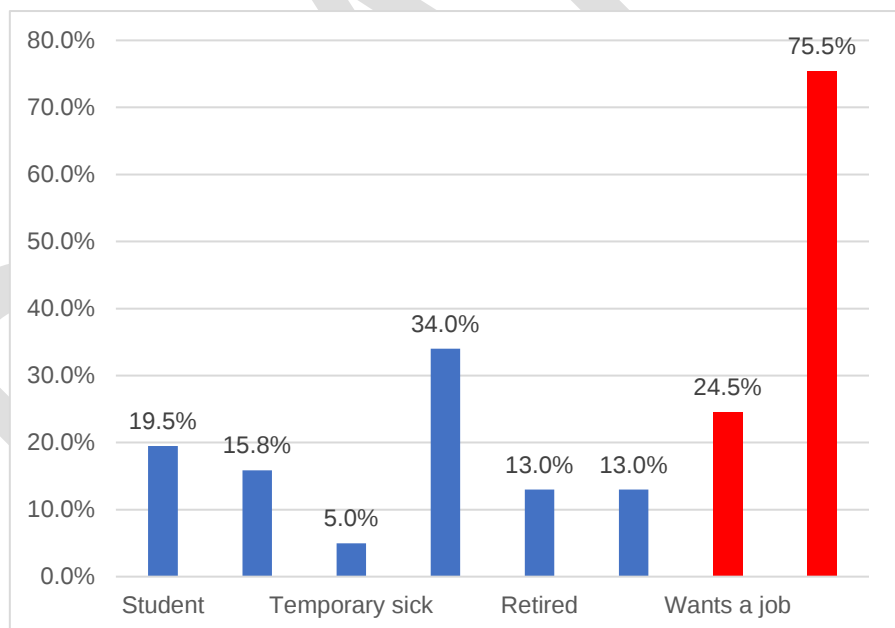


Figure 9: Reasons for economic inactivity in Hull and East Yorkshire for residents aged 16-64 (April 2023 – March 2024)²⁶

Claimant Count

The claimant count is a measure of the number of people claiming unemployment related benefits and includes people claiming jobseeker's allowance or universal credit. Following the Covid-19 period the claimant count began to decrease but still remains higher than pre-Covid levels with a steady increase June 2024.

The claimant count for March 2025 as a proportion of economically active residents aged 16+ is far higher in Kingston Upon Hull at 8.4% (10,955 claimants) than the East Riding of Yorkshire at 3.2% (5,230 claimants) compared to 5.4% for England.

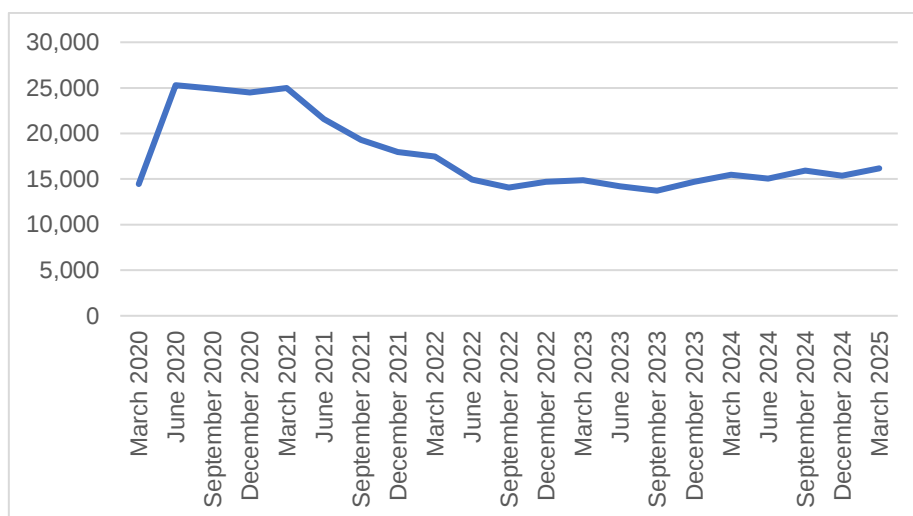


Figure 10: Hull and East Yorkshire Unemployment Claimant Count (2022-2025)²⁸

Youth unemployment

The level of youth unemployment and those 'not in education, employment or training' (NEET) is significantly higher in Hull (7.6%) than in East Riding (2.8%) and also than the national average (3.2%)²⁹. This presents a problem as young people lose out on crucial opportunities for skills development and career advancement.

3.4 Local skills

Qualifications

Figure 9 below illustrates the skills shortage that is present in Hull and East Yorkshire. The proportion of those aged 16 – 64 with no qualifications is around 1 in 10 and almost 3 percentage points higher than the English average. The proportion of the working age population with a degree is significantly lower than the national average, being around 10 percentage points lower with only 26.4% of the Hull and East Yorkshire population holding a degree or equivalent compared to 36.9% nationally³⁰. Alongside these nationally recognised qualifications, it is also recognised that only 36.7% of the Hull and East Yorkshire population is qualified to RQF4+, compared to 47.1% in England and that figure reduces to only 33% in Hull³¹.

²⁸ ONS NOMIS Claimant Count

²⁹ Department for Education (DfE) Participation in education, training and NEET age 16 to 17 by local authority, 2025

³⁰ ONS Census, 2021

³¹ These percentages include those that hold vocational qualifications at level 4 and level 5, unlike in the figures mentioned beforehand that only include degrees or equivalent.

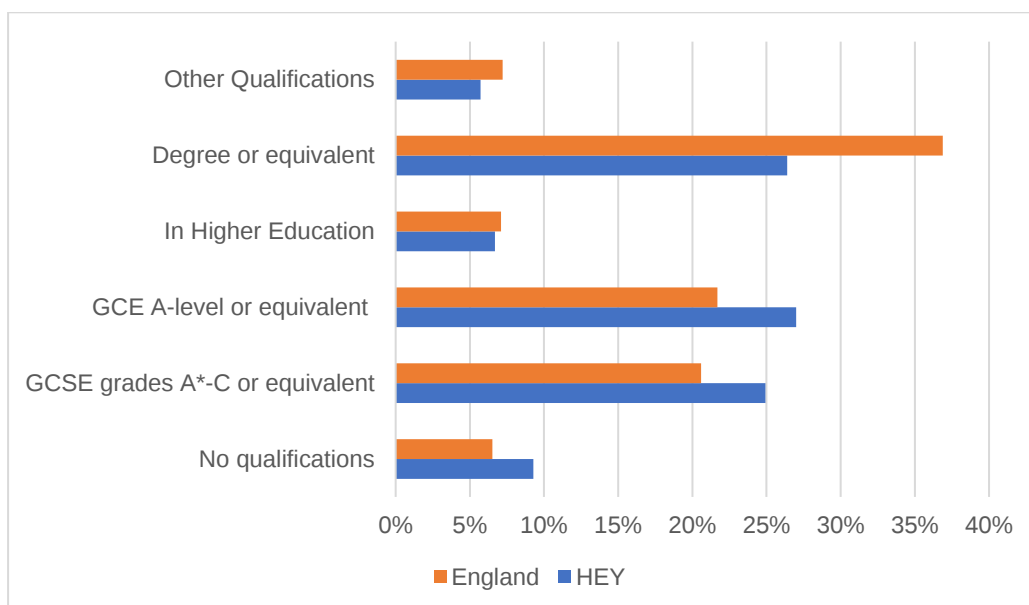


Figure 11: Hull and East Yorkshire highest qualification of those aged 16-64 (January 2021 – December 2021)³⁰

3.5 Business and Productivity

The Hull and East Yorkshire economy is home to 20,610³² businesses and represents 10.5% of Yorkshire and the Humber region's GVA and 3.7% of the North's output, with an annual GVA output of £15.865bn³³. The key sectors in the region punch above their weight across many performance metrics, including their productivity and employment contribution. For example, production industries, which are critical to the UK's overall export competitiveness, account for 26.5% of Hull and East Yorkshire's GVA, the largest share of any MCA economy and almost two times the UK average (13.3%). Transport and logistics represent another key sector, reflecting locational advantages and the importance of the ports of Hull and Goole, which processed 9.91 million tonnes of freight in 2022 (79% inward freight and 21% outward freight). However, critical challenges remain.

Overall productivity in Hull and East Yorkshire is below the national average, at 87.3% and 87.6%³⁴ respectively, with rankings of 319th and 213th (out of 362 localities) respectively in the 2023 UK Competitiveness Index. However, research from the Northern Powerhouse Partnership, has revealed that the East Riding of Yorkshire has the highest rate of economic growth (3.5%) of any individual council area in Yorkshire³⁵.

³² Inter-Departmental Business Register (IDBR), 2023

³³ Office for National Statistics (ONS) 2022

³⁴ Office for National Statistics (ONS) 2022

³⁵ Invest East Yorkshire: £1 billion of Investment since 2020 | Invest East Yorkshire

3.6 Key Opportunities & Strengths

- **Production industries**, which include the **agriculture, food manufacturing, energy, mining, and advanced manufacturing sectors**, are critical to the UK's overall export competitiveness. These sectors account for 26.5% of our GVA, the largest share of any Mayoral Combined Authority economy and almost double the UK average (13.3%)¹.
- The area also has a nationally **significant concentration of manufacturing, accounting** for 21.7% our GVA, which is more than double the UK average (9.4%)¹. **Transport and logistics** represent another key sector, reflecting our locational advantages and the importance of the ports of Hull and Goole, which processed 9.91 million tonnes of freight in 2022 (79% inward freight and 21% outward freight)⁵.
- Sector specialisms in engineering, manufacturing, logistics, construction, and professional services which have high-value growth potential.
- A wide range of **innovative agricultural, agri-tech food processing and food manufacturing businesses** which are closely linked to the global food system. In productivity terms, the sector is 2.5 times more productive than the UK average (2021). Some of the country's largest food manufacturing and processing businesses are located here, supported by a long and deep supply chain. Agricultural operations vary in size with almost one third of farms being over 100 hectares. Fisheries operations are small but collectively provide one of the largest shellfish catches in the UK. The **tourism and cultural sectors** are similarly diverse and are of vital importance to coastal and rural areas.
- The **digital sector** is growing rapidly from a base of smaller companies, exploiting the area's digital capability.
- The area has seen employment growth in **technology-led sectors, such as green energy production and Medi-Tech**, and is home to global names such as Siemens Gamesa, Smith and Nephew and Reckitt. These sectors significantly contribute to the area's productivity and are critical to the UK economy.
- Our area has a stable population and workforce, with an employment rate at 75.4%, the fourth highest compared to all other MCA areas.
- High levels of employment in priority sectors, such as health & social care, which are important within the context of an ageing population.

3.7 Key Challenges

- The **median annual salary for jobs in our area is amongst the lowest of all Mayoral Combined Authority areas** (comparable to the North East), and around 90% of the national average. The relative **lack of higher paid job opportunities** also limits our ability to retain and attract highly skilled workers.
- We face the structural challenges of a **persistent low-skill, low-wage economy** in some areas, which are limiting the economic prosperity of our communities.
- Overall **qualification levels throughout the Hull and East Yorkshire area remain below the national average**. Only 37.7% of our population is qualified to RQF4+, compared to 46.7% in England and that figure reduces to only 33% in Hull.

- Nearly a third (28%) of lower layer super output areas (LSOAs) in Hull and East Yorkshire are within the 20% **most deprived** nationally under the Index of Multiple Deprivation.
- Hull and East Yorkshire also faces particularly **high patterns of deprivation** and **benefits dependency** specifically in Hull and Goole and along our coastline. This is highlighted in Hull, where the average healthy life expectancy of residents is 55.8⁹ years, which is significantly below the current state pension age (66 years). With the average life expectancy in Hull at 77.7 residents experience around 22 years of ill health, with poor health driven by lifestyle behaviours (e.g. obesity, low levels of physical activity and smoking), and resulting in lifestyle-related illnesses.
- An increasingly ageing population, which will reduce the pool of labour in the region

3.8 Summary

The Hull and East Yorkshire geography has a diverse economy with key sector specialisms and a growing innovative and high value business base. However, to address the structural challenges of a persistent low-skill, low-wage economy in some areas, which are limiting the economic prosperity of some communities, there is a need for targeted intervention aimed at addressing the cycle of poverty, ill-health and worklessness and to upskilling local people and aligning their skills with economic needs in priority growth sectors. The ASF programme will contribute towards this and has a role to play in addressing some of the key local challenges in Hull and East Yorkshire around skills and employment.

4. Strategic Context

The vision for skills in Hull and East Yorkshire:

To invest in people, learning providers and employers to narrow our local productivity gap and enable people to live meaningful lives. This will help to grow our local economy, enable more residents to deploy skills in higher paying jobs, support a healthy and well population and help our area to fully contribute to the UK economy.

We will achieve this through ensuring that people have the skills, confidence, motivation and information to increase their access to both economic and social opportunities, in turn reducing levels of unemployment and under-employment, matching local talent to jobs and to ensuring that communities can readily engage with learning that supports them to lead active, resilient and fulfilling lives.

The emphasis on social mobility and community well-being through education is crucial. Our vision will ensure that communities can engage with learning opportunities that supports them in leading healthy, active, resilient, and fulfilling lives. This holistic approach not only boosts economic growth but also fosters a stronger, more connected communities.

4.1 Hull and East Yorkshire Economic Framework

The draft Hull and East Yorkshire Economic Framework provides a snapshot of the economy of the region, as well as presenting the HEYCA's four strategic themes for action. It also outlines the objectives that will be delivered in order to meet the area's aspirations.

The draft Economic Framework builds upon economic plans, policies and research undertaken by the CA's constituent local authorities and the area's former Local Enterprise Partnership.



4.2 Hull and East Yorkshire Skills Framework

The Hull and East Yorkshire draft Skills Framework sets out the key strategic actions required to ensure the residents of Hull and East Yorkshire have the skills and support required to provide a workforce which will drive the economy of the region and in turn allow local people to fully benefit from the opportunities that economic growth provides. It reflects the strategic priorities in the Hull and East Yorkshire Economic Framework.

The Hull and East Yorkshire Skills Framework will deliver a more inclusive and responsive skills system that recognises our local assets and opportunities, provides solutions to our challenges, and invests in our people.

It is built around two of the four draft Hull and East Yorkshire Economic Framework themes:

Economic Framework strategic theme	Skills Framework priorities
Increased Productivity: We aim to boost productivity by providing our workforce with the skills and job opportunities needed for the future as we transition to a zero-carbon economy as well as supporting business	• Raising productivity and resilience of our high employment sectors • Strengthening our competitive advantage in sectors of existing high productivity • Nurturing and growing employment and innovation • Creating a dynamic climate for the creation and development of microbusinesses

innovation and competitiveness.	• Supporting everyone into employment or self-employment
Promoting Inclusivity: The framework aims to contribute to creating economic opportunities for our most deprived communities and provides decent homes for all, addressing the persistent cycle of poverty, poor health, and low aspiration.	• We will raise young people's aspirations and ensure they are prepared for adulthood through access to employment and training initiatives • We will support those furthest from the labour market, providing them with the skills they need to take up jobs in our emerging higher value sectors and ensure that the widest possible breadth of the community can reach their economic potential

The draft Hull & East Yorkshire Skills Framework will be further developed once the mayor is elected. A stakeholder and partner engagement programme gathered feedback to inform the CA approaches to strategic skills planning, delivery and use of ASF.

4.3 Humber Economic Strategy

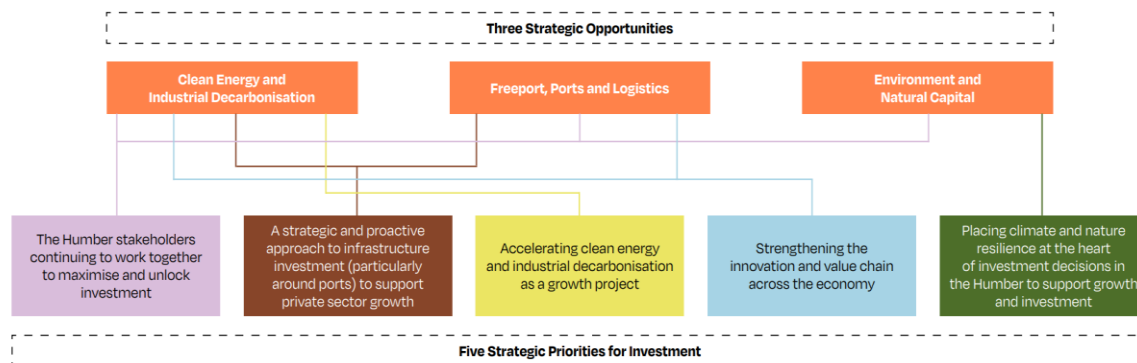
Through their respective devolution deals and together with government, the Hull and East Yorkshire Combined Authority and Greater Lincolnshire Combined County Authority recognise that optimising the Humber's economic potential will require the public and private sector on both banks of the Humber Estuary continuing to work together on pan-Humber economic opportunities. This includes on skills development related to strategic opportunities.

The Humber Economic Strategy articulates the distinctive economic opportunities for the region, the national significance of these and where a pan-Humber strategic approach is necessary. There are three clear priorities that require a pan-Humber approach to activity in The Humber Estuary Industrial Growth Corridor. These strategic opportunities are:

1. Clean Energy and Industrial Decarbonisation
2. Freeport, Ports and Logistics
3. Environment and Natural Capital

The Humber Economic Strategy sets out five strategic priorities for the Humber which are intended to enable and guide the allocation of resources and investment. These priorities set out the goals and principles for investment at a Humber level, setting the scope for future investment required to unlock growth and deliver the economic opportunity which will be vital to the region achieving success. This includes ensuring the labour force is equipped with skills required by future industries to attract and retain business. Where appropriate, the ASF will be delivered in line with these priorities.

The Humber strategic opportunities and priorities for investment (extract from Humber Economic Strategy).



The Humber Economic Strategy demonstrates the Humber has the foundational wealth of skills and expertise to allow the UK to meet future demand for clean energy and energy security. There is already work ongoing to develop a green skills curriculum in the Humber and deliver the workforce capabilities and skilled population required by future industry, evident in the DfE backed Net Zero Careers Hub, Humber Energy Skills Campus and the expansion of the CATCH facility. The Humber Investment Plan will set out how and where further developments could be implemented in support of Humber strategic opportunities. Where appropriate, the Humber Investment Plan will set out the programme of strategic interventions around skills development required to:

- Drive up skills and educational opportunities and help to lift the region's significantly below average performance against key socio-demographic indices.
- Build on partnership work to date to develop skills strategies to match future industry needs around clean energy to ensure investors can access the skills they require.

The Hull and East Yorkshire Local Growth Plan and Investment Strategy will set out how local levels will drive growth and deliver skills strategies, including the ASF, in support of wider Humber strategic priorities as set out in the Humber Economic Strategy.

4.4 National Industrial Strategy and Local Growth Plan

The "Invest 2035" Industrial strategy is a 10-year plan aimed at fostering long-term, inclusive, and sustainable economic growth in the UK. It focuses on creating a stable and predictable environment for businesses to invest in high-growth sectors. The Government's Growth Mission will be supported by the Industrial Strategy which will implement targeted policy interventions to drive growth where the UK has, or could develop, a comparative advantage, or to unlock barriers essential for delivering long-term, sustainable, inclusive, and resilient growth.

The key objectives relate to:

Net Zero	• Capture the growth opportunities of the Clean Energy Mission and Net Zero transition. • Identify and support Clean Energy industrial sectors with the greatest growth potential. • Align sector plans with Net Zero and environmental objectives.
Regional Growth	• Unleash the potential of UK cities and regions, taking into account regional growth when considering growth-driving sectors. • Consider where sectors and relevant capabilities are located to identify clusters that can drive growth.
Economic Security & Resilience	• Promote key sectors in the economy which drive growth and strengthen economic security. • Reduce supply chain and other vulnerabilities in growth-driving sectors which could harm their long-term growth or ability to deliver critical outputs. • Ensure national security risks inform the approach to driving growth in these sectors.

Alongside these key objectives, the strategy aims to create a pro-business environment by encouraging Government partnerships with businesses, trade unions, mayors, devolved governments, experts, and other stakeholders to help address the biggest challenges to unlock business investment. Another core objective of the strategy is to unleash the full potential of UK cities and regions by attracting investment and creating the best environment for businesses in them to thrive. Hull and East Yorkshire could capitalise on the opportunities by building a skills offer that attracts investment and skills into the region.

To maximise the impact on growth, the Industrial Strategy will focus on stimulating investment and activity in sectors with the highest growth potential. These include:

- Advanced Manufacturing
- Clean Energy Industries
- Creative Industries
- Defence
- Digital and Technologies
- Financial Services
- Life Sciences
- Professional and Business Services

The focus industries in the Industrial Strategy align well with the high growth and established industries in Hull and East Yorkshire outlined in this plan, in particular with regards to digital and clean energy industries as well as manufacturing.

The ASF SSP will align with the priorities of the HEY Local Growth Plan once it is completed. The HEY Local Growth Plan will also look to capitalise on the key sectors outlined in the industrial strategy, particularly those high growth sectors in Hull and East Yorkshire stated above.

5. Adult Skills Fund Strategic Priorities

The HEYCA understands that the ASF plays a crucial role within the broader educational framework. As a Combined Authority, our goal is to align funding streams to achieve optimal outcomes for our residents, communities, and businesses. By devolving the ASF and leveraging connections with other funding sources such as Free Courses for Jobs (FCfJ), Connect to Work and Skills Bootcamps, we can more effectively target provisions and minimise duplication.

To deliver our SSP, we have created a set of priorities, which will guide our approach to delivering Adult Skills. These priorities are based on:

1. Enhancing Economic Growth: By fostering innovation and supporting local businesses, we aim to boost productivity and create high-quality jobs for our residents
2. Promote Inclusivity: We will work to ensure that opportunities are accessible to all, reducing inequalities and fostering a more inclusive community.

The five strategic priorities are:

	PRIORITY	ACTION
1	Align skills with economic needs, priority sectors and key strategic plans e.g. LSIP to boost productivity and wellbeing of both residents and employers	• Ensure curricula meet local employment demand • High quality CEIAG is embedded across all ASF delivery as both a gateway to learning and progression to further learning and/or employment
2	Empower businesses to generate more and higher-paid sustainable jobs, creating better opportunities for	• Ensuring that employers can access both accredited and unaccredited training to meet their productivity needs • Through Skills Bootcamp funding, develop and expand training programs focused on e.g. sustainable practices, green technologies, digital, construction etc.

	individuals and sector growth	Equip the workforce with the necessary skills so that businesses can ensure a steady supply of qualified employees for sustainable jobs.
3	Minimise inequality and promote social mobility	- Use the ASF to provide the skills and learning residents need to progress into, or within, work, or equip them for an apprenticeship or other learning. - Commission flexible tailored programmes of learning which may or may not require a qualification, to enable eligible adult learners engage in learning, build confidence, and/or enhance their wellbeing. - Prioritise those who are facing additional barriers to enter or progress into employment - Undertake outreach into disadvantaged communities and breaking down the barriers adults can face in accessing 'traditional' modes of provision. - Ensure appropriate progressions are in place for young people as they transfer to adult learning. - Continue to invest in tailored learning through our grant funded and procured providers, protecting the funding proportion allocated (subject to affordability).
4	Enhance wellbeing through education, personal development and/or employment improving healthy life expectancy and reducing inequalities, particularly in disadvantaged communities	- Work with our commissioned partners to understand the barriers faced by residents in accessing work. - Work with stakeholders, including prisons in the Combined Authority region to ensure that where appropriate, ASF enhances outcomes for residents facing barriers to accessing work e.g. residents who are NEET or who have offended. - Create an effective "learning in the community" offer which encourages and supports learners onto appropriate learning pathways.
5	Ensure an agile commissioning approach that adapts to changing local circumstances. This will align skills provision to business needs within job markets and emerging sectors	- Integrate agile methodologies into the commissioning approach to ensure that partners can respond quickly to changing business needs and sector developments. - Collaborate with HEY-based employers to identify emerging skills requirements and tailor educational curricula accordingly. - Implement continuous learning and development initiatives that focus on

		adaptability and resilience in dynamic job markets and emerging sectors. • Ensure our delivery approach secures value for money and social return on investment.
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6. Alignment of ASF with other funded programmes

	Programme Overview / Objectives related to skills	Link to ASF Priority
UK Shared Prosperity Fund (UKSPF)	This programme has provided £2.6 billion of funding for local investment in skills. The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. The funding aims to boost core skills and support adults to progress in work by targeting those with no or low-level qualifications, skills in maths and upskill the working population.	ASF Priority 1 ASF Priority 3
Skills Bootcamps	Part of the Government's Lifetime Skills Guarantee, this programme aims to help people gain skills for life by offering bespoke training solutions to bridge existing skills gaps within high demand sectors. It offers flexible courses of up to 16 weeks to help people gain sector-specific skills and fast-track career progression. This programme has already supported around 1,600 individuals in HEY across different sectors.	ASF Priority 1 ASF Priority 2 ASF Priority 3
Free Courses for Jobs (FCfJ)	This initiative offers free Level 3 qualifications for adults aged 19 and over who do not yet have A levels or equivalent qualifications. It aims to help people gain new skills to access better job opportunities.	ASF Priority 2 ASF Priority 3
Lifetime Skills Guarantee	The Lifetime Skills Guarantee is designed to help people of all ages develop the skills they need to get good jobs and support businesses in finding or developing talent to fill skills gaps. It includes free Level 3 qualifications and Skills Bootcamps. The offer is backed by £95 million from the £2.5 billion National Skills Fund.	ASF Priority 1 ASF Priority 2 ASF Priority 3
Get Britain Working White Paper / Connect to Work	The Get Britain Working White Paper aims to reduce economic inactivity by addressing various barriers to employment, ensuring that those who can work, do work. It includes a £240 million investment to support local plans, health interventions, and targeted employment support,	ASF Priority 1 ASF Priority 3 ASF Priority 4 ASF Priority 5

	particularly for young people and those with long-term sickness. Connect to Work is the first major element of the Get Britain Working Strategy. It aims to support up to 100,000 people annually by providing targeted employment support, particularly for those facing health-related barriers.	
Multiply	The Multiply programme started in 2022, running until 2025. It aims to increase functional numeracy in the adult population across the UK. It offers various courses designed to improve numeracy skills for everyday life and work, targeting adults with low numeracy skills.	ASF Priority 1

7. Stakeholder engagement

7.1 Stakeholder engagement methodology

The following methodologies were used to engage stakeholders and gain their feedback on the HEYCA's approach to ASF and also the ASF SSP.

- Stakeholder engagement event held in December 2024 open to all HEY Skills Network members and wider stakeholders totalling circa 70 delegates. The event opened the engagement process, gave delegates information on the draft HEY Economic Framework and also the opportunity to input into the both the HEY Skills Framework and the HEY ASF SSP via a series of round-table exercises.
- An online survey open from 2nd December 2024 until 31st January. The survey comprised of 17 questions including an open question asking for input on any issues not covered in the structured feedback and was sent directly to the HEY Business Growth & Skills Hub Skills Network membership. 14 responses were received including a joint response from the Hull and East Yorkshire based Further Education Colleges. Responses from the online consultation were received from:
 - Private sector employers
 - VCSE organisations
 - Higher Education providers
 - Post-16 and Further Education providers (including a joint response from the Principals of all Hull and East Yorkshire based Further Education Colleges)
 - Independent Training Providers
 - Employer Representative bodies (including a bespoke response from the Hull and East Yorkshire Local Skills Improvement Plan)
 - Public sector organisations
 - Residents

- An information sharing session with the Hull & East Yorkshire Local Skills Improvement Fund Partnership on 12th December 2024.
- A webinar held on 18th December 2024 providing all the information given at the launch event to any stakeholder unable to attend the launch event.
- A focus session held on 19th December 2024 with Principals of all Hull and East Yorkshire based Further Education Colleges.
- An information sharing session with the Humber and North Yorkshire Integrated Care Board's Careers and Employability Group on 8th January 2025.
- A focus session with Local Authority Providers and Hull and East Yorkshire based Independent Training Providers holding direct ASF contracts on 9th January 2025.
- A focus session with the Hull and East Yorkshire Local Skills Improvement Plan team on 16th January 2025.
- An information sharing session with the Yorkshire Learning Providers Humber meeting on 23rd January 2025.
- Two briefing presentations delivered to the HEY Skills Board, one on the 24th January 2025 and a summary of the engagement outcomes given on Friday 28th March 2025.

Ongoing stakeholder engagement is essential for the development of the HEYCA's approach to ASF delivery. Through the engagement process stakeholders have identified collaboration and consultation carried out in a timely way as being essential for effective business planning and continuity of provision. The HEYCA is committed to ongoing collaboration with all stakeholders as this is critical to the successful delivery of the programme.

7.2 Key findings

The key findings from the engagement process were:

- Providers strongly advocated for a co-production approach which ensured the learner needs were considered and the existing knowledge and expertise of providers was harnessed and built upon. Parity of providers should be a fundamental principle of this approach. The approach should include lived experiences from vulnerable groups, engagement with employers, community organisations and learners.
- Provision must be accessible for all and take into account barriers to learning which are many and varied. These need to be understood when developing provision. Support for targeted outreach should be provided and consideration should be taken to removing or reducing the £25k earning criterion in recognition of lower wages that the national average in Hull.
- Consideration should be given to the implementation of a Digital Inclusion Strategy to support learners lacking in digital literacy or tools.
- Ensure learners are supported appropriately to enable them to succeed and achieve good quality outcomes. This should include investment in learner

support and good quality Careers, Education, Information, Advice and Guidance. Support for adults who have never been diagnosed with a learning difficulty should be included as many adult learners only discover their learning support needs after starting a course. The process for providers to claim Adult Learner support should be simplified as some providers find the process too complex. As a result they do not claim to the learners' detriment.

- Provision must meet the need of employers in all sectors, not just those defined in the LSIP and include high-volume employment sectors. Nurturing and strengthening existing trusted partnerships between local providers and employers will help this. Provision should also be standardised where possible to allow learners to build "currency."
- In order to ensure good quality outcomes for business, learners and communities, stakeholders felt that consultation, collaboration and partnership working was essential. Setting appropriate qualification benchmarks that take into account cohort disadvantage should be considered. In addition, funding outcomes should relate to a learner's starting point and progress made. Good quality CEIAG for learners was also identified. Procurement cycles should be minimised to reduce disruption and unnecessary distraction of resource from supporting learners.
- Ensure that provision is flexible and can accommodate:
 - Unaccredited and bespoke training to allow courses for rapidly evolving industry sectors and employer needs
 - English and maths
 - Digital skills and the infrastructure that is needed to support this
- The HEYCA can help create the conditions for success and positive outcomes by:
 - Effective and efficient stakeholder engagement through a comprehensive external communications programme including a dedicated point of contact at the local authority, transparent communication channels and face-to-face approach to provider account management
 - Creating forums for providers to collaborate and through this facilitate peer learning. Include innovation at the heart to create new ideas and approaches to address complex issues and improve outcomes.
 - Timely feedback on contractual matters
 - Engaging with awarding bodies
 - Ensuring governance processes are efficient and the Skills Board plays an active and effective role in the system
 - Include employers, VCSE organisations and communities.
 - Creating a workforce development fund for the CPD of trainers and educators
 - Create a local course directory to assess supply-side dynamics
 - Guaranteeing core funding for colleges as a prerequisite for collaborative initiatives
 - Create a HEY learner panel to evaluate and co-create provision
 - Facilitating external support

- Providing regular, structured engagement and communications covering policy, guidance and funding changes with clear purpose and value to support the ongoing process
- Stakeholders identified the following priority groups which include some sections of the community that are not currently funded:
 - Marginalised groups under the Equality Act including migrants, refugees, asylum seekers (and those requiring ESOL)
 - Adults looking to reskill or upskill into emerging or higher value sectors and, those 50+ allowing them to update their skills and remain in the workforce and those who are working in declining industries and seeking to change career
 - Individuals seeking a return to work including carers, long-term unemployed and single parents
 - Self-employed and SME employees – supporting productivity
 - Graduates requiring job-specific training
 - Learners pursuing non-standard courses tailored to specific employer requirements
 - Learners from deprived communities
 - Learners needing maths and English support
 - People with disabilities, diagnosed and undiagnosed learning difficulties
 - Learners in geographical “cold spots” e.g. rural or coastal areas
 - Young people aged 19-24 who are not in employment, education or training
 - Learners seeking access to higher education
- Stakeholders were unanimously in favour of establishing an “Innovation Fund” and identified opportunities for this. This was against the backdrop of concern that the fund did not impact on provider funding.
- The current focus for Tailored Learning is correct in that it addresses low skills, social exclusion and workforce participation particularly for disadvantaged groups however, there are too few providers delivering, it needs to be better aligned to job outcomes and the models success often hinges on balancing employability outcomes with broader personal and social gains. Current challenges to Tailored Learning include insufficient funding, accessibility issues and sometimes being siloed from the ASF reducing the potential to act as a bridge to further qualifications.
- The Dynamic Purchasing System to be used by the HEYCA for contracted provision should allow for rapid adjustments to meet local needs. The HEYCA should be mindful of the risk to local providers and consider how smaller providers who lack the resources to engage can be included. It should also allow for collective approaches from specific sector groups. Stakeholders expressed a variety of views on what contract durations should be.
- Providers should be incentivised to collaborate, not compete and ensure good quality outcomes for learners. This includes setting intelligent outcome metrics that support this way of working. Volatile metrics should be avoided to prevent providers becoming destabilised. Programmes that support long-term workforce adaptability, reaching hard-to-reach groups should be developed.

Outcomes should be tailored to local challenges such as addressing deprivation, cross boundary employment, green and digital industries.

- Stakeholders had differing views on delivery plans. Larger providers subject to Ofsted inspections argued that this was unnecessary while others felt they were appropriate, should be open to scrutiny and accountability and contributed to the delivery of quality provision. Stakeholders identified the following as being key factors in enabling the development of effective delivery plans and learning packages:
 - The HEYCA's role in supporting providers with good quality labour market intelligence e.g. Lightcast analysis
 - Trusting providers' existing expertise
 - Ensure the planning process timing is conducive
 - Allow delivery plans to account for flexibility in funding and provision to respond to industry changes
 - Recognise learner diversity and allow for unaccredited and bespoke programmes and traditional qualifications
 - Delivery plans should be demand led and prioritise outcomes such as learner progression, workforce development and community impact
- Stakeholders felt that the changes set out in the "English Devolution White Paper" offered both opportunities and threats. Opportunities include the establishment of innovative cross-sector partnerships linking skills development with employment initiatives creating integrated programmes, the potential to simplify administrative processes and greater flexibility to address regional priorities. Threats included the risk to the core ASF budget, insecurity for ringfenced programmes and the potential for disadvantaged groups to lose out due to this. Generally, concern was raised that without clear mechanisms for oversight and transparency there is a risk that funds could be misdirected and that a clear understanding is needed of how and what each funding stream can be utilised.

7.3 Ongoing Stakeholder engagement

The HEYCA will continue to consult with its key stakeholders, including employers, providers and learners to continue to develop and improve the HEY ASF programme. The HEYCA's Strategic Skills Framework and the priorities of the HEY LSIP will also be used to inform this to ensure local provision can help people develop the skills they need to get good jobs and increase their prospects.

The HEYCA will use well established mechanisms such as the HEYCA Skills Network, which includes representative from providers, learners, schools, employers and other stakeholders as an engagement tool, building on the good practise model used in developing the Skills Framework and initial ASF consultation.

8. Profile of provision in 2023/24

8.1 Evidence base

The HEYCA ASF SSP has been developed using analysis of previous years ASF, Tailored Learning and Free Courses for Jobs (FCfJ) provision taken from the most recently available DfE Individualised Learner Record (ILR) data (2023/24) and published allocations. This analysis has been used to inform strategic and operational planning.

[The DfE does not accept responsibility for any inferences or conclusions derived from the DfE Data Extracts and/or the Matched Dataset by third parties.]

ASF funding supported approximately 13,000 learners across Hull and East Yorkshire in 2023/24. 10,700 learners participated on courses funded through the Adult Skills strand with 2,310 participating in Tailored Learning.

Hull and East Yorkshire learners attracted £9,176,481 of Notional Adult Skills formula funding during the 2023/24 academic year, and £560,036 of FCfJ funding.

Funding for Tailored Learning can only be roughly estimated as it is block funded at provider level. Providers based in the HEYCA received a total ASF grant allocation of circa £6.2m in 2023/24 and an allocation of circa £2.9m for Tailored Learning.

A full detailed analysis of the ASF provision in the HEYCA for the 2023/24 academic year will inform the commissioning approach for 2026/27.

	Adult Skills	Tailored Learning	Free Courses for Jobs
Funding (£)	£6.2m	£2.9m	£560k
Participation (unique learners)	13,000	2,300	250
Enrolments	8,600	4,900	250
New Learners	16,000	2,300	250

All figures rounded.

8.2 Trends in provision (2023/24)

There has been a consistent increase in the number of new ASF learners since the 2021/22 academic year resulting in circa 8,600 new learners starting just over 16,000 learning aims in 2023/24 (Fig. 12). Compared with the previous year, this is a slight increase of 3% in the number of new learners and a 12% increase in new learning aim starts.

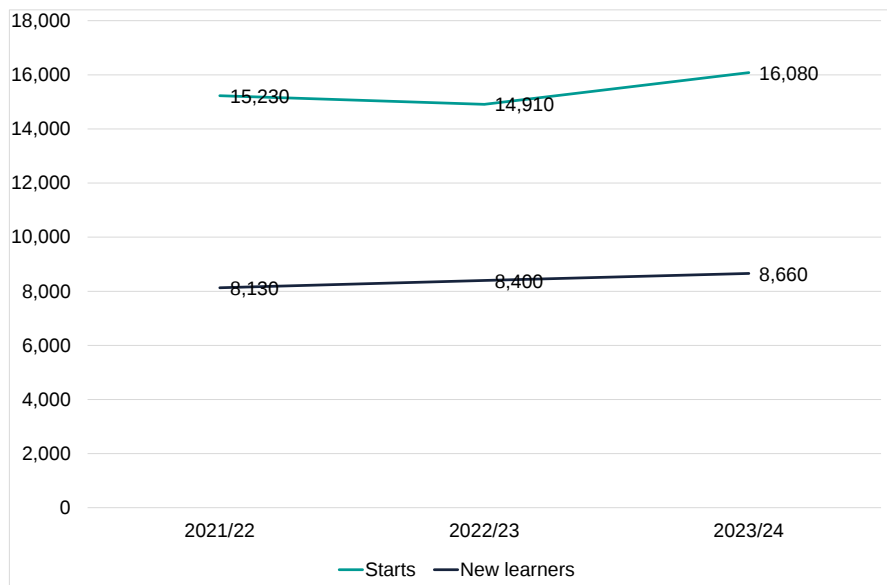


Figure 12: Trend in Adult Skills Starts and New learners by academic year

The number of Tailored Learning starts increased consistently over the 2021/22 to 2023/24 period but the learner count remained flat (Fig.13). Circa 2,300 individual learners started a Tailored Learning programme with around 5,000 new learning aim starts. For both Adult Skills and Tailored Learning, the ratio of learning aim starts per learner appears high and has increased since 2022/23.

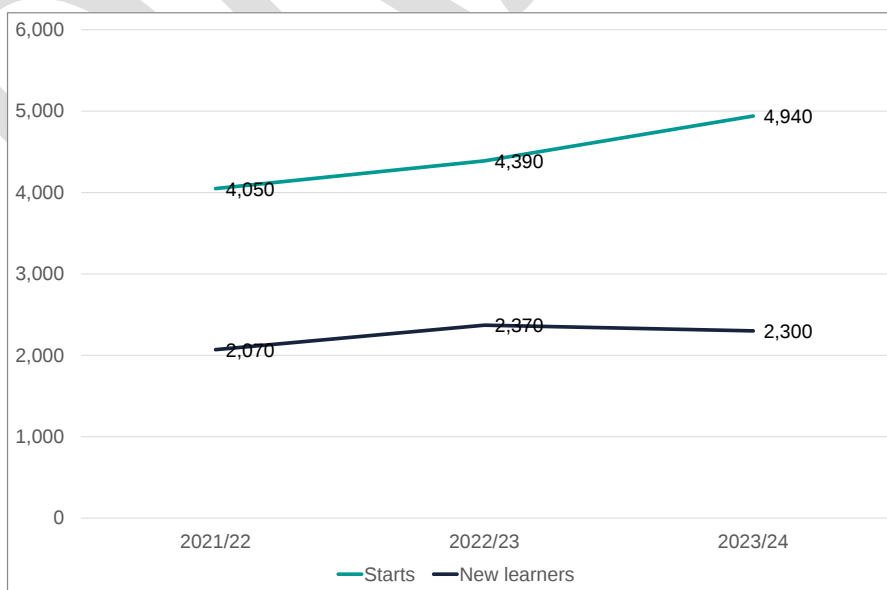


Figure 13: Trend in Tailored Learning Starts and New Learners by academic year.

The number of new FCfJ learners has increased year on year since 2021/22 albeit from a low base with new learning aim starts showing an almost identical trend (Fig.14).

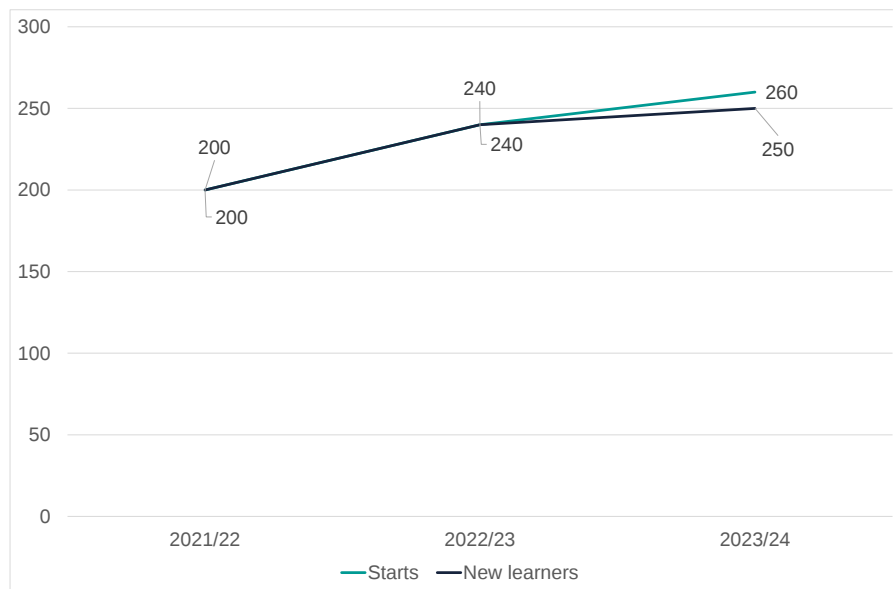


Figure 14: Trend in FCfJ Starts and New Learners by academic year.

Notional Adult Skills funding increased from 2021/22 to 2022/23 but fell slightly between 2022/23 and 2023/24 (Fig.15).

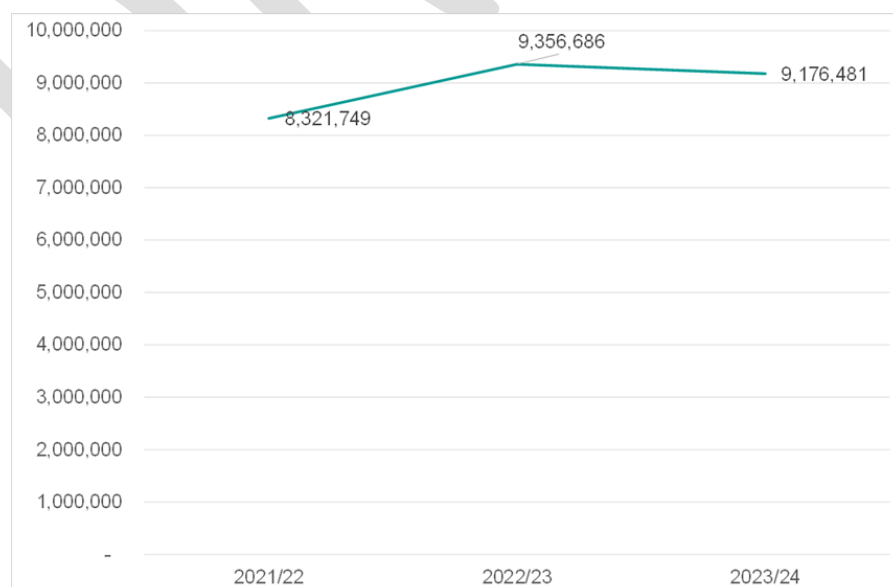


Figure 15: Trend in notional formula funding for Adult Skills strand (£).

Notional formula funding for FCfJ is higher than in 2021/22 but fell slightly between 2022/23 and 2023/24 (Fig.16). The vast majority (more than 95% in each case) of Tailored Learning starts for Hull City Council and East Riding of Yorkshire Council related to learners resident in HEY.

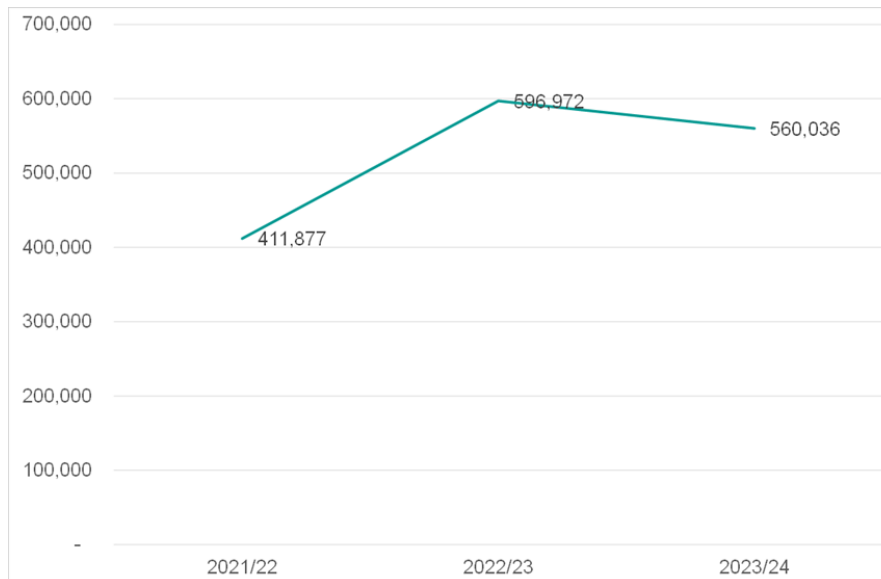


Figure 16: Trend in notional formula funding for FCfJ strand (£).

Hull accounts for 71% of Adult Skills notional funding and 53% of FCfJ funding (Fig.17).

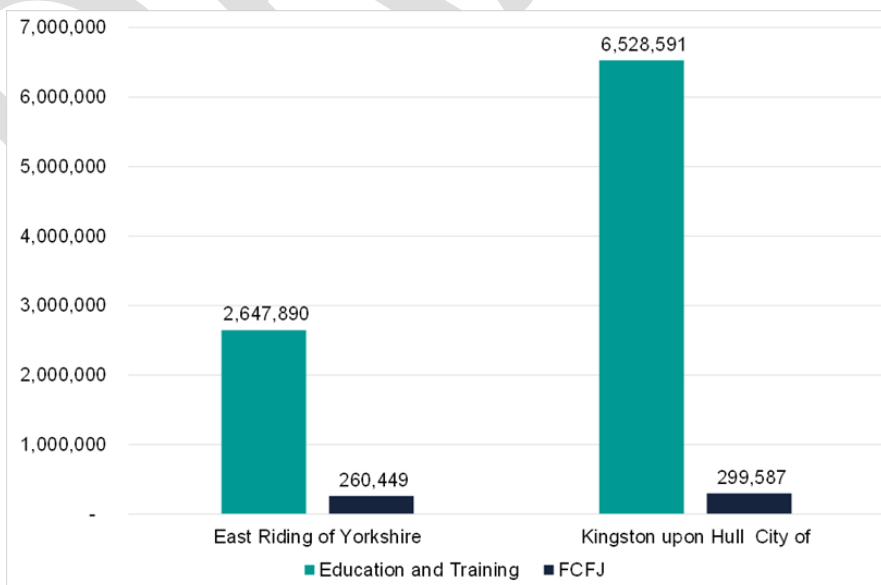


Figure 17: Profile of notional funding (£) by Local Authority (2023/24).

Hull accounts for two-thirds (68%) of Adult Skills starts but only 49% of FCfJ starts (Fig.18).

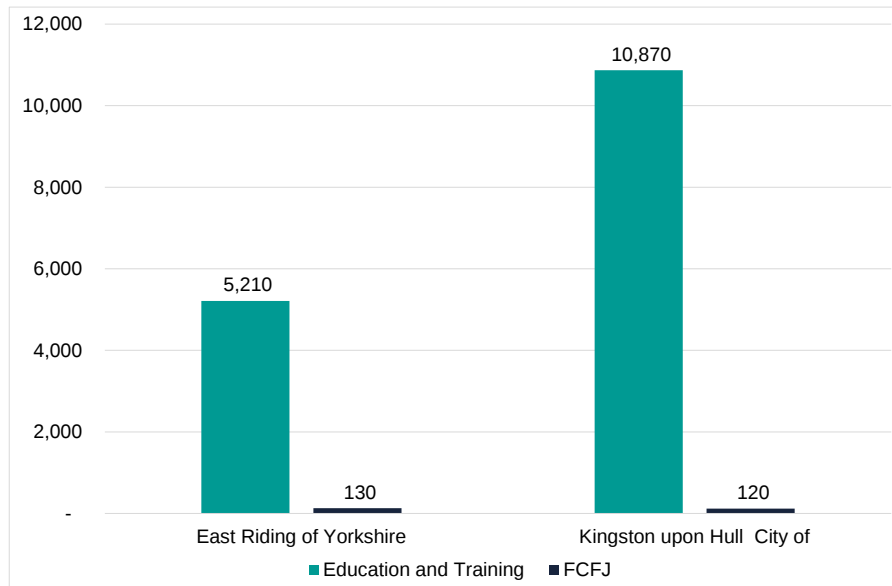


Figure 18: Profile of FCfJ starts by local authority (2023/24).

Two-thirds of Tailored Learning starts were for residents of the East Riding (Fig.19).

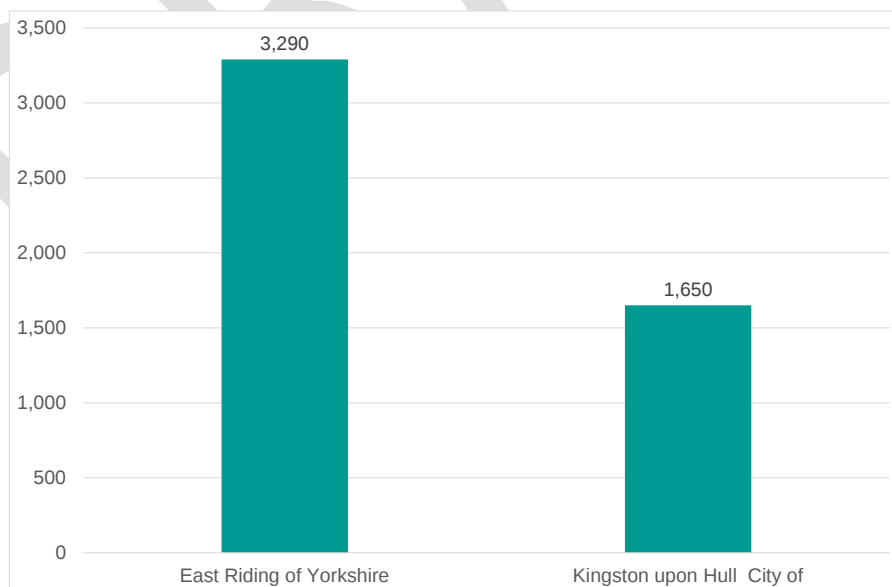


Figure 19: Profile of Tailored Learning Starts by Local Authority (2023/24).

East Riding's share of provision is low relative to its population (except for Tailored Learning) but is in line with its share of unemployed claimants and low qualified people (Fig.20).

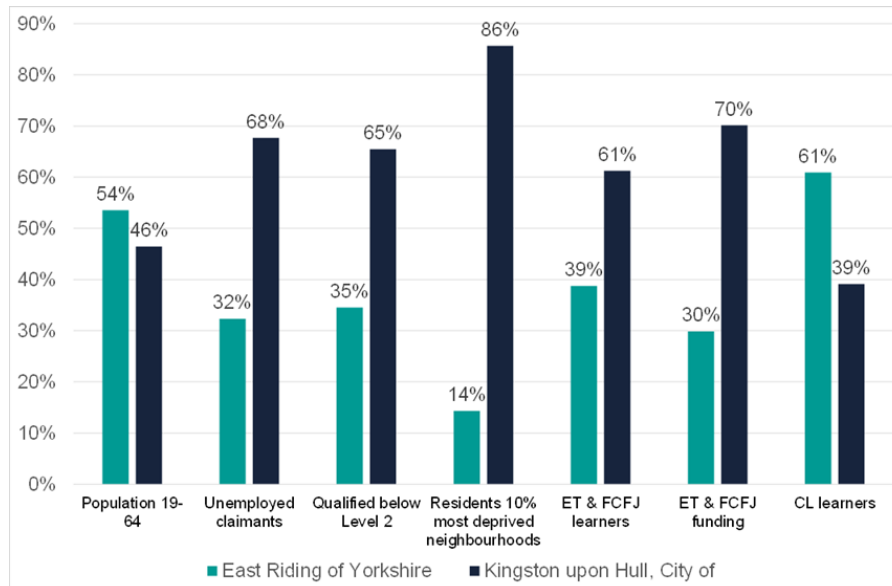


Figure 20: Take-up of AEB funded provision by Local Authority in context of indicators of need.

Only six locally based providers were engaged in delivery to Hull and East Riding learners in 2023/24. Only one local provider is not grant-funded (Fig. 21).

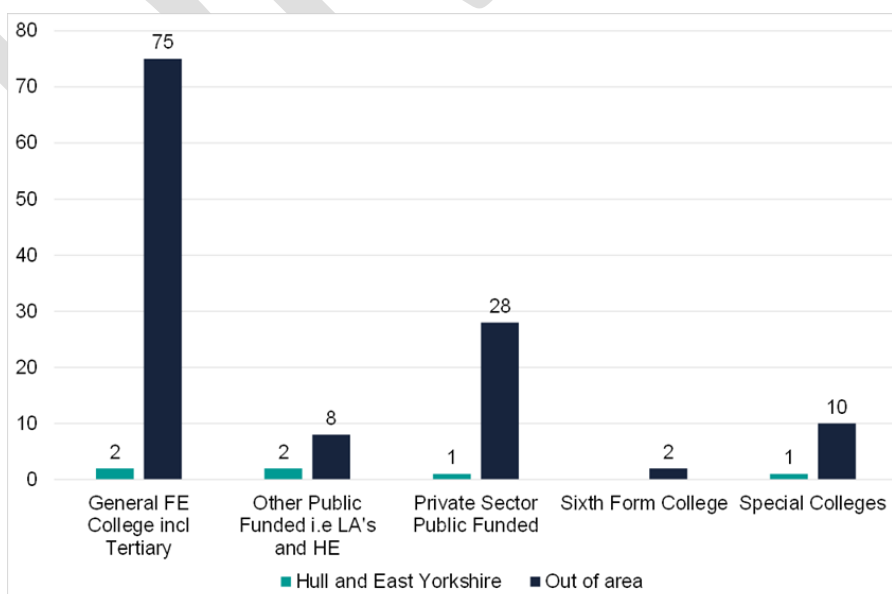


Figure 21: Number of providers serving ASF learners by provider type and location 2023/24.

Local providers account for 71% of Adult Skills notional funding with local colleges accounting for 55% of the total (Fig.22).

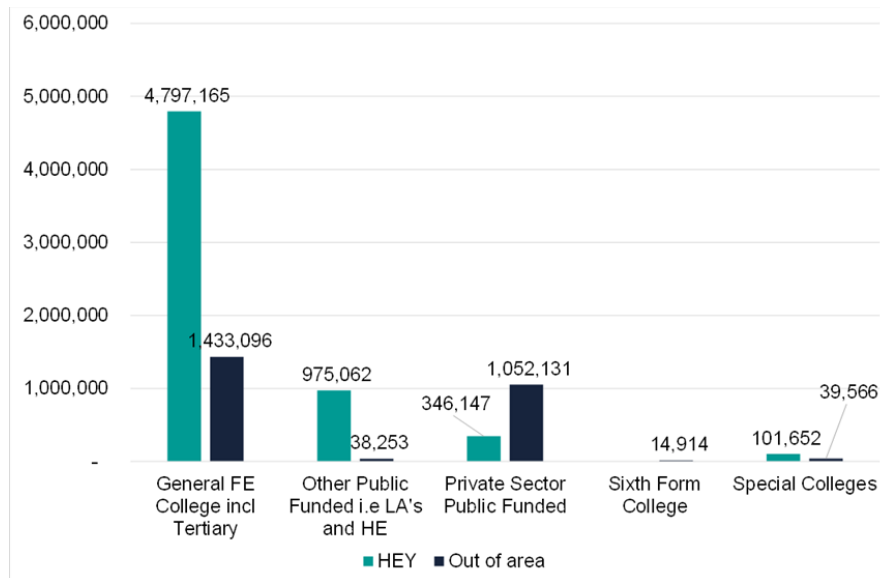


Figure 22: Profile of Adult Skills notional funding by provider type and location 2023/24.

Local providers (primarily colleges) account for 46% of FCfJ notional funding but out of area private providers account for 37% (Fig.23).

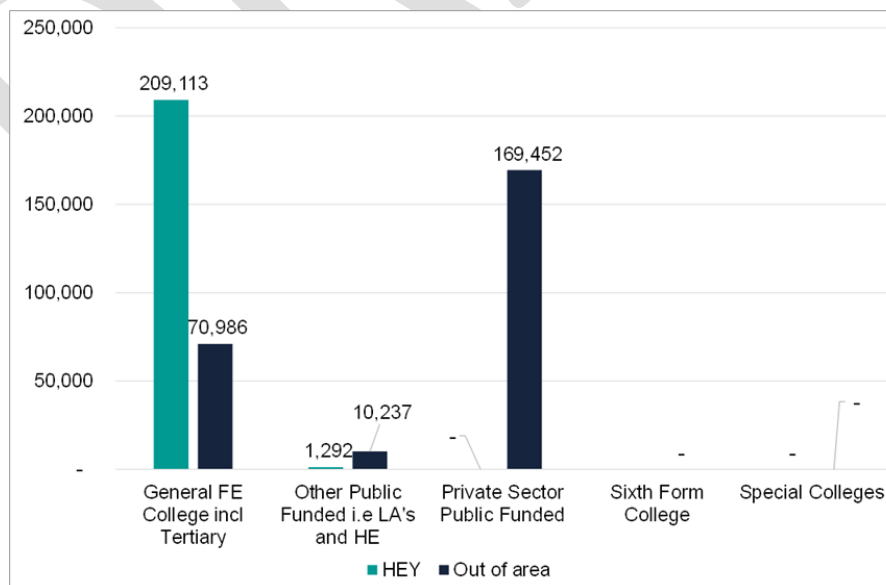


Figure 23: Profile of FCfJ notional funding by provider type and location (2023/24).

90% of Tailored Learning starts are delivered by local providers, mainly local authorities (Fig.24).

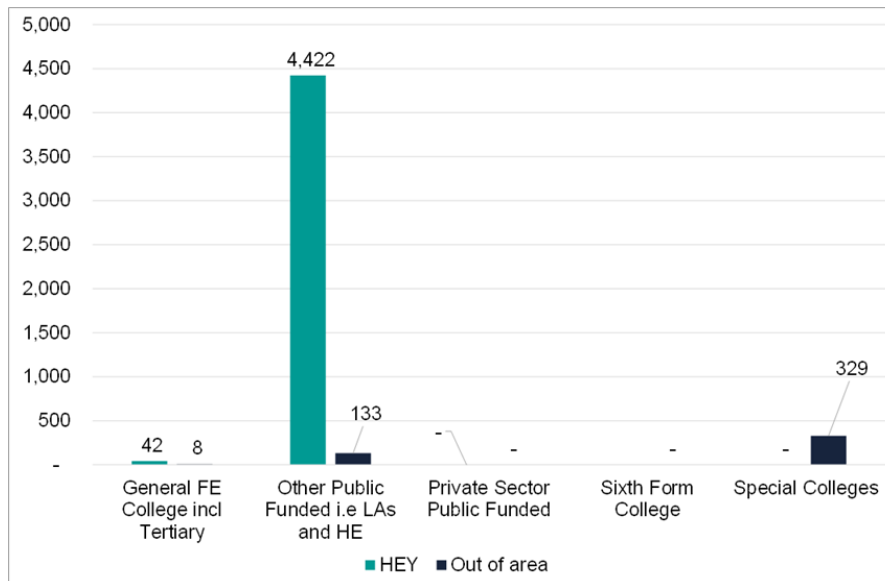


Figure 24: Profile of Tailored Learning Starts by provider type and location 2023/24.

The value of subcontracted Adult Skills provision has declined in both absolute terms and as a proportion of total funding, falling from 22% in 2021/22 to 14% in 2023/24 (Fig.25).

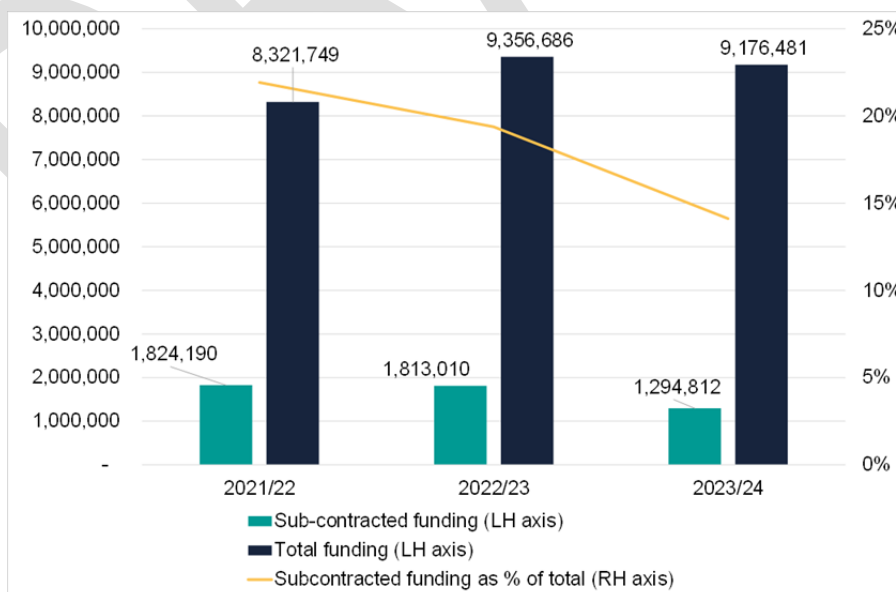


Figure 25: Adult Skills provision by direct and subcontracted delivery by academic year.

The value of FCfJ subcontracted provision grew sharply in 2023/24, albeit from a low base (Fig.26).

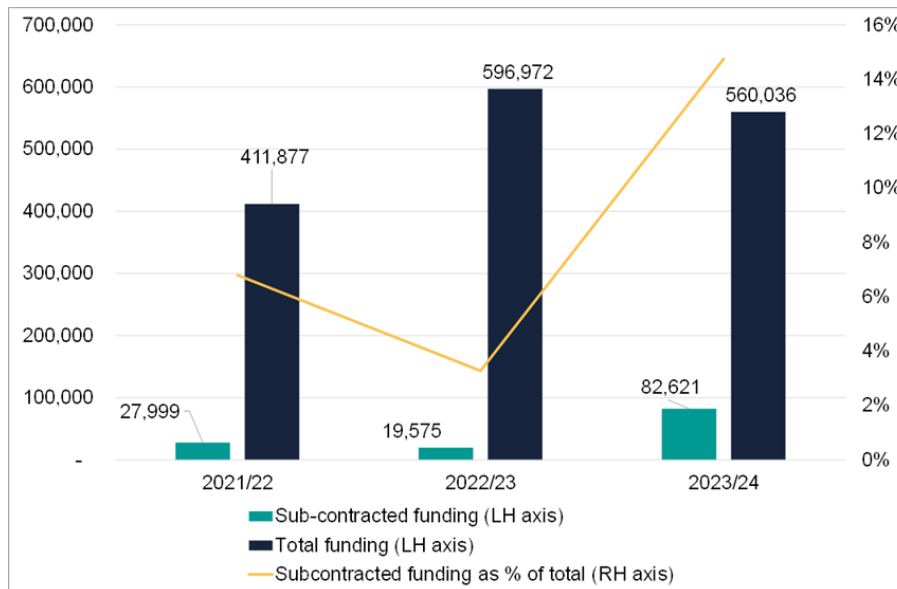


Figure 26: FCFJ provision by direct and subcontracted delivery.

Funding for “distance” learning has remained flat at around 20% of the Adult Skills Fund during the period. East Riding Council is the biggest user of distance learning in funding terms (Fig. 27).

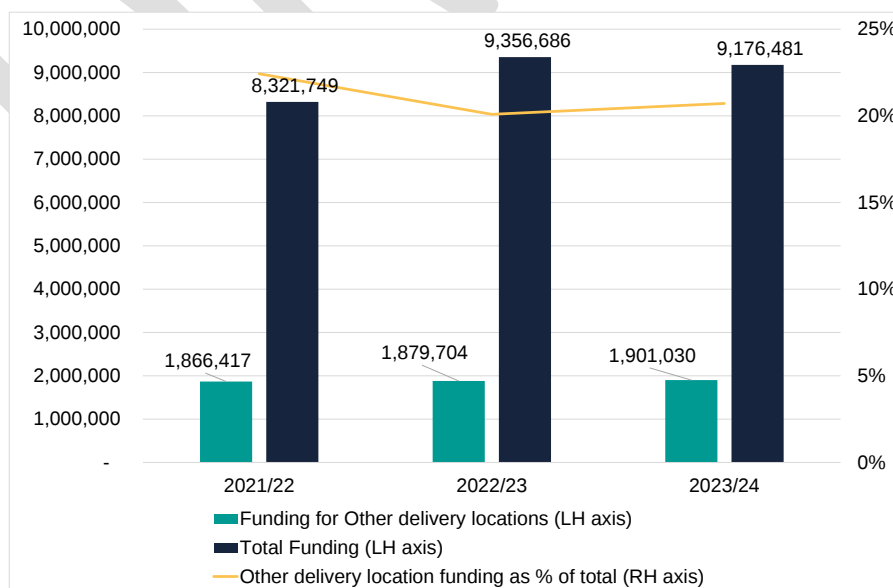


Figure 27: Notional funding (£) Adult Skills starts with “Other” delivery location.

The majority (53%) of Adult Skills starts were for unemployed learners (Fig.28).

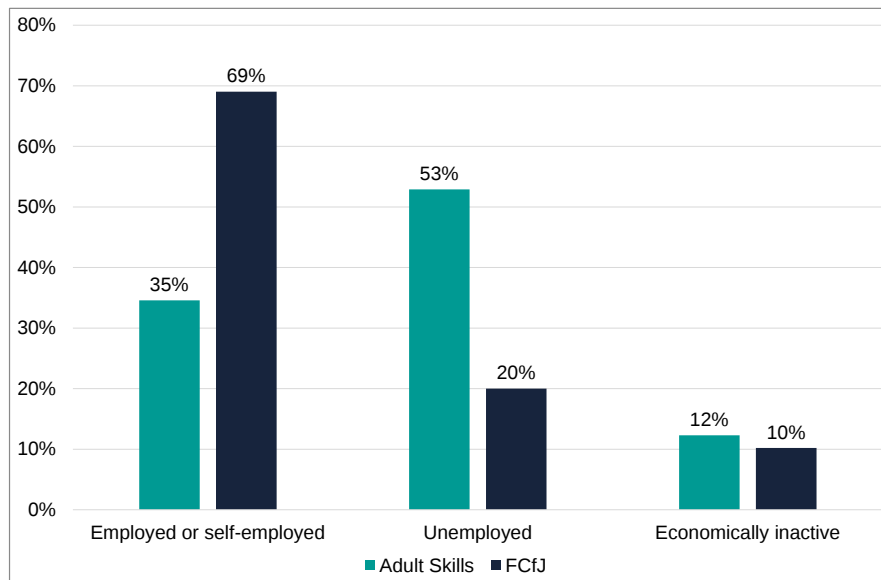


Figure 28: Profile of starts by employment status of learner (2023/24).

59% of Adult Skills starts were for learners who lacked a full Level 2 and 81% of FCfJ starts were for learners who lacked a full level 3 (Fig.29).

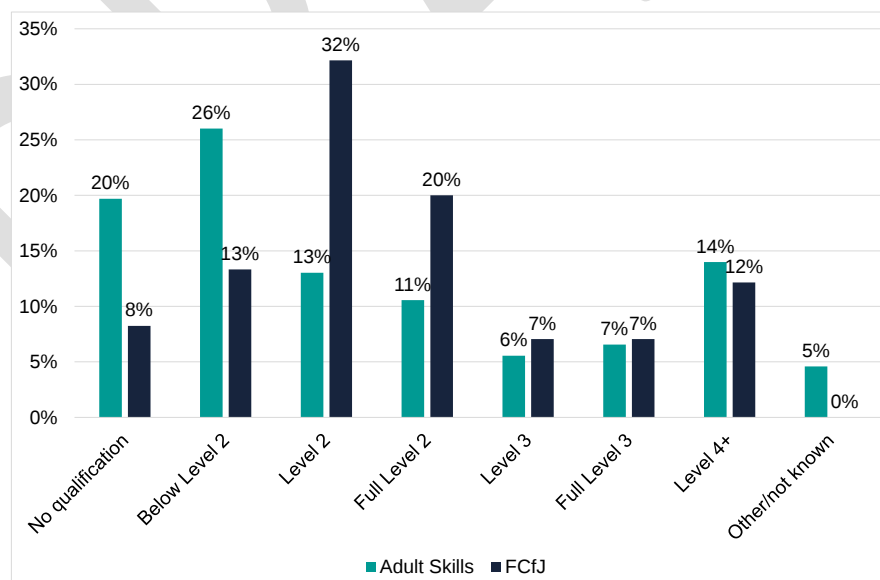


Figure 29: Profile of starts by prior attainment of learner (2023/24).

English for Speakers of Other Languages (ESOL) starts have grown strongly over time. Basic skills starts grew by 24% over the period 2021/22 to 2023/24 with ESOL starts growing by 48% and maths starts by 20%. ESOL take-up was most strongly concentrated among learners with an “other White” ethnic background (Fig.30).

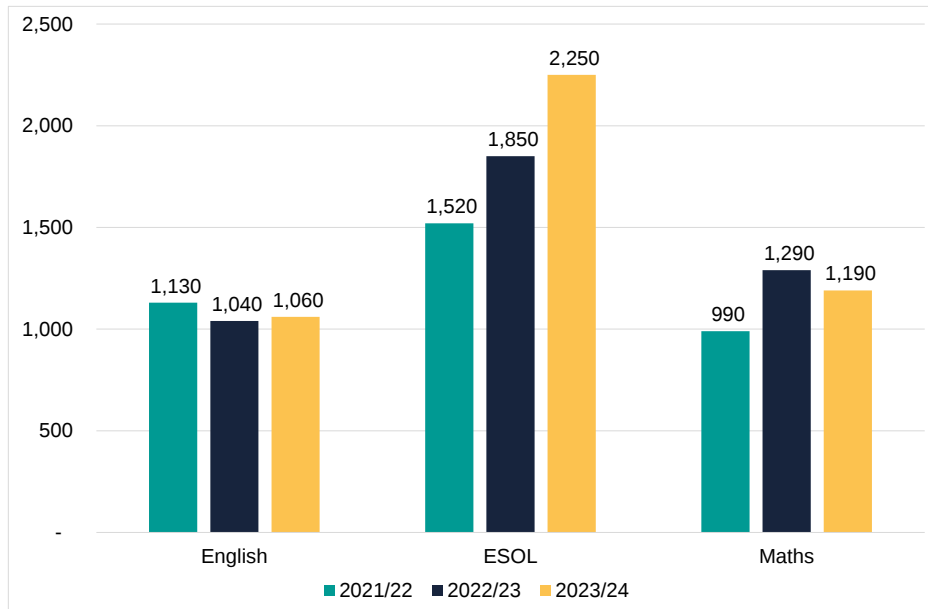


Figure 30: Trend in Adult Skills starts by basic skills type (2023/24).

Nearly a third of Adult Skills learners were from an ethnic minority, reflecting take-up of ESOL in this programme strand, including among white minorities (Fig.31).

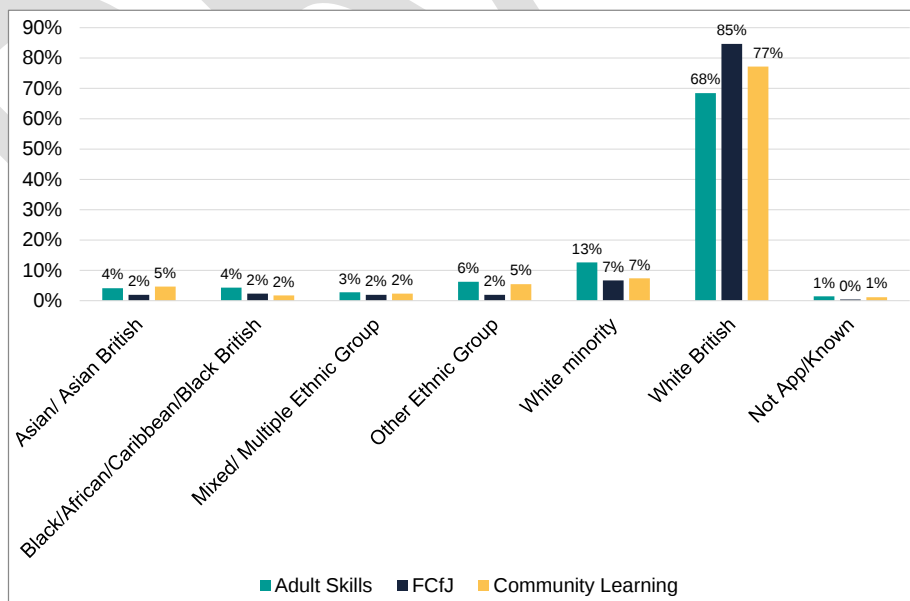


Figure 31: Profile of new learners by ethnicity (2023/24).

Around a fifth of new learners in each programme strand declared learning difficulty, disability, health problem (Fig.32).

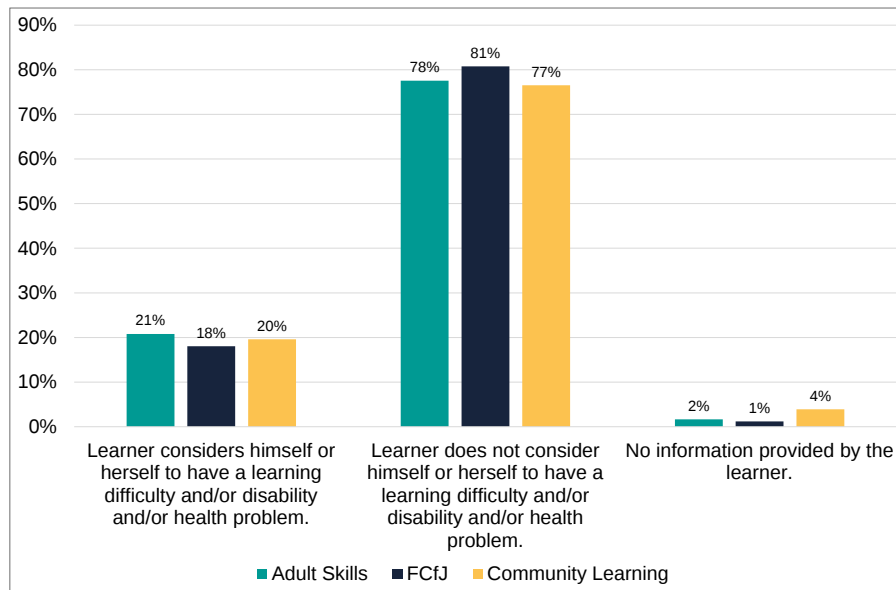


Figure 32: Profile of new learners by learning difficulty, disability, health problem (2023/24)

Several local providers have average achievement rates above the national average but differences may be partly due to the composition of provision (Fig.33).

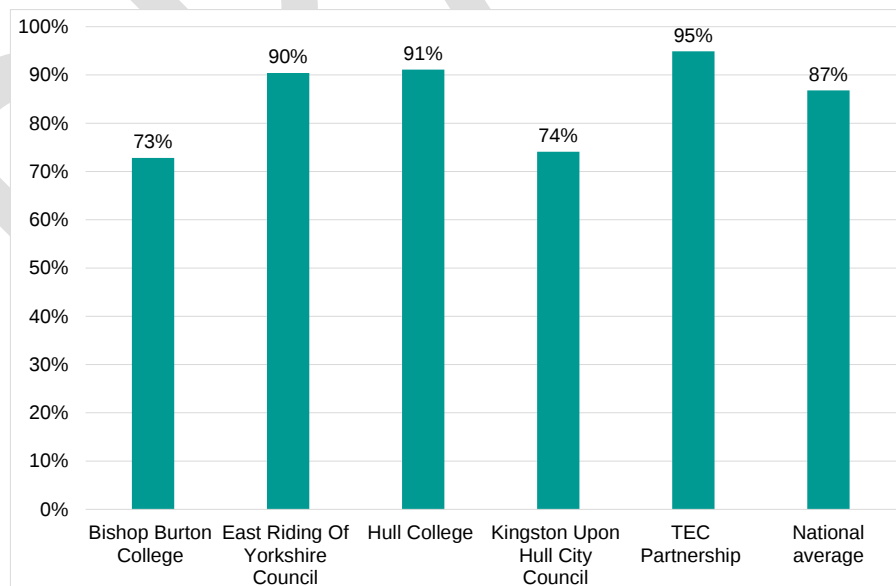


Figure 33: Achievement rates for 19+ Education and Training provision for local providers.

Engineering/manufacturing starts have grown over the period. Engineering and Manufacturing Technologies starts more than doubled over the 3 year period, growing from 580 to 1,310. Health, public service and care starts remained stable and ICT starts fell by 300, a reduction of 30% (Fig.34).

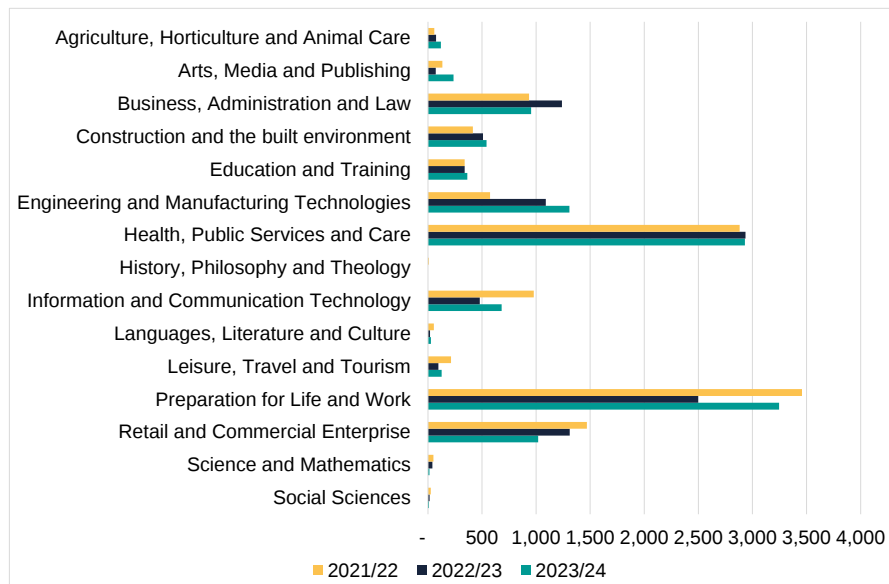


Figure 34: Trend in Adult Skills starts by sector subject area (excluding basic skills starts).

69% of FCfJ starts were for Health, Public Services and Care aims in 2023/24 (Fig. 35).

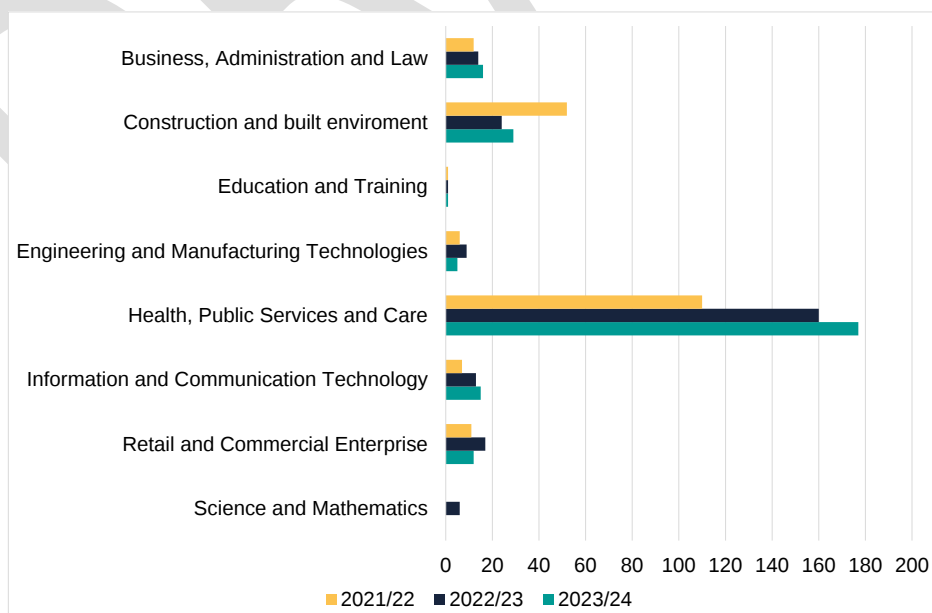


Figure 35: Trend in FCfJ starts by sector subject area.

9. Adult Skills Fund Commissioning

9.1 Commissioning Principles

For our first academic year of 2026/27, the HEYCA's strategic approach will be informed by analysis of the most recent full academic year (2023/24), stakeholder and learning partner engagement and the broader skills landscape.

We will also recognise the current grant funded provision in Hull and East Yorkshire and ensure stability is in place for year one with consideration of future change. We recognise that each provider will need time to plan effectively for any changes in curriculum requirements and/or funding. Funding will be provided via a mix of grant funded provision and opportunities to commission provision once the mayor is in place to confirm the approach (from May 2025).

In addition to the funding guidance and rules we recognise that many of our providers have in place, strategies and support mechanisms that have been developed with input from employers, sector data and the Local Skills Improvement Plan, therefore these too will be reviewed when any future changes are being considered.

Routes to market:	
1. Grant Allocations	In the first year of implementation the HEYCA will continue to allocate Grant to providers who hold an existing Grant Agreement with the DfE and meet all the following criteria: • Can demonstrate they have an established place-based approach that supports Hull and East Yorkshire's strategic priorities • Deliver significant volumes of activity within Hull and East Yorkshire We will allocate grant to eligible providers by applying the proportion of their 2023/2024 allocation that was spent on Hull and East Yorkshire learners to their 2026/2027 allocation. Grant Agreements will be issued for one year (August 2026 to July 2027) with the option to extend for a further year (to July 2028), subject to provider performance and funding availability. The HEYCA will also need to assess the role of Specialist Designated Institutions who currently hold ASF Grant Agreements

	The HEYCA will develop a regular process with local Further Education Colleges and Local Authorities to determine the scale and balance of provision that will continue to deliver the legal entitlements whilst offering a range of learning opportunities that take account of local priorities and links with other initiatives. Grant agreements will include delivery targets over the course of the agreement and performance will be monitored against regular performance points as part of the (still to be developed) provider management and audit arrangements. The HEYCA is considering an approach where it will pay providers operating under grant agreement a standard national DfE profile. The HEYCA will continually engage with providers during each academic year on the appropriateness of this profile and will consider alternative arrangements should they be proposed or needed. The HEYCA will hold performance management meetings (frequency and format to be determined under the provider management arrangements). It is envisaged such meetings will focus on strategic plans and whether providers are progressing in achieving the activity set out in their delivery plan, and funding returns. At these points, significant under/over delivery, re-deployed and re-profiling of funding will be discussed.
2. Contracts for Services	The remaining ASF will be allocated via open and competitive tendering processes. There will be a round of procurement that will take place throughout Autumn 2025, which will target the priorities identified in the HEY ASF Strategic Skills Plan focusing on: • Delivery of legal entitlements. • Supporting unemployed and economically inactive to progress into good jobs. • Supporting in-work progression of those on low wages. • Enabling employed adults to progress in the workplace. • Testing and/or piloting innovative ways of addressing skills gaps or trialling new learning methods. Dependant on the provision being commissioned; Contracts for Services will be issued for one year (August 2026 to July 2027) with the option to extend for further years. The extension will be subject to learning organisation performance, skills policy and funding availability.

3. Innovation Fund	In the future years the HEYCA has the option to create an Innovation Fund (subject to funding availability) which will be reserved for the commissioning of specific initiatives. The “Innovation Fund” will ensure that skills delivery in Hull and East Yorkshire remains flexible and can ensure the ASF can be: • responsive to any changes to the local economy and any new and emerging skills or needs that may arise • utilised to test new ways of working that could be mainstreamed in future years • respond to economic shocks and opportunities as they arise
For all provision – irrespective of route to market	The HEYCA will follow the current DfE funding rules and will review annually and develop these rules to meet the needs of its residents. Learning organisations will be expected to complete an Annual Delivery Plan and an Accountability Statement. The Annual Delivery Plan must include: • Curriculum offer • How it will align to the HEY ASF Strategic Skills Plan and consider HEY LSIP priorities • anticipated volumes of learners by sector subject area • level and type of provision and local authority area • profile of delivery across each year • outcomes • identify all planned subcontracting arrangements (1st tier subcontracting arrangements.) • The HEYCA will develop the template for this Delivery Plan. The HEYCA will utilise the Annual Accountability Statements produced by learning organisations for the DfE to assess their contributions to the strategic aims of the HEYCAASF Strategic Skills Plan objectives. We will introduce a performance management framework to ensure funding is spent in line with delivery plans, performance/reconciliation points, and will enable the HEYCA to monitor under and over-performance. The HEYCA has yet to agree its approach to under-performance, but at the very minimum it is expected that it will reserve the right to rebase providers’ allocations in future years. Where providers have identified and worked with the HEYCA to manage any underperformance, the HEYCA may

	discuss the requirement for re-basing, where providers do not declare underperformance the HEYCA may rebase allocations automatically. For providers with under-delivery between 97% and 100% of their allocation at the end of the funding year, the HEYCA will reduce your baseline to actual delivery in line with DfE guidance for 2025/26. For providers that over-deliver, when calculating your baseline allocation for academic year 2026 to 2027, the HEYCA will take into account over-delivery from 2025 to 2026, up to 10%. Annual growth requests will be available subject to provider performance and funding availability.
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10. Strategic Approach

10.1 Sub-contracting

The HEYCA recognises that subcontracting can play a vital role in the delivery of the ASF and ensuring high quality outcomes for learners. It supports the building of capacity and capability within providers and acts as a catalyst for effective collaboration, something which stakeholders identified as a priority.

Subcontracting also allows access to niche and specialist provision and can enable effective community engagement. They also often have established networks within their communities which can enhance learner engagement and improve recruitment.

It can enable providers to expand their designated geographical reach allowing provision to be delivered across a wider area, including geographical “cold spots” e.g. rural or coastal areas ensuring better access for learners.

By strategically subcontracting elements of their ASF provision, providers can harness these benefits to improve the overall quality, accessibility, and efficiency of adult skills delivery.

However, providers should ensure that subcontracted provision meets the HEYCA's strategic aims and enhances the quality of their learner offer. It must not be used to meet short-term funding objectives. Providers will be required identify any subcontracting arrangements in Annual Delivery Plans, supported by a rationale. The addition of new subcontracting arrangements in year must be approved by the HEYCA.

The HEYCA will closely monitor the quality of subcontracted provision to ensure that it aligns with the strategic priorities set out in this Plan and is delivered in a way that continues to benefit learners.

10.2 Distance and Blended learning

The HEYCA recognises that distance and blended learning aids the access and participation of learners, particularly those who are experiencing barriers to engaging with learning. Distance and blended learning play an important role in creating flexible learning opportunities and can accommodate diverse schedules and personal commitments, making skills attainment more inclusive, and removing barriers to learning, particularly for those individuals facing health issues. It can also provide a solution to communities in geographical “cold spots” e.g. coastal and rural areas.

Providers will be required to identify where they plan to deliver provision through distance or blended learning in their Delivery Plans. The HEYCA will closely monitor the quality of this to ensure that it aligns with the strategic priorities set out in this Plan and is delivered in a way that continues to benefit learners.

10.3 Cross border arrangements

The HEYCA recognises that there may be several reasons why a Hull or East Yorkshire resident may need to access learning outside of the HEYCA area, such as:

- **Residential Location** – a learner may live in a location close to the HEYCA border, meaning that the nearest provider is in a neighbouring Combined Authority area.
- **Location of Employer** – learners may need to travel to neighbouring towns/cities for work, rather than the area in which they reside, meaning that their most convenient location for learning, particularly if the learning is employer led, may be in the neighbouring Combined Authority in which they work.
- **Niche Provision** – some niche or specialist provision may only be available through providers based outside of the HEYCA area.
- **Accessibility Needs** – learners with physical disabilities or SEND learners may have accessibility needs which require travel to learning available in a neighbouring Combined Authority area.

To accommodate these scenarios, the HEYCA may allocate funding to providers who are based outside of the Hull and East Yorkshire region who either:

- Are part of a group who have a member that has a fixed delivery site within Hull and East Yorkshire.
- Has a fixed delivery site that shares a border with Hull and East Yorkshire.

- Has a fixed delivery site that belongs to a Combined Authority that shares a border with the Hull and East Yorkshire Combined Authority.

This approach should also help to provide some stability within the provider base during the initial implementation of the devolved Hull and East Yorkshire ASF. The HEYCA is only responsible for supporting Hull and East Yorkshire residents. Any learner travelling into Hull or East Yorkshire from other regions will require the provider to have an ASF allocation with either the DfE or devolved Combined Authority, depending on their residential location. Where required, the HEYCA will look to establish cross border arrangements with neighbouring devolved areas. The HEYCA will closely monitor these cross-border arrangements to ensure that they continue to align with the strategic priorities set out in this SSP, that provision continues to be accessible for its residents, and is in the interest of maximising the ASF.

11. Governance

The HEYCA Constitution and Single Assurance Framework sets out the governance framework and standards to which the ASF will be administered.

All investment decisions made in relation to the ASF are undertaken having given full consideration to:

- Statutory duties relating to adult education and training which have been transferred to the Combined Authority under Statutory Instruments.
- Statutory entitlements to education and training of adults living in devolved areas, and policy entitlements where relevant.
- Statutory and non-statutory guidance.

11.1 Decision Makers

The HEYCA Executive is the principal decision maker and provides leadership of the Combined Authority. The Executive comprises:

- The Mayor
- Two elected members from each constituent council, one of whom will act as the lead member for their constituent council
- Up to four non-constituent members, who will be nominated by the following bodies:
 - Humberside Police and Crime Panel
 - Skills Board
 - Business Board
 - Another nominated body to ensure the representative nature of the authority (as identified by the Combined Authority)

- Decisions will be made by the Mayor (in relation to Mayoral functions) or the Mayor and Executive (in relation to non-Mayoral functions) in accordance with the HEYCA constitution.
- The Constituent Council Members represent the views of their local authorities at the Combined Authority Executive whilst also ensuring that they put the needs and opportunities of the Hull and East Yorkshire combined area at the forefront of all decisions. The Combined Authority, through its Executive, has clear roles and responsibilities within its governance framework when it comes to decision making in regard to strategy and budgets.

Technical and subject matter expertise, advice, guidance and recommendations will be provided by the HEY Skills Hub / ASF Team and the HEYCA Skills Board.

11.2 Skills Board

A new dedicated Skills Board will also support the Mayor, the Combined Authority Executive and officers. The Skills Board's remit is to help facilitate an efficient and fair local labour market where business can access a suitably skilled workforce, all local people can secure good quality, well paid employment regardless of their background and achieve their full potential. The membership of this board is drawn from the local business community and wider stakeholder groups. The Board's nominated person attends the Combined Authority Executive as a non-voting non constituent member.

11.3 ASF team responsibilities

There is an assumption that the HEY Skills Hub will transition into the HEYCA and with additional capacity will be responsible for:

- Managing the ASF commissioning, grant allocation and procurement process
- Appraising the ASF programme, carrying out due diligence and reporting the outcomes to the HEYCA Executive and the HEYCA Skills Board
- Analysing programme delivery and providing reports to the HEYCA Executive and the HEYCA Skills Board making recommendations relating to variations and future ASF priorities
- Issuing ASF Grant Agreements and Contracts for Services
- Undertaking ASF provider performance monitoring, evaluation and risk management
- Reviewing and updating the Hull & East Yorkshire ASF SSP

12. Monitoring, Review and Evaluation

The ASF SSP is an integral part of the wider economic development aims and objectives set out in the draft Hull and East Yorkshire Economic Framework and draft Hull and East Yorkshire Skills Framework. The Strategic Skills Plan will be subject to ongoing monitoring and evaluation to ensure that the provision, programmes and initiatives achieve the desired outcomes and deliver a positive impact on learners, employers, the regions workforce and wider economic development.

The HEYCA's Monitoring and Evaluation Framework will be used for the ASF activity including the use of logic models. It will meet the national requirements together with locally determined requirements (as established through the skills framework and stakeholder engagement) so that it effectively informs and shapes the criteria for future funding awards. This formal evaluation is undertaken on an annual basis.

The HEYCA will produce an Annual Assurance Report on the delivery of its ASF functions in line with wider monitoring and evaluation requirements and the English Devolution Accountability Framework. This will be reported to the Department for Education (DfE) by 31st March each year. The HEYCA will also submit its Annual Assurance Statement to the DfE in July each year following consideration by the HEYCA Executive and Skills Board.