

LLOYDS  
BANKING GROUP



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Helping Britain Prosper

# THROUGH SKILLS DEVELOPMENT IN THE UK

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2023



A photograph of four young people (three men and one woman) laughing and looking at a smartphone together in front of a brick wall. The image is partially covered by a green semi-transparent overlay on the left and bottom. The top right corner features a decorative geometric pattern of green hexagons.

Our Mission

# HELPING BRITAIN PROSPER



## We are working to Help Britain Prosper

We are committed to building an  
inclusive society.

We can and we are using  
our influence to enable local  
communities to recover and thrive.

This starts with young people:  
**our workforce of the future.**



# THE WORLD IS CHANGING



The UK is experiencing a skills crisis with a record **1.2m vacancies** and **skills shortages costing £2.6bn p.a.** \*



Skills shortages exist in almost all occupational areas **costing organisations £6.3bn per year.**



68% of business leaders said that **school leavers** aged 18 **lack the skills** to thrive in the workplace.



**Only 23% of 18-24 year olds** feel that they already have the skills they need to **progress in their career.** \*\*



**39% of work tasks** people are paid to do today **could be automated** by 2030, yet just 18% of young people feel they have the complex digital skills employers need. \*\*\*

\* City & Guilds insight

\*\* City & Guilds Youth Mis-spent 2022

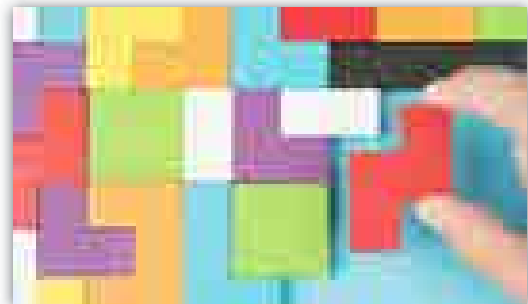
\*\*\* Learning & Work Institute 2021

# OUR INITIATIVES

Our progressive proposition is designed to support individuals and businesses to thrive.

This starts with building the essential skills needed in any kind of job. Preparing young people for the world of work. And enabling UK businesses to grow their own talent from within.

The activities LBG support are designed to help support the skills conundrum currently being experienced in the Global employment market.



## BUILDING ESSENTIAL SKILLS

In partnership with Skillsbuilder we help students aged 8-19 develop the eight essential skills needed to thrive at school and ultimately in the world of work.



## EXPLORING THE WORLD OF WORK

Through virtual work experiences, live careers fairs and workplace simulations, we help students aged 11-19 understand the diversity of opportunity that awaits them.



## EXPLORING EMERGING CAREER PATHS

The fourth industrial revolution is brought to life. Careers Live has been designed to help students aim higher and grasp opportunities in new, often highly paid, and in demand roles.



## PREPARING FOR THE WORLD OF WORK

At critical moments in school life we support students aged 14-19 develop insight and skills to take the next step and secure the future they want.



## SKILLS FOR SMALL BUSINESSES

66% of the UK work for SMEs. Through levy transfer and Skillsbuilder we support SMEs to invest in apprenticeships, creating new opportunities and jobs to grow the UK economy.



# BUILDING ESSENTIAL SKILLS

## The currency of 'future proofed' skills has never been more important.

Our partnership with Skillsbuilder allows Lloyds Banking Group to support young people in our local communities with broader development in essential, non-academic skills, to set them up to thrive at work and in life.

### Our Initiatives



The future skills landscape is changing. WEF data future scan to 2030 shows significant tightness in technology, data, AI and Cyber roles. 65% of children entering school (at age 5) today will have a job that doesn't exist yet.

How, when and where people work is also changing. There's a heightened focus on the delicate balance between technical capability and emotional intelligence.

And the currency of 'future-proofed' skills has never been more important. Evidence <sup>\*</sup> shows that improvement in student capability and command of essential behavioural skills contributes to higher educational achievement and higher skilled, better paid work – especially for those individuals who have experienced challenges in early life.

Our partnership with Skillsbuilder allows Lloyds Banking Group to support young people in our local communities with broader development in essential, non academic skills.

The concept is to start early, practice regularly and build onwards, ultimately easing the transition into employment.

Our national presence and willing colleagues has allowed us to upskill a cohort of Master Builders who have delivered Skillsbuilder Summits exploring creativity, problem solving and team dynamics, to over 3,000 students in primary, secondary and further education settings. Our colleagues bring the skills to life, helping students understand how they apply in the classroom and world of work.

We continue to fund Skillsbuilder Accelerator which provides schools with personalised, tailored support in adopting the framework across an academic year. In 2022 we funded 16 schools including SEND settings.

In partnership with Skillsbuilder we continue to innovate, adding three new interactive classroom experiences to engage students with essential employability skills.

<https://www.skillsbuilder.org/better-prepared> <sup>\*</sup>

# EXPLORING THE WORLD OF WORK

## We recognise that talent is everywhere but opportunity is not.

Our Virtual Work Experience allows students wherever they live – from inner cities to coastal communities – across our four nations, access the support they need to secure the future they dream of. The interactive two-day programme helps delegates develop skills to successfully navigate their pathway to the world of work.

## Our Initiatives



Lloyds Banking Group is committed to helping young people prepare for the future world of work. Recognising the impact of lost school contact time through the pandemic, we have developed a two day interactive Virtual Work Experience programme.

We recognise that talent is everywhere but opportunity is not. Our creation of virtual work experience has supported schools with higher proportions of students from ethnic minority heritage and on lower household income.

Our Virtual Work Experiences are allowing students wherever they live – from inner cities to rural and coastal communities – across our four nations to access the support they need to secure the future they dream of.

The programme includes curated content across a breadth of disciplines including personal brand, presentation skills and insights into individual strengths.

As hybrid working has grown in the world

of work, VWEX plays an important role in helping students learn to leverage collaboration tools and technology representative of the workplace..

Working virtually provided the opportunity to connect students with other participants across the country, giving invaluable insight and experience in building relationships and collaborating on pieces of work remotely.

This year we supported 550 students aged 15 and 16 through a two-day interactive Virtual Work Experience programme. 97% of attendees said they would recommend the experience to another student.

**550**

Students put through 2 day programme.

**97%**

Would recommend it to another student.

# EXPLORING EMERGING CAREER PATHS

## The fourth industrial revolution is brought to life.

Careers Live has been designed to help students aim higher and grasp opportunities in new, often highly paid, and in demand roles.

Built through collaboration with experts, educators and students, Careers Live provides practical advice and positive role models at a time when young people are considering their future

## Our Initiatives



Young people, parents and educators are aware the world of work is changing. Students want to make informed decisions about their potential further education and career choices. Parents and educators want to support, but find it hard to advise on career pathways that didn't exist when they were in school.

We're passionate about supporting students to see there is always more than one way. Particularly those young people excited at the prospect of being the first in their family to get a degree, but apprehensive about repaying the cost of education.

Careers Live started in July 2022 as "the careers fair that comes to you". It has been designed to create access to people who work in specific specialisms, and answer the questions others might have around roles in a particular field.

Each month we focus on a Career Path and explore it in depth, bringing to life the skills required and entry routes into each profession. To date we have

explored careers in cyber security, customer services, data science, software development, UX design, finance and accounting.

Experts are on hand to provide a forward view as to how that career might develop over the remaining decade. We also hear from graduates and apprentices working in the field, helping individuals to make informed choices as they consider their initial steps into to the world of work.

Employees from working class backgrounds in tech measures **19%** compared to average **33%** in other industries - Research from CFG 2022

# PREPARING FOR THE WORLD OF WORK

There are over 4 million children in UK schools preparing to enter the world of work.

In 2021 we launched our innovative World of Work Experience. The programme provides insight into the breadth of career paths available in the financial sector and aims to dispel myths about life working for a Bank. Schools are invited to apply for spaces at our live events. Alternatively our 'on-demand' service allows students to access content at a time and space that suits them.

## Our Initiatives



The world of financial services has undertaken a significant transformation. Technology and data is of increasing importance. Values, behaviours and cultural fit play a significant role in our recruitment.

Neither of these facts are intuitively understood in careers teaching – grades and points are the currency of education.

And despite Lloyds Banking Group being a significant employer in the UK apprentices market, there is a lack of awareness in the school system.

Our World of Work experience programme aims to dispel these myths, and showcase the breadth of opportunities available at Lloyds Banking Group and within the financial services sector more broadly.

Our package has been designed to help delegates understand their strengths and how they can be used together with personal interests, to navigate a positive and fulfilling career. Through

an interactive workbook we explore practical employability skills that will help individuals secure employment in an area they are interested in.

World of Work Experience is a half-day event with capacity of up to 300 students on an event. This allows schools to plan and support entire year groups at a time. Students can need access to resources at different times during the academic year. Students can access resources throughout the academic year via an 'always on demand' version, providing employability skills support when it's needed'

Not every child has a straightforward journey through school. We're pleased to partner with Young Lives vs Cancer and the Home Educator Communities to develop a version of WOW to meet their own specific needs.

**2,500**

Spaces offered to live events.



# SKILLS FOR SMALL BUSINESSES

We equip businesses with funding to secure the skills they need to thrive, helping them to grow and contribute to the UK's prosperity.

Creating new opportunities for young people and adults faced with reskilling in a changing market. We provide continued support to SMEs through this period of turbulence in the jobs market, via our levy transfer initiative.

## Our Initiatives



The employment market is in the midst of seismic change.

Prior to the pandemic 88% of engineering and manufacturing businesses were reporting a shortage of skilled workers. And 51% of companies were reporting shortages of Cyber Security professionals when demand and risk is rising. Not to mention record vacancy levels rising faster than school leavers entering the employment market.

Lloyds Banking Group's levy transfer helps us stimulate apprenticeships through funding. We provide an accessible and affordable way for smaller businesses to grow their own talent from within and retain the talent they have.

We invest our unused levy to help smaller businesses take on their first apprentice... and then their second, third, fourth and fifth!

Through these partnerships we are working to resolve critical skill gaps and create new opportunities required for

future UK economic success. The levy transfer is not conditional on having an existing banking relationship with LBG - we support everyone.

Lloyds Banking Group remains one of the largest donors of Apprenticeship Level in the UK. In March 2022 we launched Develop Digital to support adults through technology bootcamps into apprenticeships.

Aligned with our education focus and recognition of the skills young people will need when leaving school, we committed over £450k of apprenticeship funding to upskill teachers and headteachers in use of digital classroom 'ed-tec' technology.

**945**

Apprentices employed.

**£11.8m**

in cumulative value as of Dec 2022.



# POWERING BRITAIN'S GROWTH THROUGH SKILLS

We are striving to Help Britain Prosper and we're already helping individuals and businesses to thrive. But we want to do more.

The Fourth Industrial Revolution has already created new jobs and rendered others obsolete. It demands specific technical skills from the upcoming workforce. The UK lags behind many countries in producing work-ready candidates with the qualifications to match these jobs.

We are committed to building the workforce of the future, equipping individuals and businesses with the skills and capabilities that will set them up for success and contribute to the UK's longer term prosperity.

Setting ourselves apart from our peers, we will draw on our industry knowledge, expertise and resources to coach young people, educators and businesses to achieve the future they dream of.



