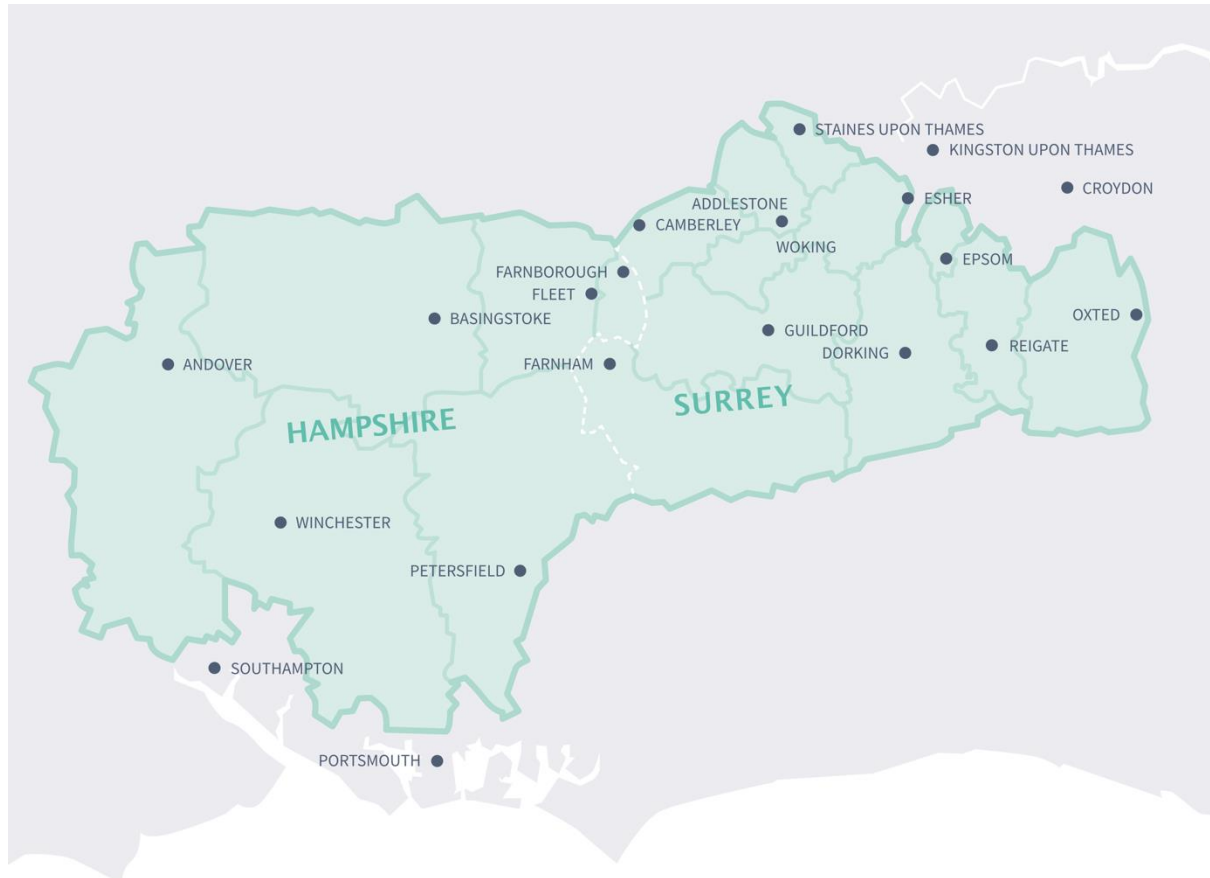# Enterprise M3 (including all of Surrey) Local Skills Improvement Plan (LSIP)

July 2023

This Local Skills Improvement Plan has been approved by the Secretary of State in line with the approval criteria set out in the Skills and Post-16 Education Act 2022, and in accordance with the LSIP statutory guidance.

Contents

Foreword and introduction

As the designated Employer Representative Body (ERB) for this area, Surrey Chambers of Commerce has worked collaboratively and at pace with employers, providers, local leaders, and other stakeholders to create this document:
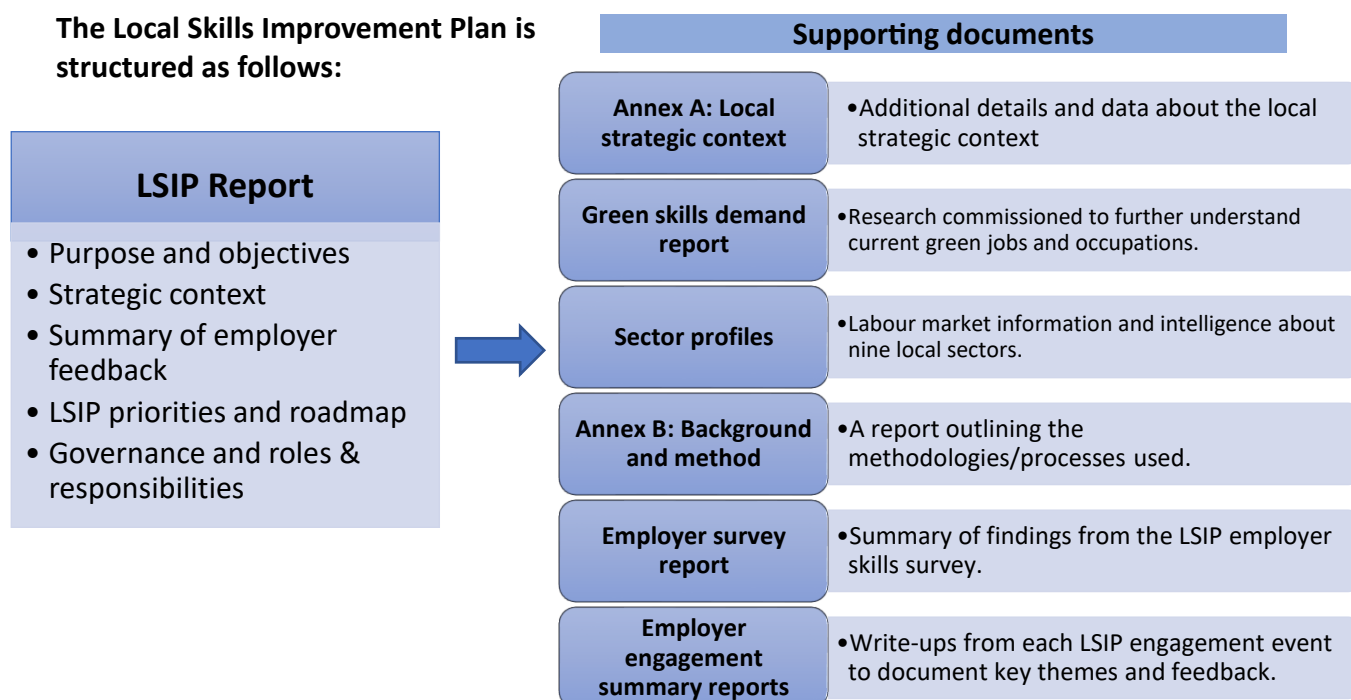
A credible, evidence-based and actionable Local Skills Improvement Plan (LSIP) that will support local economic growth, boost productivity and improve employability and progression.

This report is the culmination of an extensive engagement exercise with local employers and analysis of the key characteristics of the local skills landscape and labour market, to build a shared understanding around the skills needs in the LSIP area. A set of LSIP priorities have been identified which will provide a strong platform for taking forward and embedding new ways of working between employers and providers:

- **Priority 1: Improve information, advice, and guidance**
- **Priority 2: Facilitate responsive and inclusive curricula**
- **Priority 3: Coordinate networks and collaboration**
- **Priority 4: Build dynamic relationships between businesses and providers**

These are designed to build on and support the existing priorities of strategic partners and bring a greater joint focus to the main issues that local employers are highlighting about the local skills system. The LSIP process and report are a mechanism to deliver cultural and behavioural change. With the publication of this document, we now invite education and training providers and key stakeholders across the LSIP area to work together to deliver on this shared strategic priority, *for a skills system that is more responsive and closely aligned to local labour market needs.*

The Local Skills Improvement Plan is structured as follows:

LSIP Report

- Purpose and objectives
- Strategic context
- Summary of employer feedback
- LSIP priorities and roadmap
- Governance and roles & responsibilities

Supporting documents

Annex A: Local strategic context	•Additional details and data about the local strategic context
Green skills demand report	•Research commissioned to further understand current green jobs and occupations.
Sector profiles	•Labour market information and intelligence about nine local sectors.
Annex B: Background and method	•A report outlining the methodologies/processes used.
Employer survey report	•Summary of findings from the LSIP employer skills survey.
Employer engagement summary reports	•Write-ups from each LSIP engagement event to document key themes and feedback.

SECTION 1: LSIP Priorities

The LSIP Geography

The Enterprise M3 (including all of Surrey) LSIP area comprises all of Surrey and North/mid Hampshire, representing a mix of towns and rural areas, but situated between London and Kent at one end and Portsmouth and Southampton at the other.

The area comprises:

- **99,485 local businesses***
- **1.2m working age population**
- **Two Local Authorities** and **17 district / borough councils**
- **16 Further Education[1]** and **5 Higher Education institutions**
- **ALPS ALPHI**, representing over 60 training providers across Surrey, Hampshire and The Isle of Wight
- **Two Local Enterprise Partnerships** and **two Careers Hubs**

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* All figures used in Section 1 are from 'Economy and Labour Market Analysis, May 2023', *Annex A: Local Strategic Context* (unless stated otherwise).

National and local strategic context

National skills reforms over recent years have been 'designed to ensure that skills policy responds to employer needs… reflecting that employers and training providers have a fundamental role to play in closing skills gaps'[2]. LSIPs are another key feature within the skills ecosystem which provide a further mechanism to 'embed local employers at the heart of an increasingly devolved, outcomes-orientated system, enabling providers to respond effectively to local skills needs as they evolve over time'[3].

Ensuring the local skills system is responsive to the needs of local businesses is a strategic priority also shared across all local partners. For example, Surrey County Council's vision is "for a dynamic, demand-led skills system"[4], and Hampshire County Council aims to "grow the skills provision that is demanded by employers, to meet local needs"[5]. This strongly aligns with the purpose of LSIPs, and therefore this report should be seen as a key enabler of this shared ambition and a mechanism to support delivery of more specific initiatives that local stakeholders are focused on and will take forward.

Further details about local strategic priorities can be found in the *Hampshire Skills Strategy and Action Plan* (Hampshire County Council)[6], the *Surrey Skills Plan* (Surrey County Council)[7], the *EM3 Local Skills Report and Skills Action Plan 2022* (Enterprise M3 LEP)[8] and the *Local Skills Report 21/22* (Coast to Capital LEP)[9]. It is important that local education and training providers are aware and understand these in detail (in addition to this LSIP report) as they should also be used to help inform their organisational priorities and strategic plans.

Strengths for the area

- The area benefits from a **large economy of around £80bn GDP** – ¼ of the South East GDP – and is a **major contributor to the Exchequer** with an above average contribution of £7.3bn in indirect taxes on products.
- The area is about **a quarter** (27%) **more productive than the national average**. This productivity is driven by **concentrations of digital and professional services jobs** as well as **strengths in education and research and development**.
- A closer look at which industries have the most jobs reflects both a knowledge and services economy with **high concentrations of professional, scientific & technical and ICT employment** relative to both national and regional averages, as well as those in **Construction** and **Financial & Insurance Activities**.
- The area also has **over one in five workplace jobs in knowledge intensive services**; well above regional and national averages. Research also suggests that there are around **35,000 green jobs in the LSIP area, which represents 3.8% of total employees** (23% higher than the UK as a whole)[10]. This is **forecast to grow 6% per year to 57,000 up to 2030** (which would outstrip the growth of the digital sector between 2009-2019-around 4%)[11].
- The concentration of jobs in knowledge intensive services and green occupations also reflects the distribution of skilled jobs across the local economy with an **above average concentration of high skilled occupations** (44%) compared to the region (39%) and the nation (37%). This contrasts with below average concentrations of lower intermediate and elementary occupations.

- The **resident workforce is highly qualified** with more than four in ten (44%) holding a degree or equivalent compared to the region (39%) and the nation (37%). The workforce has a history of **strong economic activity**, **strong employment** and **low unemployment**, when compared to the region and the nation.
- Of the 17,437 Key Stage 4 pupils from 2020-21 across the LSIP area, **over 90% went into sustained education with around 4% going into either apprenticeships or employment**.

Challenges for the area

An area with the advantages set out above in turn presents a number of challenges. For example:
- High employment and low unemployment creates a **tight labour market** that puts additional pressure on businesses trying to recruit skilled talent.
- The area is also not helped by **close proximity and accessibility to London and other, high-wage urban areas,** which fuel commuting opportunities that can make it difficult for local businesses to attract skilled talent.
- The area is **an attractive place to live with exceptionally high house prices** (Elmbridge, Epsom & Ewell, Mole Valley, Waverley and Guildford all feature in the top ten council areas outside of London with the highest residential property prices[12]).
- The **ageing workforce will exert downward pressure on economic activity** and have **implications for the recruitment and retention of staff**.
- There are gaps in the **inclusivity and diversity of the LSIP labour market**.

Challenges for education and training providers

For the education and skills system to respond to the findings in this report, it is important to also understand the challenges faced by providers. For example:
- **Attracting and retaining staff** when competing on salaries with industry and the rest of the sector – some evidence of staff pitching colleges against each other on salary negotiations[13]
- With independent training providers, **salary expectations do not align with Funding Bands** attached to apprenticeships being delivered. Evidence of staff publicly requesting / demanding salary increases to reflect the rise in the cost of living[14]
- Colleges have **limited opportunities to significantly upskill** (by an academic level) **their staff**. Colleges report that to see a real shift, the conditions by which this can be achieved need to be created if level 4 - 5 aspirations are to be tangibly realised.
- Structural improvements in higher level attainment will only be achieved by **significantly increasing the level of careers guidance** in the region – not just in tertiary but also in secondary and even primary education.
- The **ASK programme**, has been important in enabling the network of providers across the area to promote and provide guidance into apprenticeships and technical education routes.

Key sectors and cross-cutting skills

Local sectoral priorities have been considered to help inform areas of focus for the project. The table below, broadly outlines the strategic sectoral priorities for the two County Councils and the two Local Enterprise Partnerships:

Name of sector / cross-cutting themes	Hampshire County Council	Surrey County Council	Coast to Capital	enterprise M3
Aerospace and Defence	■			
Construction (incl. Retrofit activity)	■	■	■	■
Creative Industries		■	■	■
Digital (incl. Cyber Security)	■	■	■	■
Financial and Professional Services			■	
Health & Social Care	■		■	
Hospitality, Leisure and the Visitor Economy	■		■	
Land based / Rural (incl. Animal Health)	■	■	■	■
Leadership & Management	■			
Life Sciences	■	■		■
Low Carbon / Green	■	■	■	■
Manufacturing and Engineering	■	■	■	■
Marine & Maritime	■			
Med Tech.			■	
Space	■	■	■	■

Local strategic priorities – County Councils and Local Enterprise Partnerships. **Source**: Personal communications.

Based on this list of sectors and through further research and analysis, the project focused on **nine key sectors (and the Green Economy)** and identified **three cross-cutting skills areas** that are crucial to support local economic growth, boost productivity and improve employability and progression.

Key sectors for the LSIP	
Advanced manufacturing & engineering	Hospitality & tourism
Aerospace, space & satellite	IT
Construction	Land based (incl. Animal Health and welfare)
Creative	Professional services
Health & Social care	Green economy
Cross-cutting skills for the LSIP	
Employability skills Professional skills Digital skills	

The table below, presents a summary of some of the labour market information for the nine sectors. Further intelligence about each sector has been in included based on engagement with sectoral focus groups and findings in the employer survey. More detailed sector profiles have been produced and can be found in **Annex A.1**, which education and training providers (and wider stakeholders) may find helpful to use.

Sector	No. jobs in 2019 (above / below national average)	Change in jobs 2019 - 2022 (Nation)	No. of businesses in 2021 (% with 1-4 employees)	Average wages per job*	Top five specialised skills**	Top soft skills**
Advanced manufacturing & engineering	59,669 21% above	-14.7% (-5.5%)	5,748 (78%)	£43.5k	1. Mechanical engineering 2. Machinery 3. Auditing 4. Engineering design process 5. Electrical engineering	1. Communications 2. Management 3. Customer service 4. Planning 5. Detail oriented
Aerospace, space & satellite	5,863 18% below	+3.8% (-10.4%)	376 (77%)	£43.3k	1. Agile Methodology 2. SQL 3. Microsoft Azure 4. Automation 5. C#	1. Communications 2. Management 3. Customer service 4. Problem solving 5. Planning
Construction	52,865 17% above	+6.0% (+1.9%)	13,834 (86%)	£34.7k	1. Construction 2. Carpentry 3. Painting 4. Civil engineering 5. Plumbing	1. Management 2. Communications 3. Planning 4. Customer service 5. Leadership
Creative	59,243 41% above	+2.5% (+1.8%)	14,997 (90%)	£45.1k	1. Marketing 2. Agile methodology 3. Javascript 4. SQL 5. C#	1. Communications 2. Management 3. Sales 4. Planning 5. Customer service
Health & Social care	120,068 2% below	-0.6% (+6.1%)	5,011 (46%)	£25.5k	1. Nursing 2. Personal care 3. Mental health 4. Auditing 5. Midwifery	1. Communications 2. Management 3. Teaching 4. Leadership 5. Customer service
Hospitality & tourism	96,559 0% above	-3.9% (-2.5%)	8,377 (50%)	£17.6k	1. Restaurant operation 2. Cooking 3. Food safety and sanitation 4. Food preparation 5. Stock control	1. Customer service 2. Communications 3. Management 4. Cleanliness 5. Enthusiasm
IT	73,804 66% above	-7.1% (+4.1%)	12,774 (87%)	£50.9k	1. Agile methodology 2. SQL 3. Javascript 4. Microsoft Azure 5. C#	1. Communications 2. Management 3. Customer service 4. Problem solving 5. Leadership
Land based (incl. Animal health and welfare)	22,146 40% above	-3.4% (+0.7%)	3,925 (77%)	£22.8k	1. Landscaping 2. Mowing 3. Gardening 4. Machinery 5. Weed control	1. Communications 2. Management 3. Coaching 4. Customer service 5. Planning
Professional services	94,672 7% above	+3.3% (+4.7%)	22,149 (88%)	£36.0k	1. Finance 2. Accounting 3. Marketing 4. Invoicing 5. Auditing	1. Communications 2. Sales 3. Management 4. Customer service 5. Detail oriented

Sector profile summary table | **Source**: Lightcast | * LSIP = £31.0k; South East = £30.5k; Nation = £30.4k | ** January 2019 – December 2022

Additional intelligence on skills demands

ADVANCED MANUFACTURING & ENGINEERING

With a high concentration of businesses, for example the Precision Technology cluster[15], this sector makes a strong contribution to the area's productivity through large numbers of high value jobs such as *Production managers and directors in manufacturing* and *Design and development engineers*.

There is also strong alignment between this sector and the green growth sectors of Industrial Decarbonisation and Power identified in the Green Skills demand report[16]. Manufacturing and engineering roles occupy eight of the top 50 green occupations, both currently and projecting forward to 2030, with the top jobs being *civil engineers, production managers/directors manufacturing, electrical and mechanical engineers*[17]. It is critical to ensure there is sufficient green content in engineering courses run by local providers, or for new courses or modules to be found.

In the LSIP employer survey[18], respondents cited gaps in particular engineering job roles including: *Aviation*, *Electrical*, *Mechanical*, *Service* and *Software Engineers*; *Fitters* and *Welders*. *Machine skills* were also cited as a particular skill in demand. Other feedback includes challenges of finding candidates with the right technical skills and/or basic understanding of key engineering skills and machinery at a time when the workforce is getting older, retiring and therefore, there is a 'brain drain' concern.

In terms of local provision, in 2021-22, there were 1,357 achievements (7.2% of all achievements) in *Engineering and manufacturing technologies* sector subject area – mostly at level 3. Apprenticeship starts in this subject area accounted for less than 10%; a lot lower than the national proportion[19].

AEROSPACE, SPACE & SATELLITE

Space South Central is the largest regional space cluster in the UK, which covers the LSIP area (as well as the Solent LSIP area). It is estimated there are approximately 2,392 specifically space-focused employees across 111 companies.[20] In a 2022 report about the industry, 46% of space-related businesses cited 'Recruiting staff' and 38% cited a general shortage of skills as barriers to growth. The LSIP roundtable on Aerospace[21] also highlighted an ageing workforce as a concern – particularly high-skilled, practical engineers.

In the LSIP area, employment in the Aerospace, Space & Satellite sector tends to be concentrated in Aerospace – including Aviation – in roles such as *Air traffic controllers*, *Security guards and related occupations* and *Aircraft pilots*. A focus on Space & Satellite highlights roles such as *Engineering technicians*, *Production managers and directors in manufacturing* and *Mechanical engineers* with a demand for skills focused on *engineering*, *software*, and *business* with many non-space specific roles falling into commercial operations[22].

This was reflected in the Aerospace roundtable[23] with comments captured about use of Sales Engineers (who can understand the customer's need and translate to colleagues to develop a

solution) as well as support to grow and scale-up businesses. The roundtable also reported demand (over the next three years at least) to maintain pace with technological advances such as cloud computing, machine learning and cyber security to remain relevant, agile and competitive.

A Space Skills Alliance report suggests provision of education and training across the South is mostly good, with a diverse range of provision across all levels of education – including some unique, short course offerings. However, there are some weaknesses around *aero/mechanical engineering and environmental science* due to declining student numbers and difficulties in delivering viable technical courses. The Aerospace roundtable captured demand for a level 2-3 Apprenticeship in *Engineering & Manufacturing* alongside needs for pathways to various engineering roles such as *Systems, Software, Sub-systems, Radiation, Thermal* and 'older' technologies often found in spacecraft.

CASE STUDY: As the Aerospace sector accelerates its transition to cleaner, greener technologies to meet the government's net zero commitments, its future global success at least partially depends on the **Jet Zero strategy**[24] to achieve net zero aviation by 2050.

Linked to this, Enterprise M3 LEP have created the **Jet Zero Cluster** and commissioned a detailed analysis of businesses, activity, skills strengths and challenges across the local area to help inform the work of the Cluster. Newly formed, the Cluster has representatives from the aviation industry, academia, trade associations and government bodies and forms a vital part of the LEP's vision for a low carbon high growth economy.

CONSTRUCTION

The sector employs a significant number of people (17% above the national average) and it is dominated by a high percentage of SMEs (99.96%). The LSIP focus group highlighted the capacity challenges SMEs face in being able to engage with the skills system and requiring additional support from colleges. Another key feature of the sector is the importance of supply chains and contractors linked to larger "anchor" companies, which presents opportunities for colleges to develop engagement with the sector.

The employer survey highlighted a key challenge in recruiting to roles as being candidates having the right employability skills (41% indicated this was a problem[25]), with "motivation" featuring in several responses. Some of the main occupational gaps included: *Site managers, quantity surveyors, fitters, roofers, and dry-liners*[26].

Construction is also a priority sector when it comes to the green economy in the LSIP area. The Green Skills report highlights construction roles occupying six of the top 50 green occupations, both currently and projecting forward to 2030, with the top jobs being *Electricians*, *Production and construction managers* and *Plumbers*[27].

Construction companies in the area have reported a need to reskill and upskill the existing workforce to make existing and new buildings more energy efficient and low carbon. Examples of skills required include *retrofitting project coordination* and *heat pump* and *solar panel installation*[28] but also Electricians with electrotechnical skills for *solar power, energy storage*

systems and *electric vehicle charging*[29]. This is a particular challenge in the LSIP area in which the current Electrician workforce is very low with a ratio of 1:746 in the general population – placing our area 38th out of 38 LSIP areas[30], which is potentially exacerbated by evidence of very low progression rates from non-apprentice learners into electrician apprenticeships ranging from 0% to just 14%[31].

With both a high resident population and concentration of businesses in the area, there is a need, but until there is increased consumer demand for retrofitting, employers – most of which are SMEs – are reluctant to invest in training[32]. In terms of the UK talent pipeline, only 40% of further education learners studying construction courses progress into the industry[33], reflecting the reported lack of careers guidance which also impacts on the challenge of diversity in the workforce[34].

CREATIVE

This sector has been identified as one of the four key sectors in the Government's *Plan for Growth*[35] to encourage recovery, and a vision for the sector will address creative skills and other workforce issues, the impact of artificial intelligence and ensure the sector is accessible to people from all backgrounds[36]. As noted at the Creative focus group session, entry tends to be 'largely degree level and above, so the cost of training and risk, therefore, falls on entrants to the sector rather than employers which make creative careers inaccessible to a wide range of people[37].

For the LSIP area, the Createch sector (i.e. businesses harnessing the interaction of creativity and technology[38]) is of particular interest due to the Digital clustering in the area alongside recent growth in the games and immersive technologies sector which accounted for over 1,000 jobs in 2020[39] – mainly in the production and publishing of games software which have seen high growth and concentration of jobs in/around Guildford.

The skills in these sectors are also likely to see increasing demand due to the recent growth of other creative industries in the area. For example, film and TV production with the announcements of both Amazon Prime Video and Netflix expanding their production facilities at the Shepperton Studios in Surrey[40].

Work from Nesta[41] using an analysis of job adverts for creative occupations, clustered thousands of skills into five key skill clusters: *Support skills, Creating & design skills, Tech skills, Marketing skills* and *Teaching skills*. A presentation from Screen South[42] as part of the LSIP project, identified related shortages such as *Technical, Lighting and Production (Support); Storyboard artists, Animators and Prop creators (Creating & design) and VFX, Unreal and Coders (Tech)*.

With a high percentage of the creative workforce being freelance (around a third compared to 16% across the UK generally[43]), they also need accessible CPD opportunities such as *leadership, project management, funding applications and financial management*.

HEALTH & SOCIAL CARE

There are significant challenges with the recruitment and retention of people working in social care. Among online job postings for the LSIP area between January 2020 and November 2022[44], *Care Workers and Home Carers* appeared as the top occupation in demand. Local authorities have seen demand for social care support increasing; the numbers of staff directly employed by them decreasing and their vacancies continuing to rise[45].

Low pay also remains an issue[46] not just for cost of living, but especially for those in domiciliary care where travel time and fuel costs erode actual take home pay to below the statutory minimum wage.

Alongside the need for Nurses, as one of the biggest employers in the world[47] and with over 350 different careers[48], the NHS is committed to digitise the majority of health and social care services by 2025[49]. However, there is recognition that many Trusts are far from this goal, and they can struggle to offer competitive salaries for key roles compared to the private sector[50].

NHS trusts have been swift to create industrial placement opportunities for local T-Level provision (e.g. with Farnborough College of Technology and Guildford College) but they also welcome additional support to make these and other forms of work experience work better – particularly to ensure learners get valuable experiences[51].

CASE STUDY: Students and healthcare professionals are benefiting from using the latest high-tech immersive technology to learn how to handle real-life health emergencies, thanks to the **Care Skills Training Centre** at Activate Learning, Guildford College campus[52].

The facility was designed in partnership with Royal Surrey County Hospital NHS Foundation Trust, Health Education England and Skills for Care. The Centre has attracted interest from local care providers such as Home Counties Carers who are now offering work experience and job opportunities to current health and social care students.

HOSPITALITY & TOURISM

Since 2010, Tourism has been the fastest growing sector in the UK in employment terms; the industry is forecast to be worth over £257 billion to Britain, supporting almost 3.8m jobs by 2025[53]. However, despite tourism currently being one of the strongest sources of employment in the UK economy, its productivity is strikingly low compared to other countries and other sectors of the UK economy[54]. One reason for this relates to the workforce which tends to be transient, temporary, low skilled, young, and migrant. Although a high-volume sector, it struggles with high labour turnover, low staff retention and difficulties in recruiting. This results in some recruiting from overseas.

Between January 2019 – December 2022, *Kitchen and Catering Assistants* and *Chefs* both featured in the top 10 occupations in online job postings – although it's important to note these don't include offline job postings. These occupations have shown persistent activity alongside *Care workers*, *Nurses* and *Sales related occupations* indicating relentless recruitment activity from the sector. The sector focus group also highlighted the importance of employability skills and digital skills[55].

In terms of local provision, in 2021-22, there were over 1,000 achievements (5.9% of all achievements) in *Leisure, Travel and Tourism* sector subject area – mostly at level 3. Apprenticeship starts in this subject were very low although in line with national levels[56].

IT

As a cluster of industries, the IT sector makes a significant contribution to the LSIP productivity advantage through large numbers of high value jobs in, for example, *Programmers and software development professionals* and *IT Specialist Managers[57]*. The LSIP area also benefits from a 'Silicon Suburb'[58] in Basingstoke and a recognised Cyber Security Cluster[59].

The top occupations advertised across the LSIP area between January 2019 – December 2022 included *Programmers, Developers, Analysts, Architects and Technicians* and the top technical skills included *Agile, Azure and programming languages such as SQL, Javascript and C#[60]* - all very similar to those reported by the British Computer Society (BCS)[61].

Cybersecurity and Cloud technologies are top priorities for UK IT leaders and professionals[62] – both of which require specific skills and were cited amongst priority technical skills from local IT employers along with *AI and machine learning, Data, Product development, Programming and Microsoft 365[63]*.

These employers also cited specific challenges such as onboarding and supporting early career individuals in a sector that is increasingly used to remote or hybrid ways of working; retaining apprentices after they have qualified – often attracted to higher salary offers from competitors; and diversification of the workforce – particularly in attracting women and neurodiverse people[64].

Technology has significant potential impact in combating climate change, the Green Skills report projects that demand for green IT professionals will increase by 41% by 2030[65]. It is critical that IT courses have sufficient green content to allow those completing them to progress into green roles.

CASE STUDY: As **one of the UK's most ambitious, high growth technology companies**[66], SaaS intranet company **Invotra** cites investment in apprenticeships as a significant factor in its success. Each day, Invotra powers intranets for over 47% of UK civil servants with a team of 65 employees, of which 34 (52%) are past or present apprentices, many of whom are now in senior management positions, including Directorships.

Winners of the BCS SME Employer of The Year, 2019, Woking-based Invotra are also involved in the local skills agenda through the Enterprise M3 Skills Advisory Panel and the South East Apprenticeship Ambassador Network and also work alongside many local schools to help with skills and meaningful work experience.

LAND-BASED (INCLUDING ANIMAL HEALTH AND WELFARE)

The land-based sector traditionally relates to farming and industries connected to the land and environment, including horticulture, food production, forestry, conservation, landscaping

and equine (horses). This report extends it to also include Animal health and welfare to incorporate the important work of veterinarians and veterinary nurses.

The sector offers a huge variety of roles at all skills levels ranging from elementary occupations such as *cleaners* to high skilled roles such as *veterinarians and engineers* – highlighting the reliance on Science, Technology, Engineering and Mathematics (STEM) skills.

However, feedback from the LSIP land-based roundtable indicated that where much of the work is land-based (i.e. outside) this can be off-putting for some young people – something that was also reflected in the Construction roundtable, particularly with respect to working in the unpredictable British weather[67]. Employers also warned that those interested in working need to be equipped with employability skills (such as *communication, teamwork, resilience and problem solving*); and need to take full advantage of work experience opportunities to help them make an informed decision about their career plans[68].

The Land-based sector plays a significant role in the journey to Net Zero. For example, farmers produce renewable energy that helps power an average of 10 million UK homes[69] and four occupations in the sector are included in the top 50 green occupations such as *Conservation professionals* and *Agricultural trades*[70]. As new technologies become available in the low carbon economy, it is crucial the skills, training and development needs of the sector and its workforce are recognised and addressed to take advantage of new innovations. Education and training providers can play a significant role here.

PROFESSIONAL SERVICES

During the last decade, the main source of change to this sector has been technological: from the emergence of fintech (financial technology) and insurtech (insurance and technology) to the influences of blockchain and artificial intelligence[71]. These are significant as they bring with them impacts on skills – replacing some (e.g. accounting and financial analysis skills) but also introducing others (e.g. programming and cyber security).

Professional services make a significant contribution to the LSIP productivity advantage through large numbers of high value jobs in for example, *Management consultants and business analysts*, *Sales accounts and business development managers* and *Marketing and sales directors*[72]. It is also in sales related occupations where the online job postings data shows the most demand from this sector – the area has some strong professional services to offer but not always the skills to sell them. Local employers also reported a lack of employability skills, which is picked up in the next section.

Green economy and occupations

As noted earlier, the strength of the green economy is a unique feature of this LSIP area and has significant growth potential. Research commissioned by the LSIP project suggests that there are around 35,000 green jobs in the LSIP area, which represents 3.8% of total employees (23% higher than the UK as a whole)[73]. This is forecast to grow 6% per year to 57,000 up to 2030 (which would outstrip the growth of the digital sector between 2009-2019- around 4%)[74].

A key point emerging from the research was the cross-cutting nature of green occupations required to support growth of the green economy. Often the focus is on roles that are quintessentially "green", such as *Conservation Professionals or Biological Scientists*. However, businesses operating in the green economy also require a workforce with "professional skills", such as *Business Development Managers and Financial Accounts Managers*. This aligns with findings explored in the Cross-cutting skills section below related to "professional skills".

	Occupation	Number of green jobs in the LSIP area	Proportion of jobs that are green in each occupation
1	Environment Professionals	1,668	1.00
2	Sales Accounts and Business Development Managers	1,651	0.08
3	Production Managers and Directors in Manufacturing	717	0.08
4	Physical Scientists	691	0.55
5	Refuse and Salvage Occupations	690	0.63
6	Engineering Professional n.e.c.	680	0.18
7	Biological Scientists and Biochemists	677	0.25
8	Conservation Professionals	663	1.00
9	Agricultural and Fishing Trades n.e.c.	656	0.68
10	Financial Accounts Manager	577	0.10
11	Electricians and Electrical Fitters	550	0.08
12	Health and Safety Officers	486	0.35
13	Production Managers and Directors in Construction	475	0.09
14	Chief Executives and Senior Officials	468	0.18
15	Civil Engineers	459	0.19

Top 15 green occupations by number of green jobs in the LSIP area[72]

The evolution of a highly advanced green economy in the LSIP area will require education and skills providers to increase the number and uptake of specialist green courses, and pivot towards the skills and knowledge required by a dynamic green economy. This includes the mix of occupational specialisms and skills required in a green economy across the board, which would include more "white collar" roles as well as those traditionally thought of as 'green'.[75]

Given the limited space available in this report, education and training providers (and wider stakeholders) are encouraged to read the separate Green Skills report included in **Annex A.2** to see further analysis of the green economy and occupations in the LSIP area.

Cross-cutting skills:

An understanding about the unique needs and challenges of different sectors is valuable, however, what was highlighted consistently by employers across all sectors was the importance of more generic transferable skills. These are skills that employers placed significant value on, as many wanted to have a role in shaping the specific technical skills an employee developed in order to best fit their needs.

The evidence drawn from the sectoral focus groups and survey responses, has resulted in the identification of three cross-cutting skill areas: **Employability skills; Digital Skills; Professional Skills.**

EMPLOYABILITY SKILLS:

Feedback from the LSIP employer survey, but also every roundtable, consistently reported an employability skills gap in areas such as *communication, motivation, teamwork and customer service.* 41% of employers cite this as a current challenge, with 53% identifying it as a continued skills gap over the next three years.[76] Employers indicated that they placed significant emphasis on recruiting candidates with these softer skills. Illustrative of this point was feedback from a large accountancy firm that mentioned they had identified a trend of candidates with Sports Management degrees becoming high performing trainee accountants.[77]
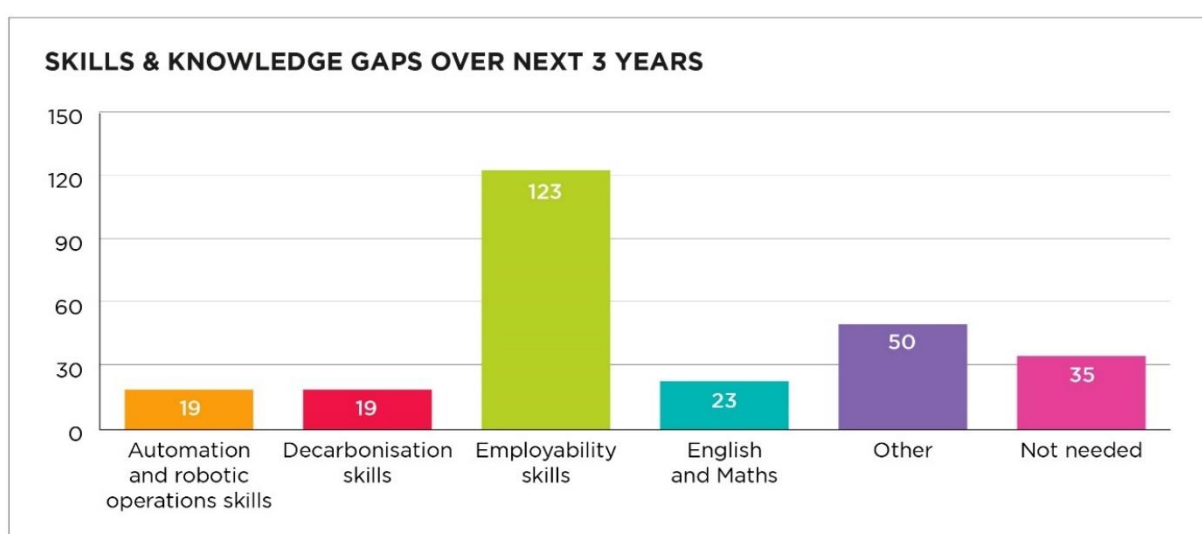
Bar chart of responses to a multiple-choice question about skills and knowledge gaps over the next three years[78]

Colleges commented that a priority focus for them was onward progression for learners. Therefore, this presents an opportunity for providers and employers to come together to explore this further and understand what is needed to make a difference to how learners develop these skills alongside their technical qualification.

DIGITAL SKILLS:

Employers during focus groups and at events highlighted a digital skills gap which included both foundational and advanced digital skills[79].

Foundational digital skills are increasingly required for entry to work (e.g. basic use of Microsoft, email, virtual meetings), and therefore should be considered in the same way that basic levels English and Maths are prioritised as part of apprenticeships and technical education courses.

Advanced digital skills help to transform businesses (e.g. AI, data analysis, automation), and in order to fill these skills gaps will require existing learners to have a greater understanding about these types of occupations that are in demand by employers. Developing these

technical skills may also be suited to upskilling/reskilling opportunities for existing members of staff to support their development and progression.

PROFESSIONAL SKILLS:

This refers to the types of skills and occupations that support a business to function and grow. No matter the sector that a business operates in, these are fundamental, and were consistently mentioned through employer engagement as being in high demand. Often the focus when discussing skills gaps can be on more "traditional" technical skills, however employers were keen to stress the need for skilled candidates in areas such as *sales/business development, marketing, finance/procurement, project management, and leadership*. The importance of these roles was also highlighted in the Green Skills report.[80]

These occupations do not necessarily require technical sector-specific knowledge and can be transferable. For example, during the IT focus group, an employer mentioned they 'recruit for skills based on selling and account management and then upskill on the technology/product'[81]. It is important to "make it real" for learners to support them in understanding what these types of occupations are like and the underlying skills and attributes suited to them. As with advanced digital skills, this type of skills development is also well suited to upskilling/reskilling opportunities, which could be an area colleges and training providers explore further.

This message about the importance of professional skills is reinforced by the chart, below[82], which plots the top 10 skills across the LSIP area, based on those included in online job postings between February 2022 and April 2023.
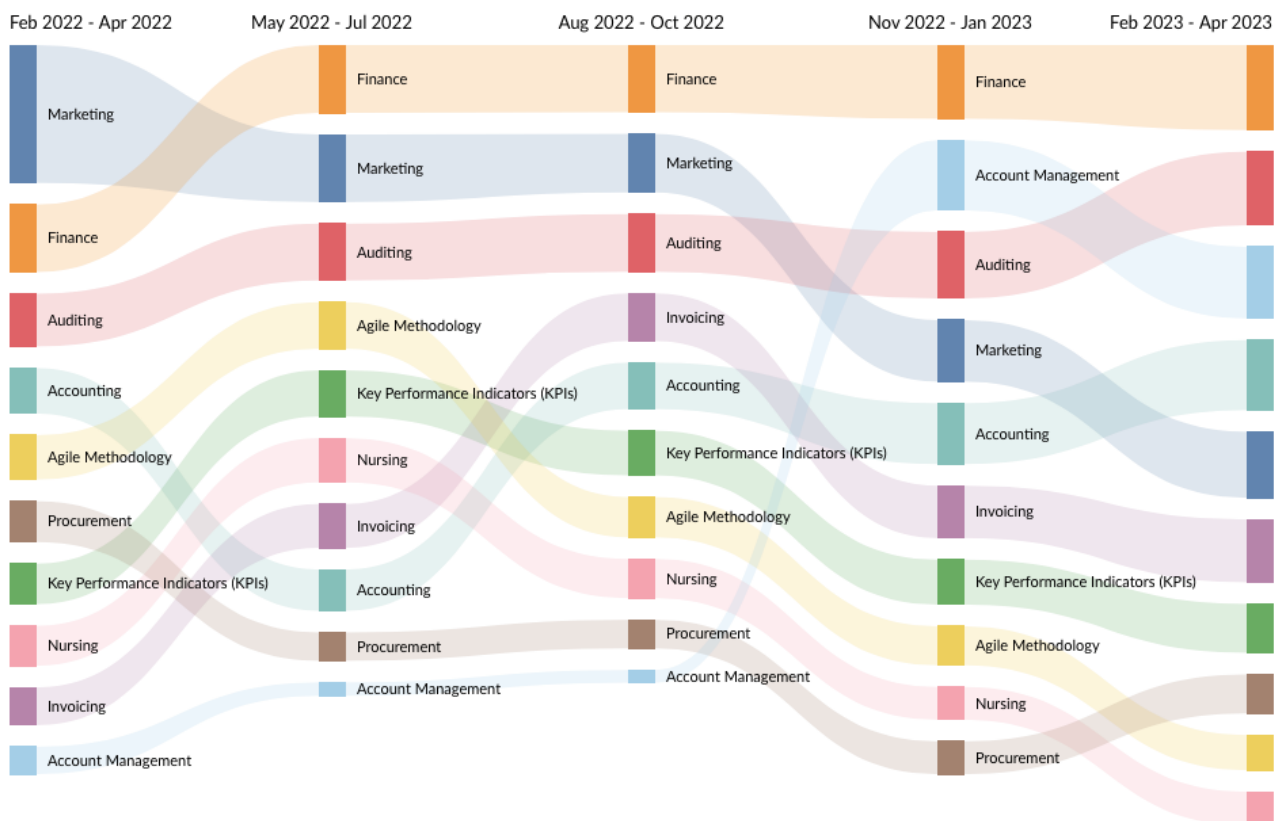
Key outcomes for local employers

Since September 2022, there have been around 1000 interactions with the LSIP project across employers, education and training providers and other stakeholders.[83] Throughout the process there have been several consistent themes and outcomes that employers across all sectors highlighted. These have been summarised below:

- **Awareness of key sectors and occupations driving demand for skills**: Improve the awareness and understanding about the employment opportunities in different sectors, with a focus on career pathways. This is linked to careers advice and guidance and inspiring the next generation into key sectors they might not be aware of.
- **Support for employers in understanding the education landscape**: Similarly, the education and training offer is extremely broad and complex, and it can be difficult for employers to navigate and understand what is most relevant and of value to them (23% indicated improved access to information would improve the skills system[84]).
- **Employers as part of the solution**: Employers also want to be involved and support where they can but need help to understand the best ways to engage and work with local education and training providers.
- **The importance of cross-cutting, employability skills**: Technical skills can be taught and developed, but employers report it remains a challenge to find candidates with the right employability skills (53% identified employability skills as a key skill gap over the next 3 years[85]).
- **Improved brokerage to match supply of skills with demand**: Local employers face recruitment challenges in a tight labour market and would benefit from improved brokerage with providers to explore other ways to fill skills gaps such as apprenticeships.
- **Flexible, accessible courses that meet employers' needs**: Employers want courses that deliver the latest industry standards, and they want flexibility in order to fit around the dynamic needs of the employer (25% indicated that access to short modular courses would improve the skills supply for their business[86]).
- **A concentration of small and medium enterprises**: The majority of employers in the area are SMEs (99.96% in Construction sector); they can lack capacity to engage with, and understand the skills system and therefore require more long-term, tailored support.
- **Capitalise on hidden pools of talent**: With support, employers can improve the diversity of their workforce by reaching out to new, untapped talent e.g. returners to the workforce, females in construction; males in social care, and neurodiverse people in IT.

These themes and outcomes have helped form the basis of the "translation" into a set of clear LSIP priorities that articulate the needs of the local business community in terms of their engagement with the skills system and what is needed to ensure it is more responsive.

LSIP priorities for action

Building on the existing priorities of strategic partners and based on the consistent themes and messages emerging from our employer engagement activity we have considered and co-designed a set of priorities for action.

The LSIP priorities are designed to:

- Ensure an efficient match between the supply of and demand for skills employers most need to thrive and boost productivity.
- Support greater collaboration between providers and employers and encourage join-up between skills offers and work programmes.
- Make provision more accessible to both employers and local people to help remove barriers to engagement.

COORDINATE NETWORKS AND COLLABORATION

- Enhanced network approach and collaboration between FE providers at multiple levels across LSIP area
- Utilise existing employer networks and clusters, support them, and encourage the development of more

FACILITATE RESPONSIVE AND INCLUSIVE CURRICULA

- Understand and consider the specific challenges and skills needs of key local sectors and the green economy
- Develop clear and consistent approaches for the ways businesses can support and input on course delivery
- Embed cross-cutting skills development and interdisciplinary working into curriculums

A RESPONSIVE LOCAL EDUCATION AND SKILLS SYSTEM
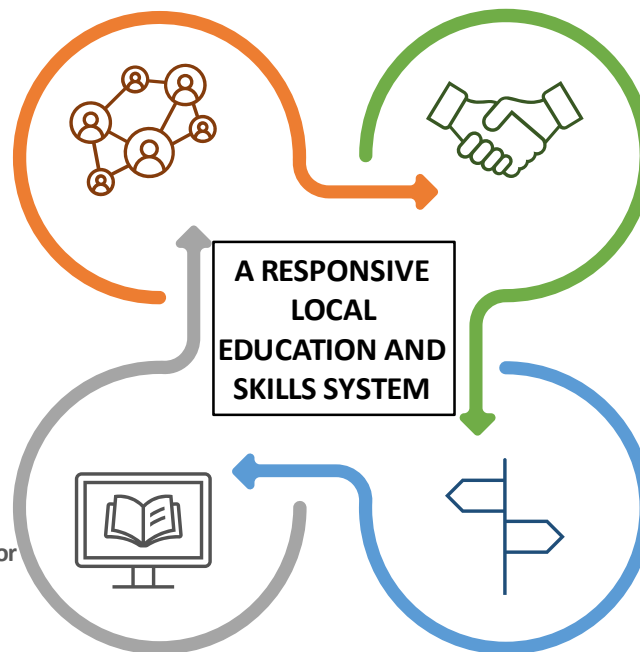
BUILD DYNAMIC RELATIONSHIPS BETWEEN BUSINESSES AND PROVIDERS

- Identify opportunities to enhance the "connective tissue" between businesses and the FE sector
- Proactive engagement with larger "anchor" businesses to identify innovative solutions

IMPROVE INFORMATION, ADVICE AND GUIDANCE

- Accessibility of information and support available to businesses
- Improved brokerage solutions to match the supply of skills with employer demand
- Support businesses to access "hidden" local talent

These priorities should provide a strategic direction to key stakeholders on what businesses are saying are the main things that would make a difference to how responsive the local skills system is. While understanding the needs of specific sectors is important, this LSIP report is more focused on the local skills system and how it operates, so the priorities are designed to be cross-cutting and applicable to all sectors. Further commentary and detail underpinning each priority is included next in: **Section 2 – Taking the LSIP Priorities Forward.**

SECTION 2: Taking the LSIP Priorities Forward

This section sets out further information about each of the LSIP priorities, incorporating the evidence and feedback underpinning each. At their core, these priorities are designed to address:

What is needed in the local area to support the post-16 education system to be more responsive and closely aligned to local labour market needs?

The priorities seek to triangulate and articulate what has been heard from businesses, large and small, across multiple sectors. They are not meant to be overly prescriptive and have been deliberately written to provide a degree of flexibility in how colleges and stakeholders consider different ways they can respond. This is in recognition of the range of possible solutions that individual organisations or partnerships might focus on to help deliver against a priority. More specific actions underpinning each LSIP priority is set out in **Section 3 – Delivering the LSIP Priorities**, which identifies some areas of focus for the LSIP project and wider stakeholders.

Priority 1 – Improve information, advice, and guidance

RATIONALE:

There was generally limited awareness and understanding amongst employers about the opportunities and support available regarding skills and training. This ranged from not being aware of what T-Levels were, through to things like understanding the influence employers can have in shaping a training course to meet their needs, or the ways colleges can provide expert consultative support to identify ways employers can fill their skills gaps. These were the types of issues raised at the LSIP themed event on "Understanding the Education and Training Landscape"[87] and are illustrative of wider feedback and discussions held throughout the research.

Despite the challenges around understanding what is available, the employer survey indicated a significant appetite amongst employers to engage with the skills system (77% are prepared to invest financially and in terms of staff time[88]) and to take on apprentices (only 17% said they were not interested in apprenticeships[89]). This has helped demonstrate significant untapped demand from local employers that could be unlocked through a greater focus on ensuring that information, advice, and guidance is as accessible as possible, and improve the ways to match employers' skills needs with candidates that possess those skills.

WHAT NEEDS TO CHANGE?

Accessibility of skills information and support available to employers
- The range of options available to employers to address their skills needs is vast and can be difficult to navigate. There needs to be a focus on demystifying what is available and what is relevant to their needs[90].
- Currently, information for employers about skills and training opportunities is widely dispersed – mixing offers from local as well as national providers. Employers report

they want a centralised local resource to help understand all the training options available and signpost to further resources and named contacts at providers.

- Employers recognise that providers - particularly colleges - tend to offer a wide range of courses and qualifications. It would be helpful for employers to be able to quickly identify specialisms and training aimed at employers as opposed to young people.

Improved brokerage solutions to match the supply of skills with employer demand

- The LSIP area has a tight labour market in which unemployment is low and therefore, employers struggle to fill their vacancies[91]. This presents an opportunity for an impartial broker to work with them to explore alternative solutions, such as via the local college or training provider.
- Most employers are unaware of what T-Levels are and the value that a student placement could offer their business[92]. This links to feedback from local colleges who said that employers could be more engaged and supportive in offering work experience opportunities to learners. An impartial broker could help facilitate this.
- Proactively working with employers to encourage them to interact early with cohorts of learners on relevant courses as an approach to help identify potential candidates as part of their talent pipeline. These interactions benefit learners who develop a better understanding of the expectations of businesses, and businesses get a chance to "try before they buy".
- Business development teams in FE are a key mechanism to build relationships with local businesses. A clearly defined brokerage service would help increase capacity within these teams and fast-track more impactful conversations with employers.

Support businesses to access "hidden" local talent

- Many businesses highlighted a need to improve diversity and inclusion in their workforce (85% indicated they were fully committed to the Equality, Diversity, and Inclusion agenda[93]). They would welcome support to identify and engage with "hidden pools" of talent to help fill skills gaps. For example, increasing the number of females in construction[94], more males entering social care[95], supporting neurodiverse people in the IT sector[96], or supporting economically inactive cohorts[97] back into the workforce.
- Through their own work with learners with special educational needs and disabilities (SEND), colleges can work with employers to identify, access, and transition "hidden" talent into the workplace.
- Colleges often sit within and play an active role in their local community. Employers can capitalise on this, working with the college to engage with local authorities, employability providers and voluntary organisations who work with hard-to-reach cohorts to support proactive engagement.

CASE STUDY: Part of Hampshire County Council's priority to help support an inclusive labour market, is to create **Special Educational Needs and Disabilities (SEND) Employability Hubs** to support progression of young people aged 16+ into employment[98] within three years of entering post-16 education. Some of these Hubs are already supporting SEND learners across the LSIP area, located in Andover College, Basingstoke College of Technology and Farnborough College of Technology.

Priority 2 – Facilitate responsive and inclusive curricula

RATIONALE:

The coverage of vocational course provision was generally found to be strong in the LSIP area[99], however a clear message from employers, was courses needing to be flexible to their skills needs and adapt[100], which should involve solutions such as "access to short modular courses" (26% of responses in employer survey), and "courses designed with input from industry experts" (22% of responses in the employer survey)[101]. Employers are most interested in recruiting candidates with the right employability skills and a consistent message was that business can teach technical skills, but learners need the right attitude.[102] There was a sense that more of a focus needed to be given to these core cross-cutting skills in all curricula.

Sectors have their own unique needs and challenges, and through the LSIP sectoral focus groups, employers were able to share these and invite discussion alongside college representatives. However, understanding and responding to the needs of employers on a consistent and ongoing basis should be a priority that is embedded into processes for curriculum review and design.

WHAT NEEDS TO CHANGE?

Understand and consider the specific skills needs of key local sectors and the green economy

- It is important to understand the specific needs of sectors and consider what ways courses can be adapted and delivered so that they are fit for purpose. There are multiple sources and approaches that education and training providers can use to help inform their knowledge about key sectors, and this information should be used to support practical changes to raise awareness with learners about career opportunities with key sectors and tailor course content and delivery based on these needs.

- Through the LSIP process, sectoral focus groups have been held to draw out insights about the challenges and needs of key local sectors. These are not exhaustive but are designed to add value to existing knowledge and understanding. Colleges should use the sector profiles in **Annex A.1** and employer engagement summary reports in **Annex B.2** to help inform their work.
  - For example, a challenge for the construction sector is the motivation of learners on college courses/apprenticeships, as many have gone into the sector to get away from formal teaching and classrooms and start working.[103] In contrast, the IT sector puts an emphasis on candidates needing soft skills that will enable them to thrive in a virtual/hybrid working environment.[104] In both examples, the solutions will be different, and education and training providers should think about ways learners can be supported based on the messages coming from industry.

Develop clear and consistent approaches for the ways businesses can support and input on course delivery

- There is a strong appetite from local businesses to support education and training providers, but most emphasised a lack of awareness or understanding about how they could be more involved to help input and shape courses.[105] Providers were equally

keen to stress their need for greater support from employers to help inform the delivery of their courses. This disconnect highlights a clear opportunity to develop more consistent approaches that provide clarity for employers on opportunities to be more involved and the expectations this would entail.

- There are a range of ways businesses and providers can work more closely together, and it is not a one-size-fits-all approach. For example, groups of employers could be involved in co-designing new courses (e.g. T-Levels[106]), more interactions with businesses could be built into courses (e.g. guest speakers), or certain businesses could be consulted as part of annual curriculum planning.

CASE STUDY: To help raise the quality of careers provision across the LSIP area, around 120 schools and colleges benefit from support from the **Careers and Enterprise Company[107]** in the form of Careers Hubs. This support helps drive more high-quality experiences with employers; amplify apprenticeships, technical and vocational routes; focus on support and interventions for those young people who face barriers to achieving their full potential and working with the Local Skills Improvement Plan team to connect careers provision to the needs of local economies.

In 2023, the **Teacher Encounters programme** provided an opportunity for teachers to engage directly with employers to see and learn about the different career pathways relevant to their subjects, and to observe how their subject is applied practically in business.

Embed cross-cutting skills development and interdisciplinary working into curricula
- Focusing on the specific needs of sectors is important, but as noted, employers also identified a range of cross-cutting skills needs that education and training providers should consider as part of curricula, as these are what employers are placing significant value on. These cross-cutting skills have been categorised as employability skills, digital skills, and professional skills. Further details about each are provided in **Section 1**.
- Employers mentioned the importance of making skills development in these areas "real" to the job roles that courses might lead a learner into.[108] For example, having basic levels of Maths & English are important, but how this is taught to people on different courses could be adapted to be more relevant to jobs roles.
- Employers also noted a challenge with staff lacking skills in interdisciplinary working with other teams in their business, such as technical staff being able to work effectively with sales teams. Consider ways to build in opportunities for interdisciplinary working with learners on different courses, such as project team work or team-based competitions.

CASE STUDY: The curriculum team at BCoT worked with local Healthcare employers to develop and plan the delivery of the T-level curriculum to ensure that learners developed the skills required in industry. Employers requested that learners were specifically trained in *food hygiene*, *manual handling*, *health and safety* and *COSHH* before commencing their placement.

By building these skills into the curriculum plan, learners were more confident and fully prepared to go into their placement workplaces.

Priority 3 – Coordinate networks and collaboration

RATIONALE:

As a theme, networks and collaboration was consistently highlighted as being key to supporting the local skills system to be highly responsive (in particular at sector focus groups for Electrical Contractors, Construction, Creative, and Aerospace & Space). It is about trying to breakdown silos and make connections between different initiatives and programmes of work. This can manifest itself in many ways, from education and training providers in the LSIP area developing a more "networked" approach between themselves to deliver collective solutions where relevant (as demonstrated with the SDF partnerships session[109]), or sectoral networks building closer relationships with the FE sector to support them in better responding to the needs of the sector they represent.

A potential barrier to this, is the complexity of the local partnership landscape, as there are many different groups and boards that exist across the LSIP area. It is important to try and rationalise and make sense of what already exists, to reduce duplication and bring clarity to the purpose of what different groups are trying to achieve and how they are connected to others.

WHAT NEEDS TO CHANGE?

Enhanced network approach and collaboration between education and training providers at multiple levels across LSIP area

- Often challenges faced by one provider will exist across multiple. Embedding more of a networked and "collective mentality" across local providers in which there is greater collaboration, sharing of best practice and developing collective solutions, would support the sector to be effective in responding to the needs of local employers.
- The Local Skills Improvement Fund (LSIF)[110] presents a good opportunity to build on the experiences of the Strategic Development Fund[111] and for education and training providers to come together again to agree on key activity and capital projects to invest in as part of a joint response to this LSIP report.
- Consider other teams within providers where greater collaboration would benefit the sector in responding to business needs. For example, the LSIP project brought together Business development colleagues for an in-person session to hear their feedback from engaging with businesses[112]. This could be developed further into a more formal network in which best practice and insights about specific sectors are shared.
- Explore models of shared delivery for particular courses in which teaching staff or facilities are shared across colleges to support a course to be more financially viable.

Utilise and support growth of employer networks and clusters

- The LSIP process has highlighted the range of local business networks and groups that exist and helped to demonstrate the value they can play in being a conduit for providers into key local sectors. These range from more formal industry bodies such as BCS, CITB and ECA, to sectoral clusters like the Animal Health Innovation Network, Space South Central or the Surrey Cyber Security Cluster.
- These groups can help provide an effective "short cut" for education and training providers to understanding the needs of specific sectors and be a key point of contact to facilitate greater collaboration between industry and the education sector. Many

will produce sector-specific reports and analysis that could help support providers (see case study below) and in-person sessions can help to build more meaningful connections.

- Education and training providers should consider the key employer networks they can work with and begin to develop strategic relationships. Providers may seek to work together so that one or two "lead" providers manage the relationship with a specific network but share intel and insights with the wider provider network.

CASE STUDY: **Space South Central**[113] is the largest regional space cluster in the UK. As a partnership between industry and academia the cluster aims to accelerate space business growth, foster an environment of innovation, grow the reputation of the region and contribute to national prosperity. The cluster also seeks to demonstrate best practices in inclusion, education, training, recruitment and retention to make space careers as attractive and rewarding as possible.

Priority 4 – Build dynamic relationships between businesses and providers

RATIONALE:

Ensuring there are consistent quality interactions between businesses and providers is crucial to ensuring the skills system in the LSIP area is responsive to the needs of employers. During the LSIP process, there have been numerous examples of employers building direct relationships with local colleges as a result of attending an in-person LSIP event (such as ECA hosting a follow-on session to bring their local members and FE colleges together[114]). This is just a snapshot of what could be achieved with a focus on encouraging and facilitating more interactions between businesses and FE providers to help breakdown barriers and lead to new opportunities being discovered.

These interactions can be on many different levels from inviting businesses to campus open day events, through to more strategic partnerships with larger businesses to co-design courses and for them to be more involved in course delivery. The crucial point is to identify ways to build greater familiarity between the business community and local education and training providers.

WHAT NEEDS TO CHANGE?

Identify opportunities to enhance the "connective tissue" between businesses and the education and skills sector

- It is important to have in place mechanisms to support meaningful interactions between businesses and the education and skills sector. It is this more informal "connective tissue" that will better enable providers to be responsive to the needs of businesses and key sectors and support a move from transactional relationships with businesses to closer partnerships[115].
- Employers are generally not aware the state-of-the-art facilities available at FE providers, so it is important to consider different ways to "open up" campuses and make them more accessible to local businesses. For example, the University of Surrey recently received funding for their SpaceCraft project[116] to offer access to high quality space engineering facilities to businesses and colleges at below commercial rates.

There is not a one-size-fits-all approach, but it is something that should be built into ways providers operate.

- The LSIP process demonstrated the value of in-person events, and FE providers should consider more opportunities like campus open days and business networking events hosted on campus.
- Consider opportunities for co-working spaces with businesses or initiatives that provide local businesses with access to certain facilities.

> **CASE STUDY**: **FAC (Farnborough Aerospace Consortium)**[117] is the longest established aerospace and defence trade body in the UK with an international membership, providing support to some 300 companies. With their headquarters in the **Aerospace Research & Innovation Centre**[118] at **Farnborough College of Technology**, the FAC also benefits from intimate access to cutting edge skills and R&D activity but also sitting in the heart of the UK's aerospace industry; Farnborough.

Proactive engagement with larger "anchor" businesses to identify innovative solutions
- There is a high percentage of SMEs in the LSIP area[119], which is challenging for FE providers who lack capacity to be engaging with many on an individual basis. SMEs are also likely to only have very specific training needs, which makes it harder to bring together cohorts of learners and develop financially viable courses.
- Larger "anchor" businesses can be a key part of the solution as they often have the capacity to work more strategically with providers and also have larger training needs that can help remove some of the financial risks from developing new courses or creating cohorts of learners. In addition, the businesses they engage with through their supply chains offer further opportunities to engage with smaller businesses. This was the message from the large businesses that were involved in the LSIP process (for example at the Construction focus group[120]). There was significant appetite and interest to develop more strategic relationships with local colleges to support innovative solutions that help to meet their needs, but also the needs of the wider sector and/or their supply chains.
- Seek out opportunities to create "financially viable" cohorts of learners by engaging with key local businesses and stakeholders (such the Animal and Plant Health Agency working alongside industry partners, Surrey County Council, ALPS/ALPHI, and NESCOT to develop a Level 6 Laboratory Technician Course)
- Develop industry shadowing opportunities for FE teachers to work alongside people in industry to develop their knowledge and skills.
- Consider pathways from industry into FE teaching, particularly for experienced staff approaching retirement, or considering a move to part-time working.

> **CASE STUDY**: As a **new employer in the region facing a critical skills shortage**, **Ringway Infrastructure Services**, needed a local partner to set up a new apprenticeship programme. East Surrey College responded promptly and coherently from day one, demonstrating their business-focused approach. Ringway and the College are now co-creating a Highways Maintenance apprenticeship, due to be launched in October 2023, that will have benefits for local residents, employers and the economy.

SECTION 3: Delivering the LSIP Priorities

The LSIP report is not the end of the process but articulates the key areas of focus that education and training providers and key stakeholders should look to drive forward in order to ensure the local skills system is responsive to the needs of local businesses. This "roadmap" is designed to identify actions and activity that will help to operationalise the priorities in the report so they can be taken forward. It is not an exhaustive list and in many cases further work is required to fully scope ideas and solutions. In addition to the "roadmap", key stakeholders have a responsibility to review the overarching messages behind each priority and consider solutions they can take forward as individual organisations.

LSIP actions and roadmap

Action	Potential lead delivery partner(s)/key stakeholders	Timescales	Potential funding source(s)
1. Improve information advice and guidance			
a. Train-the-trainer for LMI to enable Careers Leads in schools and colleges to empower young people to find and interpret LMI to support their careers planning.	Careers Hub	2023-24	Careers Hub
b. Increase Careers guidance provision in FE based on key local sectors with a focus on outreach to schools to help improve the attractiveness of those sectors.	Careers Hub National Careers Service	2023-24	LSIF
c. Create a "skills portal/platform" solution to provide: • Better access to information for local businesses with searchable facilities for particular provision • Opportunities to share teaching staff across providers • Work experience opportunities in businesses including Industrial Placements. • Other opportunities for engagement.	Surrey Chambers of Commerce Hampshire Chambers of Commerce Hampshire County Council Surrey County Council Providers and Employers	2024-2025	LSIF
d. Identify ways to increase capacity and impact within Business Development functions to help expand how far the FE sector is able to reach and develop a process to help businesses to better understand their skills needs.	Providers	2023-24	LSIF
e. Evolve the Future Skills Hub website to become the go-to for stakeholders in the local skills landscape: A repository for the LSIP report and related documentation, up to date LMI, case studies and links to enable employers to address their skills gaps and for Providers to understand the economy.	LSIP/LEPs	2023-4	LSIP
f. Identify groups and networks that are focused on supporting "hidden" pools of talent and coordinate ways for them to engage and work with local employers and providers.	Surrey Chambers of Commerce, Providers/DWP/Specialist support groups/Employers	2023-4	LSIP
2. Facilitate responsive and inclusive curricula			
a. Coordinated development group of FE providers working together alongside sector representatives from business to modernise curriculum that is shared amongst the entire network. (for example, funded "bite-size" courses, new	SDF/LSIF college partnership LSIP to co-ordinate/Employers	2023-4	LSIF

	courses (e.g Sales training, Leadership and Management L6, Engineering L2/L3), or ways to embed a focus on the green economy and green skills.)			
b.	Secure funding for Skills Bootcamps, aligned to local strategic priorities and informed by the LSIP, to enable individuals to reskill / upskill in areas of high demand from businesses.	Hampshire County Council Enterprise M3 LEP	2023-24	Department for Education
c.	Create opportunities for governors and senior leaders to convene to update on the local economy and labour market to inform Annual Accountability Statements and curriculum planning.	LSIP	At least annual	LSIP
d.	Support the Catalyst South Digital Skills Partnership to engage with education and training providers to help deliver on their 'Workforce Skills' priority with a focus on Staff Training and Higher Tech Skills.	LSIP/Providers/Employers	2023-4	LSIP
e.	Provide support for business clusters to be more responsive to skills challenges raised by their members and identify practical solutions through engagement with providers e.g. Animal Plant Health Agency	LSIP/Providers/County Councils/LEPs/Employers	2023-4	LSIP/LSIF
3. Coordinate networks and collaboration				
a.	Work with local strategic skills leads to identify and ensure there is an effective range of strategic groups with distinctive roles and responsibilities that can collectively make a positive impact on the local skills landscape and respond appropriately to employers' skills needs. This includes considering the role of an LSIP strategic group to bring employers, providers, and stakeholders together.	LSIP/Providers/County Councils/LEPs	2023-4	LSIP
b.	FE colleges in the LSIP area to come together and provide a collective view on what each of their specialisms are and highlight what the "coverage" of course provision looks like across the LSIP area (connection to "skills portal")	FE colleges (in partnership)	2023-4	LSIF
c.	Hold a "Key sectors conversation", identifying the "leads" for different sectoral clusters to meet in person to discuss a more coordinated response on how local colleges can/should be working with their networks to better respond to the needs of their sectors.	Surrey and Hampshire Chambers of Commerce/LSIP/Employers	2023-4	LSIP
d.	Establish and foster a mechanism to bring together Business Development leads at FE colleges.	Surrey Chambers of Commerce Individual FE colleges	2023-4	LSIP
e.	LSIP project team to meet with individual colleges (via principals and relevant colleagues) to discuss ways they are implementing the LSIP priorities and support in connecting them to key initiatives and networks.	LSIP/Providers	2023/4	LSIP
4. Build dynamic relationships between businesses and providers				
a.	Stimulate more engagement from employers in the skills system by giving them access to state-of-the-art-facilities (existing or new), to test and develop new innovations and R&D activity and encourage greater knowledge/exchange.	LSIP/Providers/Employers	2023-4	LSIF
b.	Create opportunities for teaching staff to refresh and update their knowledge and understanding of skills needs of local industry.	LSIP/ Employers / Providers	2023-4	LSIF
c.	Deliver three Skills sector events between employers and providers (e.g. IMI)	LSIP/Employers/Providers	2023-5	LSIP
d.	Collaborate with the Careers Hub to create more dynamic relationships between businesses and providers, by identifying and breaking down barriers to progression into apprenticeships and technical education.	Careers Hub + LSIP/Providers/Employers	2023-4	LSIF
e.	Funding to support targeted training to upskill industry experts as college trainers to help improve capacity in colleges.	LSIP/Employers/Providers	2023/4	LSIF

Managing delivery and governance

The LSIP actions and roadmap signify the next phase of the LSIP project, however further work is required to fully develop a delivery plan for the priorities alongside key stakeholders. This will require a system-wide approach, underpinned by the support, commitment, and a clear understanding of roles and responsibilities amongst local partners.

Overall accountability for the delivery of the LSIP sits with Surrey Chambers of Commerce as the designed ERB for the area. The LSIP project team's primary focus will be to lead on coordinating and convening key stakeholders to foster strong relationships and develop agreed plans for how to take elements of the LSIP actions forward. The project team is also responsible for ensuring that Department for Education (DfE) guidance is followed and provide regular progress updates (to DfE and LSIP Steering Group).

The purpose of the LSIP Steering Group will evolve from primarily overseeing the development of the report, to playing a crucial role in supporting the successful delivery of the LSIP priorities. Following publication of the LSIP, the Steering Group will hold planning sessions to consider ways to collectively take the roadmap forward and deliver joint actions.

Membership of the LSIP Steering Group includes:
- Surrey Chambers of Commerce
- Hampshire Chamber of Commerce
- Surrey County Council
- Hampshire County Council
- Enterprise M3 Local Enterprise Partnership
- Coast to Capital Local Enterprise Partnership
- Careers & Enterprise Company
- NESCOT
- Sparsholt College Group
- ALPS/ALPHI

An LSIF partnership of FE colleges will also be crucial in supporting delivery of the LSIP actions. It will be important for the LSIF partnership and the LSIP Steering Group to collaborate in developing bids for LSIF investment and in supporting delivery of projects.

The LSIP process has helped to support a wide-ranging engagement exercise with local businesses on the value skills development and training can add to their business and facilitated greater connections between industry and the FE sector. It is important to not lose momentum, and a key enabler of the roadmap with be supporting continued engagement with local employers and key sectors.

Wider strategic partners

- Activate Learning
- Alton College
- Brooklands College
- Basingstoke College of Technology
- East Surrey College
- Strode's College
- Farnborough College of Technology
- The Sixth Form College Farnborough
- Queen Mary's College
- Peter Symonds College
- Esher Sixth Form College
- Godalming College
- Reigate College
- Woking College
- Surrey Adult Learning
- University of Surrey
- University for the Creative Arts
- Royal Holloway, University of London
- University of Winchester
- University of Southampton
- Confederation of British Industry
- Federation of Small Business
- Institute of Directors
- Surrey Research Park
- Fedcap
- Affiliated Town Chambers of Commerce
- Department for Work and Pensions
- Surrey District and Borough Councils
- Hampshire District and Borough Councils
- Apprenticeship and Skills Hub
- Business South
- Gatwick Diamond
- CITB
- Electrical Contractors Association (ECA)
- Space South Central
- Surrey Care Association
- Hampshire Care Association
- British Aviation Group
- Institute of Physics
- Skills for Care

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