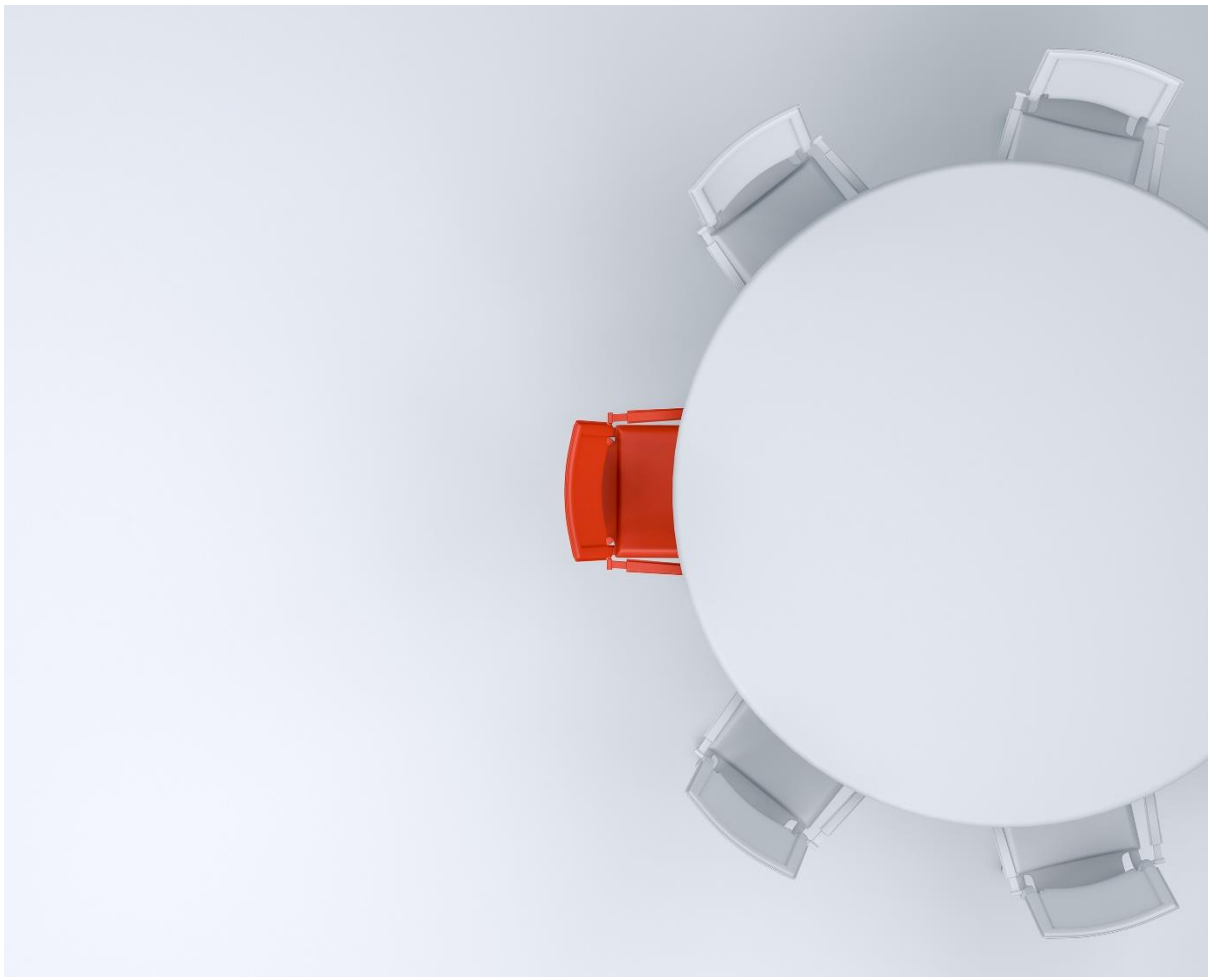


# Regional Accountability Statement

Enterprise M3 (incl. all of Surrey) Local Skills Improvement Plan (LSIP) 2024-25

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# 1. Introduction

## 1.1. Background

One of the actions from the Local Skills Improvement Plan (LSIP) report<sup>1</sup> for the Enterprise M3 (including all of Surrey) area was to 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.

Linked to this, Section 52B of the Further and Higher Education Act 1992 (as amended by the Skills and Post 16 Education Act 2022<sup>2</sup>) places **a duty on governing bodies of institutions in the FE sector to review how well the education and training provided meets local needs, and consider what actions might be taken to meet those needs better. This includes actions in conjunction with other governing bodies.**

In March 2024, governors and senior leaders from the colleges, listed below, met to hear and discuss the findings from a report<sup>3</sup> on Accountability Statements, produced by Surrey Chambers of Commerce.

As part of the Local Needs Duty, above, the group aimed to identify alignment and gaps in provision to inform an LSIP-regional Accountability Statement 2024-25 and input into individual Accountability Statements for each college.

The colleges who participated in this exercise included:

- Activate Learning
- Basingstoke College of Technology (BCoT)
- Brooklands College
- Farnborough College of Technology (FCoT)
- HSDC
- Nescot
- Orbital South Colleges
- Sparsholt College Group

## 1.2. Questions for discussion

The group considered responses to the following questions:

- 1. How well does the education and training that the colleges and other organisations in this region are currently providing meet local need?**
- 2. In doing so, consider what actions may be taken to better meet these needs. (In particular, to better ensure learners have the skills needed to secure sustainable employment).**
- 3. How can providers widen the conversation with other teams to identify and communicate key messages about opportunities across the region and beyond?**

The next section presents a suggested template summary of the outcomes of the discussions from the above questions, with reference to the DfE Guidance on Accountability Agreements<sup>4</sup>.

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<sup>1</sup> Enterprise M3 (including all of Surrey) LSIP Report and Annexes: <https://www.surrey-chambers.co.uk/report/em3-including-all-of-surrey-lsip-final-report/>

<sup>2</sup> Further and Higher Education Act 1992: Section 52B, Legislation.gov.uk: <https://www.legislation.gov.uk/ukpga/1992/13/section/52B>

<sup>3</sup> Accountability Statements Report 2024 – Enterprise M3 (incl. all of Surrey) LSIP.

<sup>4</sup> ESFA college and local authority accountability agreements: <https://www.gov.uk/government/publications/esfa-college-and-local-authority-accountability-agreements>

Section 3 then presents examples for each of the bullets that colleges might like to draw on, to expand their tailored Accountability Statements.

## 2. Template summary of 'Context and place' and 'Local Needs Duty'

### 2.1. Context and place

Up until the end of March 2024, three Local Enterprise Partnerships (LEPs) - Enterprise M3, Coast to Capital and Solent - separately led on bringing together employers and providers together to identify and respond to skills challenges across Hampshire and Surrey.

Since 1 April 2024, the LEPs' economic development functions and responsibilities - including skills - transferred to the two, upper-tier local authorities: Hampshire County Council and Surrey County Council.

Hampshire is setting up a new board - the Hampshire Prosperity Partnership Board - that will bring stakeholders together to influence and drive a sustainable and resilient economy, including the associated development of skills.

In Surrey, the Council continues to deliver on the Actions outlined in the Surrey Skills Plan, overseen by the One Surrey Growth Board which brings together key stakeholders and business representatives. The Growth Board plays a strategic role in Surrey's economic growth agenda by informing, advising, and endorsing key decisions by the County Council.

The college is located within the **Enterprise M3 (including all of Surrey) Local Skills Improvement Plan (LSIP)** geographical area (Reference: <https://www.surrey-chambers.co.uk/future-skills-hub/>), which sits across both Hampshire and Surrey counties, and includes 17 boroughs and districts (Basingstoke & Deane; East Hampshire; Elmbridge; Epsom and Ewell; Guildford; Hart; Mole Valley; Reigate and Banstead; Runnymede; Rushmoor; Spelthorne; Surrey Heath; Tandridge; Test Valley; Waverley; Winchester; Woking).

The LSIP area benefits from a large economy of **£84.6bn GDP** and is a major contributor to the Exchequer.

Productivity is higher than the national average; driven by concentrations of digital and professional services jobs alongside strengths in education, research and development. This productivity is spatially concentrated – particularly in rural areas - although the area's prosperity is influenced by significant commuting links to London and towns/cities in neighbouring areas.

The LSIP area benefits from a higher concentration of businesses compared to the region and the nation. However, business growth has been slower than average and heavily influenced by the pandemic. Around 8/10 businesses in the LSIP area are micro-businesses although the majority of the workforce are employed by larger organisations. Businesses that form and grow in the area have a strong chance of survival and benefit from dedicated support across numerous business network organisations.

The LSIP area has strong employment with a rich concentration of knowledge-intensive traded services but also high concentrations in arts and entertainment local services. There has been a notable employment recovery, surpassing pre-Covid levels, fuelled by a surge in administrative & support activities and jobs in ICT. Although the area has very low economic inactivity, it also has a

tight labour market due to low unemployment and high numbers of job vacancies - especially in health, social care, sales and IT roles.

The LSIP area is relatively prosperous, with residents in Hampshire and Surrey on wage levels exceeding both regional and national averages – although there are notable gaps between those who live versus those who work in the areas, attributed to elevated commuter incomes.

Related to this, the close proximity and accessibility to London and other, high-wage urban areas, fuels commuting opportunities that can make it difficult for local businesses to attract skilled talent.

Residents also pay some of the highest average house prices outside of London – particularly in Surrey. These strengths can sometimes hide the pockets of deprivation that are and will continue to impact on prosperity across some residents - including those with low to mid skills and in areas threatened by automation.

An ageing workforce across the area will also exert downward pressure on economic activity and have implications for the recruitment and retention of staff. There are also gaps in the inclusivity and diversity of the LSIP labour market.

The LSIP identifies nine key sectors and highlights the Green Economy as a particular focus for the area. This presents opportunities for diversification towards clean/low carbon technologies/products and to minimise reliance on risky global suppliers by onshoring and growing more local supply chains.

This focus also presents opportunities for providers across the area to engage with employers to support them in identifying and addressing Green Skills needs for future jobs. This work commenced with the Strategic Development Fund II project in 2022-23, and continues in the work of the Local Skills Improvement Fund (2023-25), alongside three key sectors (Advanced Manufacturing & Engineering, Construction, Creative) and two cross-cutting skills (Digital and Employability Skills), identified in the LSIP report.

## 2.2. Local Needs Duty

In response to the Skills and Post 16 Education Act 2022, the governing bodies across the LSIP area have conducted a review of the existing curriculum offer, determining how well this meets local needs and ensuring that learners have the skills needed to secure local employment.

We conclude that collectively we make a **strong** contribution to meeting local and national skills needs, and wish to continually improve this by proposing to:

1. **Expand** the curriculum offer to respond to emerging needs, relating to securing employment in both local and national skills priority sectors.
2. **Collaborate** with other providers and organisations to strengthen the quality and resilience of local provision.
3. **Promote** clearer progression pathways into local employment opportunities in priority sectors.
4. **Capitalise** on duplication, as opposed to saturation, to offer more choice and opportunities to employers.

### 3. Further detail / examples on suggested actions

In March, colleagues discussed a range of examples, linked to the four areas identified in Section 2. Details of some of these are provided below.

#### 3.1. Expand the curriculum offer to respond to emerging needs, relating to securing employment in both local and national skills priority sectors.

- When mapping T Level pathways, it was identified there were some pathways yet to be delivered across the area.
  - There is an opportunity for one or more providers to deliver these pathways – especially where they align to local needs.
- There were some specific ‘Specialised Skills’ gaps identified in the report – these are helpful in designing and delivering existing and new courses to show how they align to skills needs.
  - Current and future courses could be expanded to ensure they include, where appropriate these specialised skills (e.g. B2B Sales in Business courses).
- Gaps were identified relating to Marketing and Sales occupations that sit across all key sectors.
  - The new T Level may help to address pathways to these pathways but it could also be worth exploring how other, existing courses align / could align.
- MIS teams would benefit from having access to localised labour market intelligence.
  - Creation of factsheets, mapped to the 14 SSAs for MIS teams to use to help inform curriculum planning.

#### 3.2. Collaborate with other providers and organisations to strengthen the quality and resilience of local provision.

- A concern was raised about the lack of T Level-equivalents for 19+ (e.g. Land Based and Health & Social Care areas), where funding has been removed for competing qualifications.
  - Where these gaps align to local needs, this presents an opportunity for dialogue with Government for alternative forms of provision.
- Some occupations can be accessed by academic as well as vocational pathways.
  - This presents an opportunity for engagement and collaboration with sixth form colleges across the area.
- Some young people and adults lack level 2 qualifications which presents barriers to gaining sustainable employment.
  - Collaborating with Technical Occupational Qualification awarding bodies to align new provision to local skills gaps.
- Some subject areas (e.g. Construction, Engineering) are difficult to deliver due to a lack of staff / capacity. This can be because salaries are unsustainable and retaining new teaching staff who struggle with challenging learners.
  - Opportunities to collaborate and use digital, connected technologies open up possibilities of delivering across multiple sites simultaneously.
    - This is something that providers in neighbouring LSIP areas such as Solent are also open to exploring.
  - Another solution could be to explore shared teaching staff across institutions.
  - Employers may also be interested in course delivery at multiple institutions, where it can help raise their profile, brand and their own recruitment challenges.
- For employers to become truly engaged in the local skills system, the relationships need to be deeper and the returns for both need to be made more clear. Ideas could include:

- To explore commercial partnerships and / or sponsorship of courses. Employer names could also link courses to jobs, where they are / have recruited.
- Enhance the teaching and learning experience through (e.g.) workplace visits, work experience, staff sabbaticals / shadowing.
- An 'Employer Engagement Officer' role could sit across the LSIP area and offer an impartial brokerage service – perhaps focusing on one key sector, initially.

### 3.3. Promote clearer progression pathways into local employment opportunities in priority sectors.

- Provision linked to digital occupations in the Aerospace, Space & Satellite sector is also delivered in other Sector Subject Areas (e.g. Information and Communication Technology).
  - This is an example of how different courses could highlight a wider range of career pathways. Labour Market Information can supply these insights.
- T Levels remain 'new' and uncertain for some target audiences, including businesses.
  - Collaborative support for embedding T Levels – needs education and business to come together to ensure all the pieces are in place (e.g. marketing key messages, industrial placements, staffing, understanding and support from schools plus parents and carers...)
- Young peoples' understanding of the connections between education & training and jobs remains very limited – especially as the labour market continues to adapt and evolve.
  - Marketing to potential learners by highlighting key, localised information such as numbers of job titles, job opportunities, salary information and specific skills needs.
  - Open day and outreach activities with schools and communities could help illustrate the connections between education & training and local jobs.
  - Working directly with young people to help them access and interpret careers information such as labour market information
  - Supporting young people at key transition stages in the context of pathways to employment (e.g. GCSE Options, Year 11, Year 13)
- Other vulnerable groups to securing sustainable employment include career returners and career changers who may also have limited understanding of connections and opportunities.
  - Help these cohorts access the right information and support to help them re-engage with the labour market; mapping their skills but also their skills gaps.
  - Providers can support in filling these gaps via (e.g.) Skills Bootcamps and Free Courses for Jobs.
  - Creation of jobs and careers factsheets, aligned to LSIP key sectors and occupations.

### 3.4. Capitalise on duplication, as opposed to saturation, to offer more choice and opportunities to employers.

- Whilst there is no real evidence of saturation across such a wide geography, it is important for there to be some duplication – particularly when considering critical, location-based sectors such as Health & Social Care, Hospitality & Tourism and Land based sectors.
  - It could be helpful to create a heatmap to show 'hot' and 'cold' spots for different subject areas and levels, together with some narrative.
- Some provision is very specialist or niche and may not be suitable for large cohorts due to (e.g.) expensive equipment / facilities.
  - These equipment / facilities could be procured as part of a consortium and also considered as part of an income-generation model through hired access during quieter parts of the academic year, for example.

- The integration of the LEPs into upper tier authorities has temporarily left a vacuum for an impartial brokerage service between businesses and providers.
  - Work with the two County Councils to explore and agree how impartial brokerage services could help better direct employers to providers to solve skills and recruitment challenges.