



Surrey Local Skills Improvement Plan 2026-2029

Created by Surrey Chambers of Commerce
in conjunction with Surrey County Council



Executive summary

Surrey has a strong and diverse economy, with more than 110,000 businesses and major strengths in areas including digital, cyber security, creative industries, advanced engineering, health and social care, construction and professional services. The county also has strong skills provision, with further education colleges, universities, sixth form colleges and independent training providers working across Surrey.

Despite these strengths, the evidence gathered for this Local Skills Improvement Plan shows that employers continue to face skills challenges that affect recruitment, productivity and growth. Some sectors are struggling to attract enough people into the workforce, while others are seeing gaps in technical, digital, leadership and work-ready skills. Many employers, especially SMEs, also find it difficult to plan future skills needs, release staff for training or understand the support that is available.

Surrey has a highly skilled resident population and low unemployment, but there are still people who could be better supported into work and progression. This includes young people, returners to work, economically inactive residents and underrepresented groups. Clearer pathways into training, employment and career development are important if Surrey is to meet employer demand and make better use of local talent.

The Surrey Local Skills Improvement Plan 2026–2029 sets out an employer-led response to these challenges. Developed by Surrey Chambers of Commerce with Surrey County Council, education and training providers, employers and wider partners, the plan brings together labour market data, strategic evidence and direct feedback from employers. Its purpose is to help skills provision respond more closely to what businesses need now, while also preparing for future demand.

The plan identifies six priorities for action:

- Increase the pipeline of technical skills into manufacturing, engineering and related sectors
- Strengthen construction skills, including those needed for the green transition
- Improve recruitment, retention and development in health and social care
- Support businesses and workers to adopt digital tools, AI and emerging technologies with confidence
- Improve work-ready employability and everyday digital skills
- Increase employer engagement, awareness and commitment to skills development

Across all six priorities, the same issues come through. Employers need better access to people with the right skills, behaviours and confidence, while learners and residents need clearer routes into local jobs. Training providers also need regular input from businesses so courses stay relevant. For employers, support needs to be easier to find, easier to understand and realistic alongside the pressures they face day to day.

This LSIP is a practical framework for action over the next three years. It links to national and local skills priorities, and will help inform provision, partnerships and investment.

The aim is to make Surrey’s skills system work better for employers and residents by improving pathways into training, employment and progression, and helping businesses access the skills and support they need to grow.

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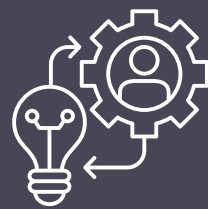
This Local Skills Improvement Plan has been approved by the Secretary of State in accordance with the requirements of Section 1 of the Skills and Post-16 Education Act 2022, and the relevant published statutory guidance.



Funded by
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01. Introduction



The Surrey Local Skills Improvement Plan (LSIP) is a strategic framework identifying the key skills needs across Surrey and sets out agreed actions to address them. It is an evolving document, created in collaboration with, and designed for, employers, training providers, learners and strategic partners who share the same commitment to building a world-class, local skills system that drives inclusive economic growth for Surrey.

Through our research and consultations to identify specific skills needs and gaps, a consistent theme has emerged across all sectors and business types. Employers repeatedly highlight similar challenges: perception-driven barriers to entering skills training and employment; unclear training and career pathways; limited succession planning, worsened by an ageing and non-diverse workforce; and a general lack of workforce readiness and awareness of transferable skills.

By prioritising talent pipelines, we can better supply the skills that local employers need. Given Surrey's relatively high employment rates, it is particularly important to reach untapped talent pools – such as economically inactive individuals, returners to work, and underrepresented groups – and strengthen connections between these individuals and employers facing persistent vacancies.

The LSIP's strength is its collaborative, co-created nature, ensuring shared ownership and practical impact.

Employers

(especially SMEs and those with recruitment challenges)

It amplifies their voice in shaping training provision, helping to reduce skills gaps, fill vacancies and build a more work-ready workforce. Employers gain better talent pipelines, clearer pathways for succession, support for diversity/inclusion and opportunities to influence curricula or pool resources (e.g., apprenticeships). This drives productivity, growth and business resilience in a tight labour market.

Training providers

(colleges, universities, independent providers, etc.)

They get clear, evidence-based signals on employer demands to adapt offerings (e.g., more flexible, inclusive courses). This improves relevance, learner outcomes, funding alignment, and collaboration (e.g., via networks or co-design) and helps them address challenges like staff retention while meeting strategic goals.

Learners

(including returners, underrepresented groups, young people)

It unlocks better careers information, accessible pathways, and training that leads to real local jobs. Emphasis on transferable skills, work readiness, and inclusive opportunities helps more people (including those economically inactive) enter or progress in employment, reducing barriers and supporting inclusive growth.

Strategic partners

(local authorities like Surrey County Council, Growth Boards, DWP, Surrey FE, Surrey HE and FE alliance, Association of Learning Providers etc.)

It provides a shared framework to coordinate efforts, align with broader strategies (e.g., Surrey Skills Plan, local government review, Get Surrey Working), leverage funding, and tackle systemic issues like talent pipelines and green skills. It fosters economies of scale, reduces duplication, and supports economic development goals.



Summary of Surrey Local Skills Improvement Plan (LSIP) 2026–2029

The Surrey LSIP 2026-2029, developed by Surrey Chambers of Commerce with Surrey County Council, SurreyFE, Surrey universities, and employers, is an employer-led plan identifying key skills gaps and actions to support inclusive economic growth. It aligns with national strategies (Modern Industrial Strategy, Adult Skills Fund) and local plans (Surrey Economic Growth Strategy 2025–2035, net zero goals).

Following extensive data research, stakeholder validation and detailed employer input, we have identified six key priorities that will support local employers, provide opportunities for inactive residents and help grow Surrey’s overall economy.

- 1

Increase technical skills pipeline (Manufacturing & Engineering)
Strengthen entry routes and address gender/age imbalances in engineering, cyber security, software development, and related roles for defence, space, and advanced manufacturing.
- 2

Increase construction skills (incl. Green transition) pipeline
Boost traditional trades and green skills (retrofit, heat pumps, sustainability) to meet replacement demand and net zero needs.
- 3

Improve health & social care pipeline
Improve recruitment, retention, leadership, and digital skills amid rising demand from an aging population.
- 4

Improve digital tools adoption
Help workplaces, especially SMEs, confidently adopt AI, automation, and emerging technologies with strong foundations in ethics and implementation.
- 5

Improve work-ready employability & generic digital skills
Build core skills (communication, problem-solving, resilience, teamwork, basic digital literacy) that employers say are frequently missing in new entrants.
- 6

Increase employer engagement
Increase awareness, forecasting capability, and commitment to skills development, particularly among SMEs.

Agreed actions & expected impact

The plan emphasises co-designed programmes, clearer career pathways, expanded apprenticeships/ bootcamps/placements, leadership development, standardised employability training, and better information hubs. Cross-cutting themes include inclusion, applied learning, SME-friendly delivery, and green/digital integration including green skills embedding (informed by the Clean Energy Jobs Plan). The expected outcomes from these actions will be reduced skills gaps, stronger talent pipelines, improved diversity and retention, higher productivity and a more responsive skills system. Progress will be measured through enrolments, employer engagement, completions, and provision changes.

The LSIP serves as a practical, evolving framework to align skills provision with employer needs, leveraging devolved funding and partnerships for Surrey’s high-value, inclusive growth. It turns employer insights into tangible changes, strengthens the local skills ecosystem, and supports inclusive economic growth. Participation allows groups to influence priorities, access networks/events, and contribute to (or benefit from) delivery actions.

- This plan is structured as follows:**
- **Section 2** sets out Surrey’s strategic and economic context
 - **Section 3** identifies the six key priorities and why they are priorities
 - **Section 4** sets out the agreed actions needed to address the priorities



02. Strategic and economic context

Surrey boasts a dynamic economy, with over 110,000 businesses (including around 63,000 VAT-registered) contributing more than £50 billion in Gross Value Added (GVA) annually – one of the UK’s largest regional economies. This is supported by a highly skilled workforce, leading educational and research institutions (four further education colleges, three universities, and Surrey Research Park), exceptional connectivity, and world-leading clusters in creative industries, cyber security, gaming, health, and emerging defence sectors, with strong inter-sectoral links.

The County’s global connectivity stems from its proximity to Heathrow and Gatwick airports, both of which are pursuing major expansions. Heathrow is advancing a third runway planning application (approved for investment in January 2026, targeting permission by 2029), while Gatwick’s Northern Runway project received consent in September 2025, enabling dual-runway operations from 2026 onward. Strong national links to London and southeast ports further enhance Surrey’s appeal for investment and business growth.

Surrey has a longstanding record of attracting international firms and nurturing innovative UK companies. This has created a collaborative ecosystem, developing foundational sectors like finance, construction and legal services, alongside high-GVA specialisms in digital services and finance/insurance. It is complemented by clusters in automotive, including McLaren and Toyota, space through Space South Central and creative industries.

The Surrey Economic Growth Strategy 2025–2035 identifies key opportunities in high-productivity sectors, emerging strengths in AI, cyber security, space and creative-digital fusion (“Createch”), and a robust innovation ecosystem supported by universities, research parks and networks such as SETSquared.

However, challenges remain. Growth has slowed, with declining business numbers, especially among microenterprises; barriers to starting and scaling businesses; talent retention issues amid high living costs; and infrastructure needs, including commercial space and digital connectivity. Surrey’s 1.2 million residents require skills that are better aligned with business demands.

110,000 businesses
contributing more than
£50 billion in Gross Value
Added (GVA) annually

Foundational and service sectors such as health and social care, hospitality, retail and construction are essential. They employ large, diverse workforces, deliver critical services, support community stability, enable higher-value sectors through supply chains and workforce provision and promote inclusive employment. Balancing these with high-growth clusters ensures sustainable, equitable prosperity.

The LSIP directly supports and feeds into key local strategies by translating the priorities of the **Surrey Economic Growth Strategy 2025–2035** (high-productivity sectors, innovation, and inclusive growth) into actionable skills interventions. It integrates with **Local Government Reorganisation** (transition to two new unitary authorities from April 2027) and the **Level 2 County Deal**, enabling Surrey County Council to commission the **Adult Skills Fund** (from 2026/27) and Post-16 Capacity Funding in line with employer needs. The plan also aligns with wider local initiatives including Get Surrey Working, Business Surrey, STEP Surrey, the Surrey Careers Hub, net zero ambitions (Surrey Energy Partnership and county-wide target of 2050), and the work of SurreyFE and the FE/HE Alliance. This ensures the LSIP acts as a practical delivery vehicle that reduces duplication, maximises devolved funding, and drives joined-up action across the skills system.

Further details on strategic documents are included in Annex C.

By tackling these issues through skills investment, infrastructure upgrades, business support, and collaboration, Surrey can leverage its strengths for continued productivity, innovation, and inclusive growth.



Key characteristics of Surrey

High concentration of businesses in the emerging economy, such as **AI, space and creative industries.**

1 in 4 jobs are in Knowledge Intensive Industries (KIS) such as information, communications, financial services and professional, scientific and technical.



Recent trends indicate the proportion of businesses in KIS is reducing



A high proportion of working age residents are qualified to a degree level or above, a figure that has remained consistent in recent years.

However, workplace occupations are generally lower-skilled than resident occupations, suggesting that residents often commute out of the county for higher-skilled roles in areas such as London or Reading. This does bring wealth and local spend into Surrey, but it also fuels competition for talent presenting recruitment challenges and key skills gaps.

Surrey has a relatively low inactivity rate (about 16% or 117,000 people) and one in five out of work want a job (17.2% vs 15.8% nationally), pointing to an untapped workforce.

However, inequality remains an acute issue; residents without formal qualifications are disproportionately likely to be economically inactive (63%) than comparator areas (CIPFA 52% and UK 55%, 2021).

Consistent with this data, research from Metro Dynamics delivering Surrey's Economic Strategy have highlighted capability (lack of skills or the English language) and mindset (lack of resilience) as key barriers.

Examples of Surrey's strengths that are often hidden from employers and the potential workforce

Surrey's deep and diverse talent base fuels innovation across every major sector – from creative media and cyber security to space, AI and advanced engineering.

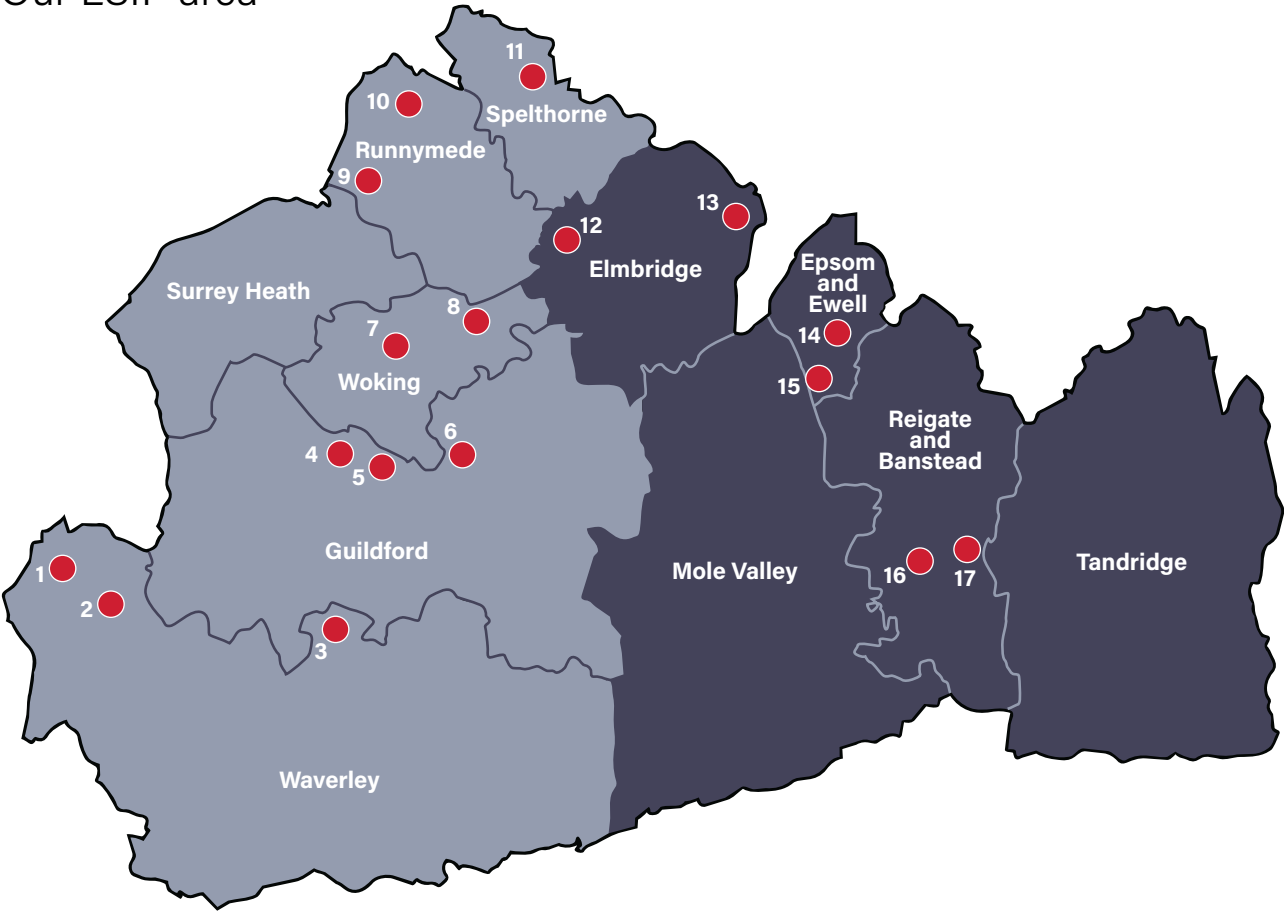
We host World-Class Clusters & Research Strengths including:



Skills and training providers

Surrey is well provided for in terms of skills provision with three Universities (University of Surrey, Royal Holloway, University of London and University for the Creative Arts), a strong group of four FE Colleges working together under the umbrella of SurreyFE, four ‘Outstanding’ Sixth Form Colleges and an enviable spread of Independent Training Providers, represented by The Association of Learning Providers in Surrey (ALPS).

Our LSIP area



1. UCA Farnham

2. Activate Learning’s Farnham College

3. Godalming College

4. Activate Learning’s Merrist Wood College & University Centre

5. University of Surrey

6. Activate Learning’s Guildford College

7. Woking College

8. Surrey Adult Learning

9. Royal Holloway, University of London

10. Strode’s College
11. Brooklands Technical College – Ashford Campus

12. Brooklands Technical College – Weybridge Campus

13. Esher Sixth Form College

14. North East Surrey College of Technology (NESCOT)

15. UCA Epsom

16. Reigate College

17. East Surrey College

18. Association of Learning Providers in Surrey

SurreyFE

SurreyFE, serves as the unifying representative for Further Education in Surrey, advocating on behalf of Activate Learning (Farnham College, Merrist Wood College, Guildford College), Brooklands Technical College (BTC), East Surrey College (ESC), and North East Surrey College of Technology (Nescot). Established in 2023 as a collaborative umbrella organisation, SurreyFE promotes a coordinated “whole Surrey” approach to skills, education, and training.

In partnership with Surrey County Council, SurreyFE is actively supporting the devolution of adult education functions,including the Adult Skills Fund, for the 2026/27 academic year, while aligning provision with the LSIP. This collaboration drives inclusive economic growth through a focus on prevention, early intervention, and accessible pathways into education, skills development, and employment, particularly for young people and adults at risk of becoming Not in Employment Education or Training (NEET.)

Key activities include:

- Mapping and enhancing curricula to address LSIP priorities, regional needs, and localised demands.

▪ Removing barriers to participation via targeted programmes such as Skills Bootcamps, Jobcentre Plus collaborations, and partnerships with voluntary and community sectors.

▪ Strengthening progression routes for NEET and pre-NEET learners to reduce youth vulnerability, improve life outcomes, and increase participation across diverse communities.

▪ Facilitating recruitment, visibility, and progression across Surrey’s colleges through a unified offering that supports economic development and learner inclusivity.
- Promoting project-based collaborations, competitive events, continuous professional development (CPD), and the annual Teaching & Learning Conference, with emphasis on priority sectors including construction, health and social care, and Special Educational Needs and Disabilities (SEND).

▪ Engaging major employers, such as the NHS, Ringway, and airports, to address skills gaps, strengthen talent pipelines, and build a resilient workforce, including support for a sustainable future NHS.

Inclusion remains a core principle across all SurreyFE initiatives, ensuring opportunities for all learners while contributing to Surrey’s broader economic resilience and productivity.

Surrey/FE, HE and Independent Training Providers (ITP) Alliance

An Alliance has been created, bringing together a representative of sixth form education, the four Surrey FE colleges, the three universities in Surrey, SCC and other business-oriented stakeholders. This presents a unique opportunity to deliver actions arising from the LSIP, including identifying career pathways from Entry Level up to Level 8.

The Alliance will participate with sector specific industry representatives for each of the eight priority sectors within the Industrial Strategy. The Alliance is a self-constituted body and has set out responsibilities focused, among other things, on the relevant LSIP areas outlined below.:

- **Local Skills Improvement Plan (LSIP):** Supporting the formulation of the Surrey LSIP by providing specialist advice on the component covering further and higher education and skills provision from Entry Level to Level 8.
- **Skills Programmes:** Offering informed input into planning and delivery of apprenticeships and skills bootcamps across the county including Adult Skills Fund (ASF).
- **Civic Agreement:** Reviewing progress of the Agreement and establishing the ground work for what follows from April 2027.
- **Inclusion:** Championing opportunities for prevention of NEET, programmes for young people and adults who are vulnerable and or have additional learning needs, across Surrey.
- **Lifelong Learning Entitlement (LLE):** Supporting system readiness and maximising Surrey's benefit from the national rollout of the LLE.
- **New 'Jobs Plans'** being requested by DBT aligned to LSIPs.
- **FE Teacher Industry Exchange:** Strengthening links between FE teachers and employers to keep curriculum delivery aligned with current employer needs.
- **Post 16 Capacity Building Funding:** Supporting use of funding to build post-16 capacity aligned to Surrey's skills priorities.

ALPS

ALPS is a network of independent training providers and the four FE colleges who work closely together to inform and engage with employers and deliver apprenticeships and other study programmes, including some adult learning and tailored courses. "We worked with Surrey Chambers on the last LSIP, and we have pleasure in working with them on the new ambitions for the next three years. We have been involved in various meetings to take this forward, and the employers' needs have been shared with the LSIP research team. Having a network is beneficial to enable collaboration and to ensure that technical education meets the employer needs and to ensure that technical education is available for all, including the support we give to the Surrey Schools."

Strategic partnership with Local Authority, FE and HE and Independent Training Providers

The Surrey Local Skills Improvement Plan (LSIP) 2026–29 has been developed in close strategic partnership with **Surrey County Council (SCC)**, **SurreyFE** (representing the four Further Education colleges), the **Surrey FE, HE and Independent Training Providers Alliance**, and the three universities in Surrey (University of Surrey, Royal Holloway University of London, and University for the Creative Arts).

SCC has acted as the interim strategic authority and co-developed the LSIP alongside Surrey Chambers of Commerce. SurreyFE has taken direct responsibility for delivery of key LSIP workstreams, including construction (including green skills) and adult social care, while leading curriculum mapping, pathway development, and alignment with devolved adult education functions.

The newly formed **Surrey FE, HE and Independent Training Providers Alliance** has formally included the development and delivery of the LSIP as one of its core priorities. The Alliance brings together the four FE colleges, three universities, sixth form providers, SCC and business stakeholders to provide specialist advice on skills provision from Entry Level to Level 8, co-design programmes, and support implementation across the plan's priorities.

The universities in Surrey are also working collaboratively under the auspices of Universities UK to make university education programmes more suitable to the workplace, strengthening alignment between higher education and employer needs.

All strategic partners have formally agreed to the LSIP actions. Surrey County Council, SurreyFE, the FE/HE Alliance and the universities have endorsed the priorities and committed to collaborative delivery, including co-designing programmes, aligning curricula, expanding applied pathways, and supporting employer-led initiatives across all six LSIP priorities. This shared ownership ensures the plan is practical, joined-up and positioned for successful implementation.

Local government reorganisation and devolution

In October 2025, the UK Government confirmed proposals for Local Government Reorganisation (LGR) in Surrey. From 1 April 2027, the existing two-tier system, comprising Surrey County Council (SCC) and the 11 district and borough councils, will be replaced by two new unitary authorities: East Surrey Council and West Surrey Council. These new councils will assume full responsibility for delivering all local services in their respective areas.

The transition timeline is as follows:

- **May 2026:** Residents will elect councillors to the new unitary authorities.
- **May 2026 – March 2027:** The elected councillors will form shadow authorities, tasked with preparing budgets, systems, staffing, and other arrangements for a smooth handover.
- **From April 2027:** The Borough and District Councils and Surrey County Council will be dissolved. The new unitary councils will officially take over all service delivery. Until then, the current district, borough, and county councils continue to operate with their existing councillors and responsibilities.

While a Foundational Strategic Authority has not yet been agreed across the Surrey footprint, and a Mayoral Strategic Authority decision remains some way off, the Government remains committed to devolving powers under the Level 2 County Deal agreed in March 2024. This includes transferring adult education functions and associated statutory responsibilities to SCC.

Key devolved elements include:

- The Adult Skills Fund (ASF), replacing elements of the former Adult Education Budget, with Surrey's allocation devolved from the 2026/27 academic year.
- Post-16 Capacity Funding (indicative allocation of approximately £7.7 million across 2026/27 and 2027/28) to support expanded learner places.

Consequently, Surrey is being treated as if it were a devolved area for skills planning purposes. The Local Skills Improvement Plan (LSIP), developed jointly by the designated Employer Representative Body (ERB), Surrey Chambers of Commerce, and SCC, aligns with and integrates existing Surrey initiatives. These include Get Surrey Working, Skills Bootcamps, Business Surrey, the Skills, Training and Employment Portal (STEP Surrey), Surrey Careers Hub, Jobcentre Plus programmes, and others.

The Adult Skills Fund will be commissioned later in 2026, incorporating LSIP findings to ensure skills provision responds effectively to local employer needs and supports economic growth.

This reorganisation and devolution framework aims to create more streamlined, accountable local government while enhancing Surrey's ability to tailor skills investment to its high-value economy.

How the LSIP relates to and draws from national and local strategies and plans

The Surrey Local Skills Improvement Plan (LSIP) 2026–29 is a collaborative, employer-led framework that aligns closely with both national and local strategies to ensure skills provision directly supports economic growth, productivity, and inclusive employment.

National alignment

- **UK Government's Modern Industrial Strategy (2025):** The LSIP prioritises eight growth-driving sectors (IS-8), focusing on cross-cutting roles in advanced manufacturing, engineering, digital/tech, clean energy/green skills, and defence. It emphasises transferable and cross-sector skills rather than rigid sector silos.
- **Devolution and Adult Skills Fund (ASF):** Surrey is treated as a devolved area. The LSIP directly informs commissioning of the Adult Skills Fund (from 2026/27) and Post-16 Capacity Funding (£7.7m). It supports the transfer of adult education functions to Surrey County Council.
- **National skills priorities:** It addresses employability, apprenticeships, T-Levels, Skills Bootcamps, Lifelong Learning Entitlement (LLE), net zero/green skills, AI/digital adoption, and NEET reduction.
- **Other national links:** DHSC Care Certificate and Skills for Care strategies (Adult Social Care), Clean Energy Jobs Plan, and national careers/employability agendas.

This LSIP fully incorporates statutory guidance requiring Employer Representative Bodies (ERBs) to consider Net Zero, climate change, and environmental goals. In particular, the plan explicitly takes account of the national **Clean Energy Jobs Plan** by reviewing its workforce projections (nearly doubling the UK clean energy workforce to around 860,000 by 2030) and priority occupations for the Clean Power 2030 Missions. This analysis informed the prioritisation of cross-sectoral roles in construction, engineering, and technical trades. The LSIP aligns these with Surrey-specific needs through Priority Two (green transition in construction), embedding retrofit, heat pumps, EV infrastructure, and sustainability skills.



Local alignment

- **Surrey Economic Growth Strategy 2025–2035:** The LSIP mirrors its focus on high-productivity sectors (digital services, finance/insurance, AI, cyber security, space, creative/"Createch", automotive) while balancing foundational sectors (construction, health & social care).
- **Local Government Reorganisation (LGR) and Level 2 County Deal (2024):** The plan supports the transition to two new unitary authorities (from April 2027) and integrates with devolved responsibilities held by Surrey County Council.
- **Surrey-wide initiatives:** Get Surrey Working, Business Surrey, STEP Surrey, Surrey Careers Hub, SurreyFE, FE/HE Alliance, Surrey Care Association, and the Surrey Cornerstone Employer Group.
- **Green and net zero ambitions:** Aligns with Surrey's commitment to net zero by 2050 and the Surrey Energy Partnership.

The LSIP acts as a **bridge** between these strategies by translating national policy and local economic goals into actionable, evidence-based priorities. It uses employer consultation, labour market data (e.g., BRES), and partnership working (Surrey Chambers of Commerce, SurreyFE, SCC) to ensure skills delivery is demand-led, reduces duplication, and maximises funding and impact across the county.

This alignment ensures the LSIP is not standalone but a practical delivery vehicle for broader economic and skills ambitions.



3. Local skills needs

The core ambition of the Surrey LSIP 2026-29 is to position Surrey as a leading, high-growth economy, enabled by a dynamic, employer-led skills system that supports innovation, productivity and opportunity.

Key outcomes desired

- Key sectors and employers have access to the workforce and skills they need to grow
- All residents can develop the confidence and skills they need to access employment opportunities

Expected Impact

- A more productive and competitive local economy with sustained business growth
- Higher employment rates, improved earnings, and reduced inequality
- Greater engagement and investment in skills from employers

To achieve those outcomes, we will:

- Take an employer-led and inclusive approach
- Be ambitious and innovative by challenging ourselves to develop new provision and ways of working to meet employers' and residents' needs
- Co-design and co-deliver skills programmes by making best use of Surrey's collective capacity
- Prioritise high growth opportunities, while keeping options open to other growth sectors.
- Build a local pipeline and pathways into key occupations
- Focus on economically inactive residents and those with no or low skills to increase the pipeline of employees

Building on the previous LSIP 3-year plan, considering extensive employer input and analysing the data available to us, we have identified several skills needs, relevant to the next three years.

Much work on improving the skills eco-system continues, with the need to encourage further input and support from employers.

Research was conducted to explore ways to support employers in forecasting their future skills requirements, while also identifying barriers to training and staff development.

Key findings revealed a shortfall in leadership capabilities, particularly at the middle management level; a hesitation to allocate time for employee training due to operational constraints; and a general lack of confidence in embracing technological advancements. These insights have been corroborated through subsequent employer consultations and are woven into the plan's core priorities.

Before setting priorities

To identify priority sectors for the Surrey LSIP, we evaluated the UK’s Modern Industrial Strategy (2025), which identifies eight growth-driving sectors, known as the IS-8, and aligned these with Surrey’s foundational sectors, particularly construction and health and social care, while considering the local economic context. This analysis was conducted in close collaboration with SCC to ensure consistency with the Surrey Economic Growth Strategy 2025–2035, which emphasises high-productivity areas such as digital services, finance and insurance, alongside emerging clusters in AI, space, creative industries, automotive, cyber security, and health.

We reviewed all relevant strategic documents at national and local levels (references provided in Annex C). This desk-based research was complemented by recent Business Register and Employment Survey (BRES) data, which highlighted sectors where Surrey’s employment share exceeds the UK average – indicating elevated local skills demand (e.g., in professional, scientific and technical activities, finance, and information and communications).

To capture local nuances and refine priorities, we engaged directly with employer groups, training providers (including SurreyFE and ALPS), and other stakeholders through consultations and evidence gathering.

This evidence-led, collaborative approach ensures the LSIP targets sectors that drive Surrey’s productivity, innovation, and inclusive growth while addressing employer needs and aligning with national and regional strategies.

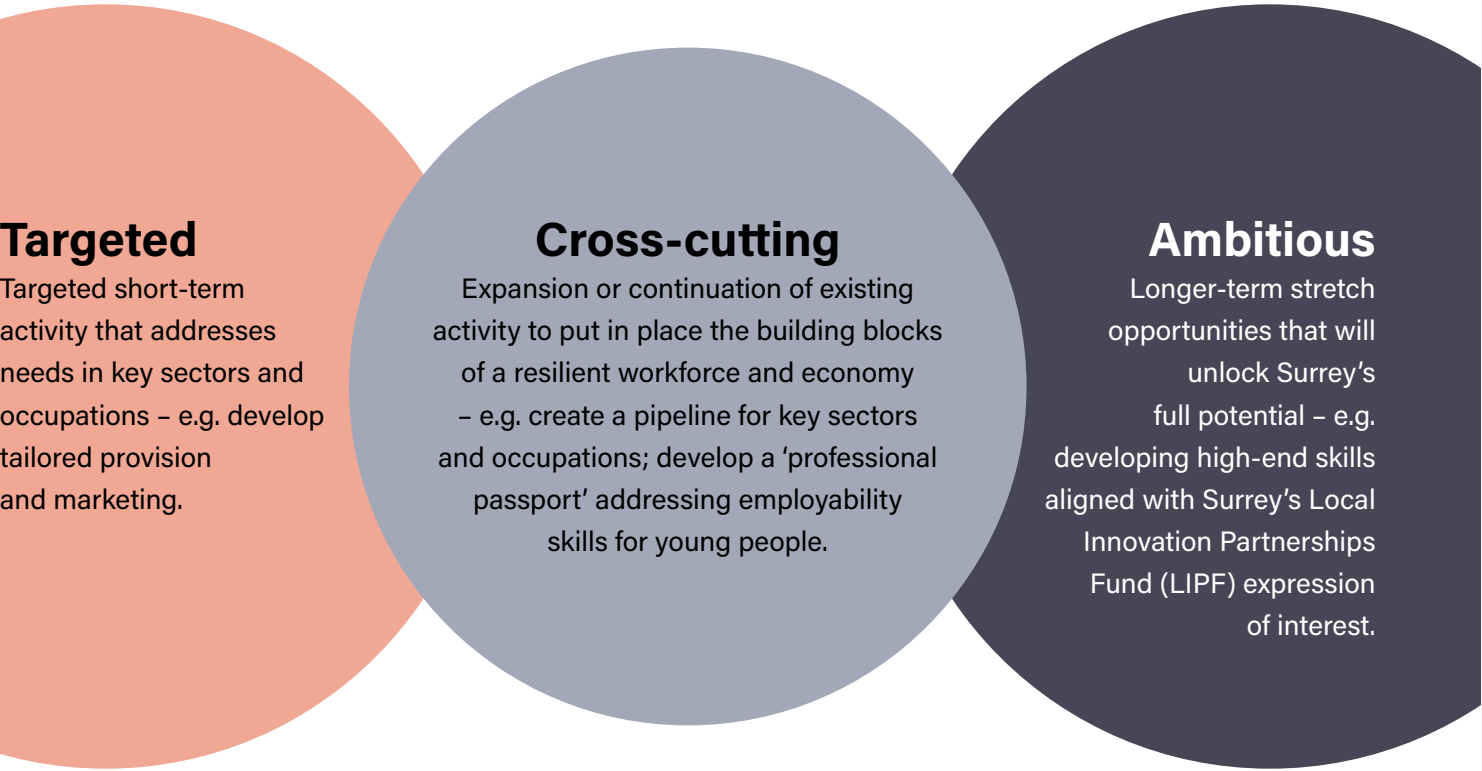
Review of Industrial Strategy Sectors (IS8 +2)

IS8 sectors +2	Priority/Non-priority
Advanced Manufacturing	Not a priority as a specific sector but relevant as one of the sectors needing the priority job roles. There are diversity concerns within the sector, including a gender imbalance in what is largely a male-dominated industry and an age imbalance, with much of the workforce being older. This also raises a potential issue regarding the pipeline for entry-level talent. A key question for higher and further education institutions is what is currently being done locally to support the automotive sector. This will be explored in more detail.
Clean Energy	The clean energy sector is an emerging field with significant projected demand, but there is currently a limited workforce equipped with the relevant skills. In Surrey, clean energy initiatives, such as those led through the Surrey Energy Partnership, often align closely with the construction sector. This creates potential opportunities for further engagement from both FE and HE institutions. This is covered in the Green Skills Priority.
Creative	While the term holds significance, it becomes problematic as a broad descriptor, requiring breakdown into distinct occupations to convey meaningful insights. In many cases, the challenge appears to be less about the availability of provision and more about the strength of connections within the sector, with recruitment often being driven by networks and personal contacts. There is currently limited evidence of employer demand, and clearer articulation of specific skills shortages is needed before it can be included as a headline priority. There is, however, potential to support greater collaboration among freelancers, particularly within the film and media sectors, and to explore a “CreateSurrey” model inspired by the Create Britain initiative.
Defence	From a deeper analysis of the defence data, we have identified skills gaps across defence and adjacent sectors, such as advanced manufacturing, space, digital and cyber technologies, specialist engineering, construction and complex supply chains. Not a priority as a specific sector but relevant as one of the sectors needing the priority job roles.
Digital & Tech	There is a distinction between foundational digital skills, which are cross-cutting and relevant across many sectors, and more advanced, technical digital skills. Digital skills should likely underpin the entire LSIP rather than exist as a sector standalone priority, unless strong sector-specific demand can be clearly evidenced.
Finance	Surrey has a highly qualified resident population, although many residents commute to London for work. This creates a risk that local training provision may simply feed into London's labour market rather than meeting local needs. This sector does cite employability skills as a challenge so will be included in cross-cutting activities.
Life Sciences	This sector remains on the watch list as the plan evolves, but is not currently cited as one of the priorities, other than through the cross-cutting priorities.
Professional & Business Services	Sales skills have been repeatedly identified as lacking across several sectors, although it is most evident from our survey and consultations in this sector. These skills are often developed on the job rather than through further or higher education. This area is likely to require indirect support, particularly through the embedding of employability and broader skills development.
Construction	This is a priority specifically for green skills, but training and development on construction skills has to be in place first for individuals to be able to progress to green skills.
Health & Social Care	The forecast for the social care workforce is showing a real gap in volume, quality progression and sustainability. This will have a real impact on the rest of the economy as the shortages (which already exist) become untenable.

Rather than focusing exclusively on sector-specific priorities, our research emphasises the high transferability of skills across Surrey's economy. We have therefore prioritised key cross-sectoral job roles and occupations that appear in multiple high-growth and foundational sectors, ensuring skills provision delivers broader, more flexible benefits to employers and supports agile workforce development.

This approach recognises that many in-demand competencies – such as digital literacy, green/technical skills, project management, data analysis, and employability attributes – are shared across industries. By targeting these roles, the LSIP better addresses persistent cross-cutting employer needs while aligning with national guidance on transferable and cross-sector skills. Equality of opportunity is embedded throughout through targeted outreach, role models, accessible pathways, work trials, and partnerships with organisations supporting disadvantaged groups.

The three focus areas of the LSIP action plan to secure the best return on ‘investment’



Priorities for Surrey’s LSIP



Increase pipeline of technical skills feeding into key manufacturing and engineering sectors



Key challenges for advanced manufacturing, engineering & technical skills

Surrey context and future demand

Whilst Defence (manufacturing) and Advanced Manufacturing are both key Industrial Strategy sector themes, the occupations needed for these sectors are also key to other sub-sectors, such as space, digital and cyber technologies, specialist engineering, construction and complex supply chains.

An analysis of a series of occupations relating to these sectors has revealed there is a high demand for the job titles below. Surrey hosts a high concentration of firms and jobs in these sectors compared to national averages.

Roles requiring a talent pipeline

- IT Business Analysts, Architects and System Designers
- Electrical Engineers
- Cyber security Professionals
- Electronics Engineers
- Programmers and Software Development Professionals
- Aerospace Engineers
- Engineering Technicians
- Data Analysts
- Engineering Professionals (Mechanical, Electrical, Electronics, Aerospace)
- IT Operations Technicians
- Production Managers and Directors in Manufacturing
- IT Quality and Testing Professionals
- Mechanical Engineers
- Skilled Metal, Electrical and Electronic Trades Supervisors
- Information Technology Professionals (not elsewhere classified)

Workforce supply challenges

The technical workforce is heavily mid-career (25–44), with very low early-career entry (16–24 age group only 5–12%). This creates a weak talent pipeline and future replacement risks, especially for senior and supervisory roles.

Significant gender imbalance: engineering and technical trades remain strongly male-dominated. Nationally, advanced manufacturing is 78.5% male.

Qualification and skills gaps

Declining numbers since 2022 in key occupations such as IT Business Analysts, Cyber security Professionals, Architects, System Designers, and Software Developers heighten replacement demand pressures.



Surrey manufacturers serve regional, national, and international markets, sustaining high demand for skilled engineering and technical roles.

Employer and stakeholder feedback

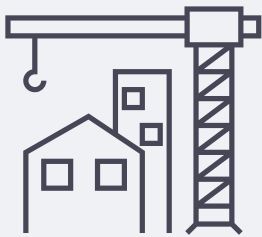
We gained employer feedback through our survey and sector-focused forums covering different aspects of manufacturing and engineering (including Automotive, Defence, Cyber, Precision microscopes, Filter production and Space).

In relation to this comment, sometimes Space, Cyber (industry terms) are capitalised in the document and sometimes they aren't, would be good to have consistency. Employers, particularly in manufacturing and defence, consistently reported persistent difficulties attracting and retaining talent, especially women. Many suitable candidates enter indirectly through transferable skills rather than direct structured pathways, highlighting weak pipelines and the need for clearer careers information and earlier engagement.



Increase pipeline of construction skills including for green transition (with knock on to other sectors)

Key challenges for construction skills including for green transition



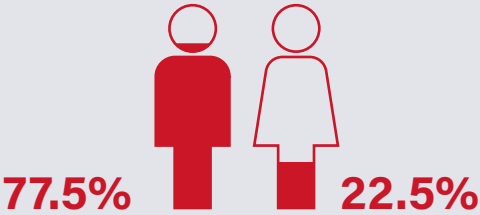
Surrey context and future demand

Construction employment in Surrey stands at **39,441 jobs, with 23.2k in West Surrey and 14.9k in East Surrey**. Employment has remained broadly flat since 2017, with a slight downward trend in recent years. The sector has seen a **2.2% decline in jobs since 2019 and sits around 13% below the national average**, indicating modest under-representation compared with the national picture.

- Surrey already has a **strong green economy** (approximately 21,000 green jobs, representing 3.7% of the workforce, around 20% above the UK average). Under net zero ambitions, green jobs are projected to grow strongly, with growth of around **6% annually to 2030** and an increase of over 200% by 2050.
- Top growth occupations by 2050 are heavily engineering-focused (e.g. Design & Development Engineers: 123 → 768; Business & Financial Project Management: 273 → 1,706).
- There is an **uncertain transition** underway, with rapidly changing regulations and technologies making workforce skills and curriculum planning difficult for both providers and employers.
- In the short term, the **core focus needs to be on retrofit and decarbonisation of existing buildings**, which in Surrey is more urgent than new build construction.

Workforce supply challenges

- Around 38% of workers are aged 45 and over, pointing to potential replacement demand and skills pressures as the workforce ages, alongside opportunities to increase participation among younger cohorts.
- Trades such as Electricians and Plumbers have high turnover and replacement demand, even where overall numbers are flat.
 - Professional roles are generally stable, with moderate growth, but require careful succession planning.
 - Skills-to-job mismatch: Training exists but work experience and actual jobs are limited by project availability, planning delays, and low employer engagement in placements.
 - Entry routes into construction and retrofit roles remain narrow and inflexible, particularly for mid-career workers, people with disabilities and neurodivergent learners.



Construction remains a male-dominated sector with a workforce weighted towards mid-career and older age groups

Qualification and skills gaps

Skills gaps exist both in pipeline (entry-level) and progression into management/professional roles.

- There are critical skills gaps linked to the green transition, including:
 - **Electrical and plumbing**
 - **Heat pumps and retrofit coordination**
 - **EV infrastructure and renewable technologies**
 - **Green finance and sustainability management**
- There is a shortage of teachers across all of the required skills areas, and limited access to specialist equipment.
- Carbon literacy, sustainability awareness and environmental responsibility are increasingly required across construction roles.

Employer and stakeholder feedback

We hosted two construction focused forums including trade bodies, construction companies and associated trades such as architects, estate agents and valuers. Employers report a need for clear, practical definitions of green skills, job roles and technologies, recognising that green skills are extensions of traditional construction, engineering technical trades rather than a standalone discipline. They also highlighted challenges with work experience availability, project delays, and limited employer engagement in placements.



Improve recruitment, retention and development within the Health & Social Care sector

Key challenges for health and social care

Surrey context and future demand

Surrey's population is ageing rapidly, with the 65+ age group projected to rise from 19% to over 22% by 2030.

Surrey has 20% more people aged 80+ than the England average, driving sharp increases in complex care needs, including frailty, dementia and multi-morbidity.

Strong policy shift towards community-based and domiciliary care will significantly increase demand for both residential and home-based services.

Workforce supply challenges

- Surrey's current ASC workforce comprises approximately 37,000 posts, of which around 34,000 are filled, with an 8.4% vacancy rate that is above both regional and national averages
- Care workers consistently rank in the top 3 most advertised vacancies across Surrey
- High turnover at 23.9%, with 31% of staff having less than 3 years' experience and 32% working part-time
- Heavy reliance on international recruitment (35% non-EU, 11% EU), which is declining
- A limited local labour pool, shaped by low unemployment, a shrinking 16–24 age group and high economic inactivity due to caring responsibilities

Qualifications and skills gaps

- Only 38% of direct care staff hold a relevant qualification (national decline)
- Persistent shortages in leadership, digital skills, business support, and specialist complex care
- Sector dominated by small employers (84% have fewer than 50 staff), facing intense operational pressures

Employer and stakeholder feedback

We have a strong Social Care forum which has been meeting and creating actions following on from the last LSIP. Recruitment is extremely difficult due to poor sector perception, limited career awareness, unclear progression routes, and low appeal to younger workers and returners. High turnover and operational pressures on small providers further compound the challenges. The plan prioritises accessible entry routes for underrepresented groups and returners.



Support workplaces and workers to build the foundations and infrastructure needed to confidently adopt existing and emerging digital tools.

Key challenges for adopting existing and emerging digital tools

Surrey context and future demand
Surrey is a leading UK hub for artificial intelligence, with strong innovation pipelines in high-level technical digital skills across Space, Creative, Cyber security, Life Sciences, and Net Zero/Sustainability.

Rapid advances in AI, automation and data technologies are transforming operating models across all sectors, not just specialist sectors, meaning productivity and business resilience are increasingly dependent on having the right digital foundations, infrastructure and workforce capability in place.

The pace of change is rapid and traditional training quickly becomes outdated.

Workforce supply challenges

Digital and AI adoption is rising but uneven, with lower uptake among SMEs, B2C businesses and in the manufacturing sector.

- Equipping employees with AI, digital, and emerging technology skills is essential for future competitiveness. This ranges from foundational digital literacy, including using AI tools and data analysis, to more advanced applications such as machine learning and cybersecurity.
- Targeted training like Skills Bootcamps in AI ethics or digital transformation builds confidence in adopting new technologies, particularly in Surrey’s high-value sectors such as creative industries and finance, driving productivity and innovation.

Qualification and skills gaps

- SMEs often lack the skills, confidence, time and resources to adopt AI strategically
- Common gaps include integrating AI into business processes, financial planning and workforce development



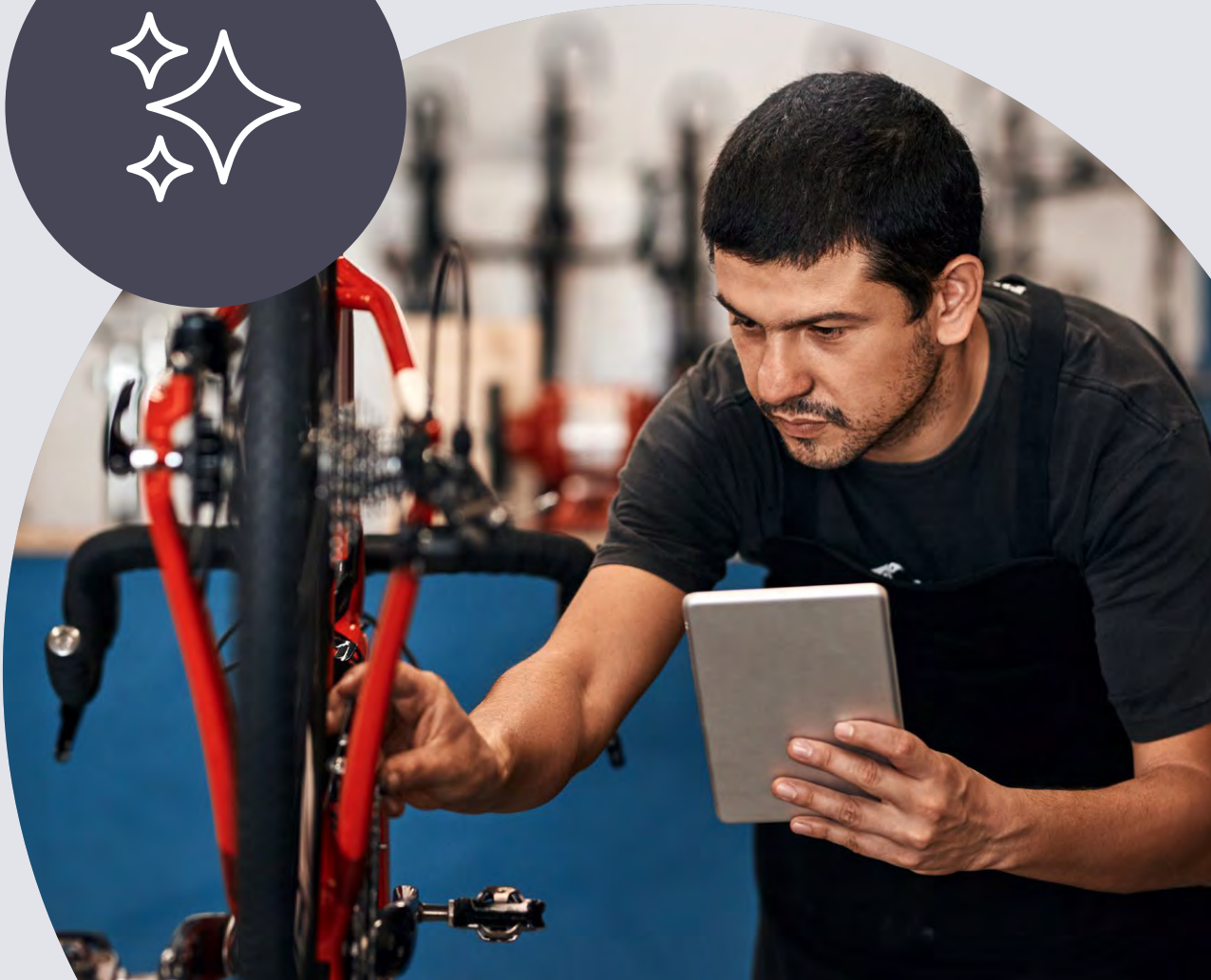
Employer and stakeholder feedback

As this is an area affecting all sectors, we were able to gather feedback from all of our stakeholder events as well as the sector focused forums. Employers, particularly SMEs, report lacking the skills, confidence, time, and resources to adopt AI and digital tools strategically.

There is a need for flexible, iterative, workplace-embedded skills development rather than one-off courses.



Stakeholders emphasise building strong foundations
in ethics and legal considerations, risk management, human-in-the-loop design and strategic decision-making (using the right tools for the right purpose).





Improve work ready employability skills plus generic digital skills

Key challenges for work-ready employability skills

Surrey context and future demand:

Employers report a shortage of experienced employees who can effectively demonstrate and transfer workplace skills particularly in high-demand areas like data analysis, sales, and other professional competencies.

Workforce supply challenges

Employer-Young People Misalignment: Generational differences in expectations, communication styles, and workplace norms. Employers want new entrants to perform at experienced levels; many young people lack resilience, confidence, and understanding of professional culture (exacerbated by COVID).

- Poor GCSE English and Maths attainment blocks entry to many roles. Early literacy and numeracy gaps begin in the primary years.
- Additional barriers include neurodiversity, generational learning preferences and limited parental careers awareness..

Qualifications and skills gaps

Employers consistently rank these **essential skills** higher than pure technical skills:

- **Communication** – presentation, difficult conversations, inclusive dialogue
- **Teamwork & collaboration** – relationship building, cross-disciplinary working
- **Problem solving & analytical thinking**
- **Adaptability & resilience** – managing change and hybrid working
- **Leadership & people management** – coaching, empathy, conflict resolution
- **Creativity & emotional intelligence**

Emerging & higher-level skills gaps

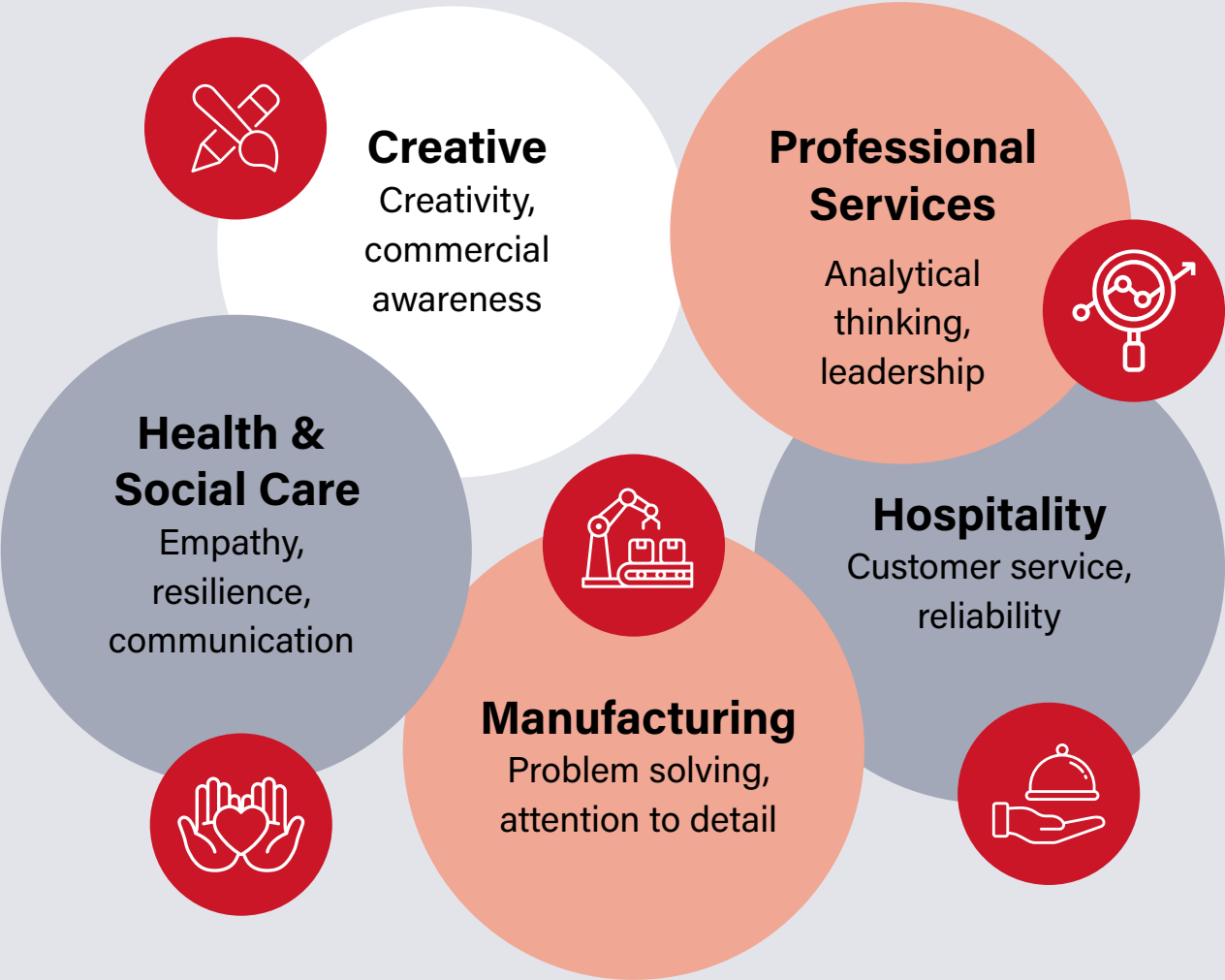
- Data utilisation and analytical skills for business decisions.
- **Digital & AI proficiency** (including ethical use and human judgement)
- **Sales skills** (frequently in top vacancy lists) – customer service, commercial awareness, AI-supported selling

Online transacting & problem solving

- Cyber security and data privacy
- Handling information & workplace systems

Foundational digital skills gaps include digital communication & collaboration

Sector specific work-ready skill needs



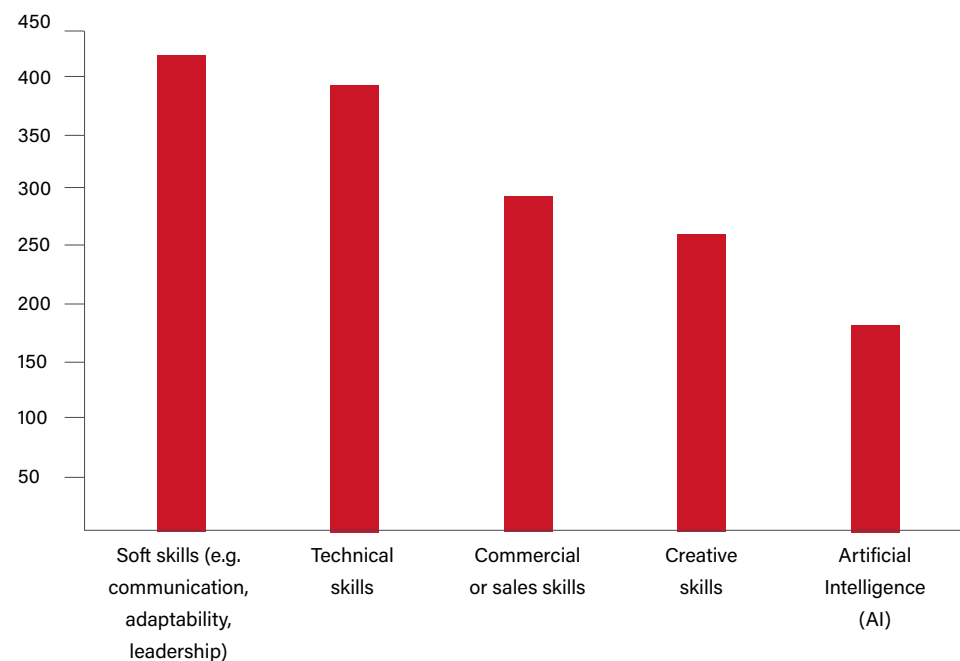
Employer and stakeholder feedback

This area was covered in every LSIP feedback session with employers citing core skills (communication, problem-solving, resilience, teamwork, basic digital literacy) as frequently missing in new entrants. The most consistent message across all employer consultations was that work-ready employability skills are ranked above purely technical skills. Employers highlight gaps in communication, teamwork, problem-solving, adaptability, resilience, and sales skills, noting that new entrants often lack professional behaviours and workplace readiness despite formal qualifications. Emphasis has been put on supporting NEETs, SEND learners, and economically inactive individuals.



Employer survey: Employability skills centre stage

Businesses surveyed said that employability skills were the most important skills for the ongoing success of their businesses.



130
Responses

- Employability skills
- Communication
- Customer service
- Numeracy
- Teamwork
- Punctuality
- Motivation/attitude
- Self-management
- Leadership
- Emotional intelligence

* Score is a weighted calculation. Items ranked first are valued higher than the following ranks, the score is a sum of all weighted rank counts



Employer engagement and capacity challenges

- Intense day-to-day operational pressures, especially in the current economic climate, make it difficult for many employers to participate fully in skills planning and initiatives.
- Training and development are highly valued, but operational demands frequently prevent consistent delivery.

Qualification and skills gaps

- Most employees recognise that their roles will evolve, yet confidence in adapting to **AI, automation, and technological change** varies significantly.
- The biggest recruitment challenge is **matching candidate capabilities** to employer expectations and role requirements.

Increase employer engagement, awareness and commitment to skills development

Key challenges for employer engagement

Surrey context and future demand:

Overall, Surrey benefits from positive work environments, supportive leadership, and a strong willingness to learn. The main opportunity lies in building on this foundation through stronger leadership capability and more structured workforce development.

The LSIP is fundamentally employer-led, and its effectiveness depends on consistent and meaningful engagement with businesses, for accurately identifying skills needs and shaping effective training provision.

Employer and stakeholder feedback

- This was another area covered in all employer engagement sessions, with consistent messages around the need to increase awareness, forecasting capability and commitment to skills development, particularly among SMEs
- Leadership and people management skills are the clear top priority for development, identified by both leaders and employees



Employers consistently request better support in the following areas:

- | | |
|---|---|
| ▪ Clear, centralised access to labour market intelligence, sector resources, and training opportunities | ▪ Guidance on engaging untapped talent pools (e.g., neurodiverse individuals, people with disabilities, ex-offenders) |
| ▪ Practical ways to contribute to longer-term skills planning and foresight | ▪ Clear evidence of the business benefits of investing in training |
| ▪ High-quality networks, forums, and collaborative platforms | ▪ Regular updates on emerging technologies, workplace trends, and future skills requirements |

Making sure that businesses locally (specifically SMEs) are aware of the expertise on their doorstep is a challenge in itself but one that can be addressed through the LSIP.

Supporting employers to help them develop their workforce and grow their business

Insights from employer engagement and skills research (including alignments with the Surrey Skills Plan and LSIP) highlight how education providers and initiatives can better support workforce development in Surrey. These priorities overlap with cross-sectoral needs but focus on simplifying employer engagement and delivering flexible, impactful training.

Leadership development

Training providers should deliver innovative leadership and management programmes to help employees progress into supervisory and leadership roles.

Stronger leadership skills boost organisational efficiency, decision-making, and performance, benefiting businesses and Surrey’s economy. Tailored courses in strategic management, team leadership, and people development, especially for SME mid-level managers, support internal progression, reduce external recruitment, and build resilient organisations aligned with Surrey’s high-value economy.

Strengthening applied skills pathways

Programmes combining technical education with practical workplace experience better prepare people for employment by bridging the education–employer gap and enabling faster onboarding. Examples include apprenticeships, work placements, T-Levels, and Skills Bootcamps (particularly in digital, construction, engineering, and green skills) that integrate classroom theory with real on-the-job projects, aligned with Surrey’s priority sectors.

SME-friendly training delivery

Flexible, low-disruption options such as short modular courses, workplace-based learning, and blended/online formats make upskilling accessible for SMEs by minimising operational impact. Examples include bite-sized leadership workshops and on-site digital skills sessions that support workforce development without interrupting day-to-day business.

Introducing employers to untapped talent

In Surrey’s tight labour market, activating economically inactive individuals, especially young people who are NEET, is vital to filling skills gaps and sustaining growth. SEND is the strongest predictor of NEET status.

The Surrey Cornerstone Employer Group (including BAE Systems, AtkinsRéalis, Wates, etc.) and the new NEET Partnership Coordinator role at SCC focus on early careers intervention, multi-agency support, and creating inclusive employment pathways for this priority group.



4. Agreed changes and actions needed



Increase pipeline of technical skills feeding into key engineering sectors

Skills need

A broader and more sustainable pipeline of technical (STEM) skills for roles that will be in short supply as people leave the workforce and new technologies are developed. It's important to ensure skills are not lost in the talent pipeline.

Rationale

These roles are more prevalent in Surrey than nationally. With an ageing workforce, gender imbalance and evidence of low take up at the start of the pathway, defence and adjacent industries are growing and need this talent pipeline.

Desired outcomes

- **Technical and engineering careers are clearer and actively chosen at earlier stages:** Careers in engineering and technical roles are better understood by young people, educators and career changers, with clearer information on entry routes and opportunities within Surrey.
- **A broader and more sustainable technical workforce pipeline:** The technical workforce draws from a wider mix of early career entrants, career changers and returners, reducing reliance on a narrow age cohort and strengthening long term workforce resilience.
- **Improved diversity and inclusion across technical pathways:** Participation in engineering and technical pathways becomes more inclusive, supporting a broader talent pool and improved retention across entry and progression stages.
- **Clearer progression from technical roles into specialist and leadership positions:** Individuals working in technical roles are better able to identify and access progression routes into advanced technical, professional and leadership roles within Surrey-based firms.
- **Stronger alignment between employers and skills provision:** Employers, FE and HE providers work more collaboratively to shape provision, improving alignment between training routes and current and future skills demand.

Outputs

Early-career and pipeline development:

- Skills providers will need to align training delivery to shared frameworks and support joint cohorts across employers.
- Expand apprenticeships, Skills Bootcamps, and FE/HE pathways targeting technician and junior engineering roles.
- Identify a series of female role models who can work with younger women to encourage a rebalancing of the gender imbalance.
- Identify routes to reaching young people in 'out of school' settings.
- Increase Careers Hub engagement with schools, teachers, and careers leaders to improve awareness of engineering-related career pathways, and specifically the opportunities within Surrey.
- Explore with FE/HE providers summer academies and pre-employment programmes to attract school leavers into trades and technical roles.

Higher-level technical and leadership development (succession planning):

- Develop progression pathways from technician → professional → management
- Upskill senior technical roles through targeted HE/FE programmes and employer-led training (e.g. system architects, project leads)
- Develop 'leadership for technician' provision/modules

Employer collaboration and sector coordination:

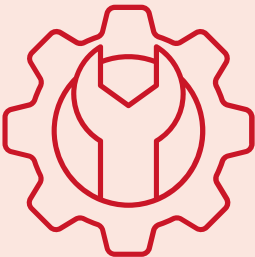
- Host regular sector forums and sub-sector working groups to align skills provision with business demand. Employers need to define required skills, competencies and behaviours, and co-design progression-focused pathways to ensure progression routes are appropriate, provide industry insight and support pathway promotion.
- Pilot a shared recruitment and workforce talent pool to improve the resilience of the workforce system

Expected impacts

- Reduction of skills gaps
- Changes in provision
- Increase in available talent
- Improved productivity within businesses

Metrics for measuring progress

- Enrolments onto STEM subjects
- Employer involvement via sector forum feedback
- Provider Accountability statements
- Co-design of new provision





Increase pipeline of construction skills including for green transition (with knock on to other sectors)

Skills need

- Traditional construction skills, particularly electrical and plumbing, alongside modern methods of construction, including prefabrication and assembly, are needed to address skills shortages and build a stronger pipeline of skilled workers in Surrey.
- Work readiness skills for construction workers post qualification.
- Construction adjacent skills e.g. surveying, architecture, building maintenance systems, requiring IT and AI skills.
- Renewable energy technologies and heat pump installation and maintenance (once base level skills/qualifications in place) including retrofit coordination and building fabric improvement.
- Environmental assessment and sustainability management.

Rationale

Construction in Surrey faces sustained demand and strong growth potential, driven by replacement pressures, evolving skills needs and long term investment requirements. This demand is further intensified by the transition to net zero, which is reshaping the sector around retrofit, decarbonisation and low carbon delivery.

Desired outcomes

- **Construction careers are more visible and accessible to a wider workforce:** Construction roles, including those supporting retrofit, decarbonisation and green technologies, are better understood by young people, career changers and returners.
- **A stabilised construction skills pipeline aligned to future demand:** The construction workforce pipeline better reflects both current activity and future green transition requirements, supporting sustained sector growth.
- **Improved progression into supervisory, professional and managerial roles:** People working in construction can more clearly access development routes into higher-level technical, supervisory and leadership roles, supporting succession planning.
- **Sustainability capability embedded across the construction and adjacent sectors workforce:** Sustainability literacy and green competence are increasingly evident across generalist, managerial and professional roles within the construction sector.

Outputs

- **Strengthen entry pathways:** Promote traditional and advanced Construction skills as route into valuable Construction and Construction adjacent (surveying, building maintenance etc) and supervisory, professional and managerial careers, and strengthen careers information to show clear progression from traditional construction trades into green specialisms.
- **Progression pathways for mid-career and professional roles:** Map clear career ladders from trades → supervisory → management/ professional roles.
- **Diversity and inclusion:** Create inclusive pathways for mid-career workers, people with disabilities, and neurodivergent individuals through tailored support and work trials.
- Implement female targeted recruitment initiatives and early engagement programmes. to attract more women, including female role models and women-friendly recruitment campaigns into construction and construction adjacent careers.
- Engage younger cohorts (16–24) more actively to strengthen future pipeline.
- **Employer engagement and job promotion:** Supporting employers with recruitment campaigns
- Improve employer incentives for work placements and apprenticeships.
- Providers should understand and embed sustainability and green skills modules across programmes, align curriculum design with current workforce practices and integrate sustainability and carbon literacy modules into all relevant programmes, including business, finance and project management. This also involves developing “green” apprenticeships and improving graduate retention.
- **Strengthen collaboration:** Use the employer-led LSIP model to define core competencies required across construction and adjacent sectors and work with employers to validate teaching content to ensure it meets real world needs.
- Develop a supply chain and capability exchange programme that will help to stabilise the constructions skills pipeline and align it to future sector demand.
- Ensure that sustainability capability is embedded across construction and adjacent workforces by development of specialist training pathways that promote high skill and specialist roles.

These actions build on prior LSIP themes – transferable skills, applied pathways, leadership development, SME-friendly delivery, and inclusive entry routes –while addressing employer forecasting needs and workforce readiness. They position Surrey to drive inclusive, productive growth in the wider construction and green economy, supporting net zero ambitions and regional resilience.



Expected impacts

- Reduction of skills gaps
- Changes in provision
- Improved best practice across the area
- Improved productivity within businesses

Metrics for measuring progress

- Number of SMEs involved in sharing best practice.
- Enrolment figures.
- Number of Employers engaged in design and placements, and learner progression into higher-skilled and green construction roles.
- Evidence of content and addition to curriculum content.

A strong example of increasing the pipeline into construction by engaging young people who are at risk of becoming NEET

Wates Group & Nescot Summer School: Developing local talent through practical construction experience

The 2025 Wates–Nescot Summer School gave 39 young people hands on exposure to construction careers through employer led workshops and industry insight sessions. Activities such as a BIM workshop and a timber structure build helped students build confidence and discover new strengths.

As one participant shared:
“I was better at cutting wood than I thought I’d be... I was interested in carpentry before, and this week has made me keener.”

With a strong focus on local talent, the programme connected students with Wates professionals and the Surrey Careers Hub to explore real pathways into the built environment.

Evolving the partnership for 2026

This year marks a shift from a Wates-led model to a codesigned programme between Nescot and Wates, with a refreshed theme and broader student reach. The 2026 cohort will include both students interested in construction. and those at risk of becoming NEET, supported with additional careers guidance throughout the week.





Improve recruitment, retention and development within the Health & Social Care sector

Skills need

Entry level into adult social care, management progression and the skills needed to run a business.

Rationale

There is an acute workforce shortage across the sector. The demand for care is increasing but the supply of people working in the sector is not meeting demand today, let alone growing for the future. Progression pathways are not clear, and the sector is made up of many SMEs that need business skills to operate successfully.

Desired outcomes

- **Health and care careers are better understood and actively chosen:** Health and care roles across Surrey, including NHS services, community and primary care and adult social care, are increasingly recognised as skilled and professional career options, supporting stronger entry into the workforce from a wider range of backgrounds.
- **Clearer development and progression pathways support longer careers:** People working across health and care are better able to see and access progression routes, including movement between roles, settings and specialisms, supporting improved retention and career longevity.
- **Greater workforce stability in frontline and leadership roles:** Reduced churn in critical frontline roles and stronger pipelines into senior, specialist and leadership positions contribute to improved service continuity and organisational resilience.
- **Improved capability and resilience among smaller and community-based providers:** SME and community-based providers have greater capacity to invest in workforce development, leadership and skills, supporting system wide sustainability.
- **Skills development contributes to service quality and system integration:** Workforce development activity increasingly supports improved service delivery, digital adoption and more integrated ways of working across the health and care system.

Outputs

Work to increase recruitment into the sector:

- Partner with Jobcentre Plus for regular “Social Care Careers” sessions to ensure continued employer engagement and generate a situation where young people actively seek careers within the social care sector.
- Expand the use of Bootcamps across Surrey to remove geographical barriers, as well as employer participation to improve access to Health and Care roles by better matching candidates to vacancies, removing geographical barriers and increasing entry to frontline roles and better alignment between employer demand and pre-employment training.
- Develop a co-ordinated approach to brokering placement and internships, both between social care organisations themselves and SC organisations and skills providers. This would lead to a more consistent pipeline of local talent, increase retention of local people within the workforce, supporting workforce stability and progression, and reduce reliance on external recruitment.



Work to increase retention and employee development / career progression:

- Adopt Skills for Care nursing placement strategies and tools
- Deliver “Recruit to Retain” leadership training for managers and deputies, focusing on supervision and staff management
- Make the new Level 2 Care Certificate the standard qualification for all ASC staff
- Offer targeted training sessions on complex needs, dementia, medicines management, and delegated healthcare (in-person where possible)

Provide guidance to businesses on succession planning Issue:

- Develop annual cohorts of Deputy Managers through the Care Workforce Pathway (target: up to 48 per year)
- Commission joint ASC workforce strategy work with local authorities, ICBs, and Care Associations
- Convert international recruitment approaches into sustainable homegrown talent pipelines
- Expand graduate schemes and Organisation Development pilots

Provide business development support for SMEs:

Provide 1-2-1 mentoring and coaching for SME leaders on business growth, strategic workforce planning, quality, and innovation, using Surrey Care Association and SESCA toolkits and networks. The aim is to improve leadership capability and strategic workforce planning for stronger, more resilient organisations, which in turn drives long-term service quality, innovation and a more stable workforce.

Address digital skills shortages in adult social care:

Build on the success of Surrey FE Pathways by developing targeted programmes in digital and assistive technologies for social care, supporting both new entrants and existing staff. Integrate assistive and immersive technologies into teaching and assessment to help learners develop stronger digital and practical competencies that are better aligned with modern care environments and improve their readiness for employment. Benefits include greater long-term workforce adaptability and innovation.

Expected impacts

- Reduction of skills gaps
- Changes in provision
- Digitally upskilled workforce
- Increase in successful businesses



Metrics for measuring progress

- Number of recruits onto addition provision such as Bootcamps
- Number of SMEs taking up business support
- Enrolment figures
- Feedback from social care forum
- Numbers of placements brokered
- Number of sessions at JCP with number of attendees and successful matches



Support workplaces and workers to build the foundations and infrastructure needed to confidently adopt existing and emerging digital tools

Skills need

Business leaders need stronger capability to assess, adopt, and implement digital tools, AI, automation, and data analytics within their organisations in a safe and responsible way.

Rationale

This priority supports Surrey’s high-value economy (digital services, cyber security, creative industries) and aligns with national emphasis on AI literacy and advanced digital integration for sustainable growth.

Desired outcomes

- **Businesses have a clearer understanding of their digital capability and readiness:** Employers, particularly SMEs, have improved insight into their current digital capability, including compliance, data, security and operational maturity, enabling more informed decisions about digital adoption.
- **Digital adoption is more deliberate, phased and aligned to business need:** Organisations adopt digital tools in a more planned and proportionate way, aligned to their size, sector and stage of growth, rather than through ad hoc or reactive adoption.
- **Greater confidence in safe, compliant and ethical use of digital tools:** Business leaders and managers demonstrate improved confidence in managing digital risk, regulation and governance, supporting responsible and secure use of technology.
- **Digital capability supports productivity, resilience and growth:** Improved digital foundations enable businesses to operate more efficiently, adapt to change and realise the commercial benefits of digital adoption over time.



Outputs

Working with partners, we are researching the best way to support businesses, especially SMEs, in upskilling by clarifying role-specific AI capability requirements for frontline staff, managers and senior leaders and assessing needs related to AI risk, regulation, ethics and trustworthy use.

- A research project has been established to work with SMEs to identify the barriers they face in adopting and using digital tools. This will help ensure that targeted support and interventions are effective in improving productivity and competitiveness.
- We are piloting a simple diagnostic tool that enables businesses to assess their own digital capability and receive tailored feedback on their strengths and areas for development.
- We are mapping existing local and national training provision to identify gaps and opportunities for targeted intervention, identify recruitment and upskilling challenges and ensure SMEs are well informed about the support already available to help them grow their technology skills.

Expected impacts

- Increased productivity across all businesses
- Changes in provision
- Changes in funding and investment for local skills
- Upskilled technological workforce

Metrics for measuring progress

- Report outlining SME needs
- Mapping of available provision
- New provision
- Improved technology skills (survey follow up)





Improve work ready employability skills plus generic digital skills

Skills need

The single most consistent piece of feedback from employers and training providers, echoed across consultations, surveys, and roundtables in both the previous and current LSIP cycles, is that students and new entrants frequently arrive in courses, placements, or jobs lacking these essential work ready employability skills.

Employers emphasise that while technical skills can often be taught on the job, these foundational “softer” or work-ready skills are critical for immediate productivity, successful onboarding, and long-term retention. The issue remains a top priority, as evidenced in the Surrey Skills Plan and LSIP progress updates, which stress the need for consistent, high-quality employability provision across FE and HE to better prepare learners for Surrey’s workplace.

Rationale

Work-ready employability skills – communication, teamwork, problem-solving, time management, adaptability, reliability, punctuality, motivation, customer service and professional behaviours – are the core transferable competencies that enable individuals to perform effectively, collaborate with others and contribute in the workplace from day one.

These skills make candidates immediately “job-ready,” allowing quick adaptation, independent responsibility, positive team contribution, and effective navigation of professional challenges – qualities employers prioritise alongside technical qualifications for rapid productivity and sustained career success.



Desired outcomes

- **Learners develop a consistent baseline of workforce ready employability skills:** Learners completing FE and associated pathways demonstrate a more consistent and reliable set of core employability skills-including communication, professionalism, problem solving and workplace behaviours, which should help reduce variability in work readiness across provision.
- **Employability skills are better aligned with employer need:** Employability skills development is more closely aligned with employer expectations in priority sectors, particularly engineering and STEM related roles, improving the transition from learning into work.
- **Improved learner confidence in transitioning into employment:** Learners are better prepared for the transition into employment, supported by clearer expectations, applied learning and exposure to real workplace environments.

Outputs

Numerous high-impact suggestions have emerged from employer engagement, research, and stakeholder consultations in developing the LSIP (as detailed in prior sections on cross-sectoral priorities, employability skills, applied pathways, leadership development, and youth/NEET support). These need rigorous assessment – prioritising evidence of effectiveness, alignment with employer demand, feasibility, and measurable outcomes – to focus resources on the most impactful actions.

Standardised employability offer:

- Create a consistent, age-specific, high-quality core skills programme covering communication, problem-solving, digital literacy and workplace behaviours. This would establish a consistent baseline of employability skills across all learners, regardless of geography or learning institution, improving their work readiness and confidence as they enter the workforce.
- Develop a standardised 16–18 employability programme for all colleges
- Create an equivalent programme for HE, focused on graduate-level work readiness

Address key skill shortages: Following validation of demand, introduce accredited sales skills training for retail, hospitality and professional services

Enterprise support: Partner with Business Surrey to launch a “Start Up Skills” programme for self-employment and entrepreneurship

Clear pathways: Map transparent FE-to-HE career routes at Levels 1–8 in priority sectors (digital, construction, health & social care, defence)

Better recruitment practices:

- Shift toward paid work trials instead of relying solely on CVs and interviews
- Expand structured work experience and placements
- Introduce ‘stepping stone’ roles for candidates with potential

Curriculum integration: Embed essential AI/ digital skills and core literacy/numeracy across all technical courses.

These proposals build directly on earlier LSIP themes: enhancing transferable/employability skills, strengthening applied pathways (e.g., apprenticeships, T-Levels, Skills Bootcamps), supporting SME-friendly delivery, improving employer forecasting and access to opportunities, and addressing youth/NEET risks through early intervention and inclusive pathways. Prioritisation will ensure alignment with the Surrey Economic Growth Strategy 2025–2035, devolved Adult Skills Fund, and national priorities, maximising impact on productivity, inclusion, and workforce resilience.

Expected impacts

- Reduction of skills gaps
- A future workforce ready to contribute to productivity
- Change in supply of technical education and training

Metrics for measuring progress

- The creation of a standardised programme delivered across all providers
- Numbers of completions
- Feedback from employers' surveys/roundtables
- Start-up modules created
- Completions on start-up modules



Increase employer engagement, awareness and commitment to skills development

Skills need

A key priority is building employers' ability to anticipate and forecast future skills needs within their organisations and sectors. To enable this, employers require comprehensive, accessible information on the local skills landscape, available training and development opportunities, and the array of support organisations and initiatives that can assist them.

Rationale

Surrey's complex skills ecosystem features numerous overlapping programmes, funding streams, and providers, which can make navigation challenging, particularly for SMEs. Joining up these elements and encouraging greater interest in the skills agenda between providers and employers ensures businesses can fully leverage available support, boost productivity, secure the right skills, and fill vacancies more quickly and effectively. The LSIP serves as the "eyes and ears" for employers, aggregating intelligence, highlighting trends, and signposting resources to inform strategic workforce planning.

Desired outcomes

- **Employers are better informed about skills needs, provision and support:** Businesses have improved access to clear, relevant information on skills provision, labour market trends and available support, enabling more informed workforce planning.
- **Employer engagement in the local skills system is broader and more sustained:** More employers, particularly SMEs, engage meaningfully with skills activity over time rather than through one-off or transactional interactions.
- **Employers are more confident investing in skills and workforce development:** Businesses demonstrate increased confidence in investing time and resource into training, development and progression within their workforce.
- **Stronger feedback loops between employers and providers:** Employer insight more consistently informs provision design and delivery, supporting a more responsive and demand led skills system.

Outputs

- To provide employers with easy access to the information and opportunities they need for skills forecasting and decision-making, and to give providers the real-time insight needed to tailor their curricula to local needs, the following actions are recommended:
- Develop and promote a centralised, user-friendly digital hub or "skills navigation tool" (building on existing platforms like the Future Skills Hub, STEP Surrey, and Business Surrey portal) that offers searchable access to labour market intelligence (LMI), up-to-date skills demand data, training provision maps, funding opportunities (e.g., Skills Bootcamps, Adult Skills Fund), and case studies of successful interventions.
 - Surrey Chambers of Commerce acts as a broker across the skills landscape, producing regular employer-focused briefings, dashboards and foresight reports. Drawing on LSIP evidence, BRES data and sector consultations, these would highlight emerging trends, cross-sector needs and predictive insights for high-growth LSIP priority areas such as digital and AI, green skills, and defence and manufacturing.
 - Facilitate targeted outreach and webinars through Surrey Chambers of Commerce, Surrey Careers Hub, and partnerships with SurreyFE, and the FE/HE Alliance to raise awareness of resources and provide practical guidance on interpreting skills data and planning talent pipelines.

- Strengthen signposting to support networks, including STEP Surrey for job/training matching, Business Surrey for business growth advice, and multi-agency initiatives like the NEET Partnership Coordinator role, ensuring employers can connect with relevant providers and programmes seamlessly.
- Introducing employers to untapped talent pools, such as underrepresented groups and SEND learners, who will be supported into the workplace, and to initiatives such as Connect to Work, will help generate placements and job roles, creating a more diverse workforce.



Expected impacts

- Sustainable economic growth in Surrey
- Changes in the approach and commitment of employers in respect of training
- A more joined up skills system
- Increased demand in technical training e.g. Apprenticeships

Metrics for measuring progress

- Employer engagement numbers
 - Attendance at forums/roundtables
 - Sign-ups to newsletters
 - Offers of support numbers
- Co-design involvement
- Support on specific projects/activities
- Numbers of placements or job roles for untapped talent

An opportunity to make connections work in the creative sector, specifically film and media

Surrey is home to over 10,000 digital startups, film and TV studios, producers and entertainment companies. Shepperton Studios is used by companies such as Netflix to film popular TV shows, creating jobs across the county and supporting creative companies in the supply chain. StoryFutures, based at Royal Holloway University, is dedicated to placing innovative storytelling at the heart of the next generation of immersive technologies and experiences. It develops cutting-edge research and development programmes for the UK’s creative industries in partnership with world-leading organisations, talent and SMEs. Many sole traders with expertise can find it difficult to identify business opportunities, so support in linking them together would make a difference. There is potential to use CreateSurrey (a subset of CreateBritain) as a catalyst for this.

Some great examples of initiatives to support young people

The Clink Café Initiative: prison leavers



The organisation works to reduce reoffending by providing training and employment opportunities to prison leavers, particularly those at risk of re-entering the justice system. Their café programme offers a 12-week hospitality training course where participants gain practical work experience alongside professional chefs and support workers. Students can achieve up to five City & Guilds qualifications, and early results have been positive. So far, 30 young people have been trained and all participants who completed the programme have progressed into further education or employment on leaving prison.

Youth Voice



Students from Brooklands Technical College who were at risk of becoming NEET discussed their experiences and perspectives on education and career pathways. This session highlighted the importance of listening directly to young people when designing programmes intended to support them. It was a powerful session to hear what impacted their time at school and the challenges they faced.

Surrey Local Skills Improvement Plan 2026-2029

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