

Cambridgeshire and Peterborough Combined Authority
Skills Strategy Framework Final
Developing Talent – Connecting the Disconnect



Foreword: Written for the Mayor and CEO

The Cambridgeshire and Peterborough region plays an important role in the UK economy. Although the area is home to large and globally significant businesses, small/medium businesses dominate the local landscape. With its strong knowledge base and prosperous communities, Cambridgeshire and Peterborough's Ambition 2030 is to make our region ***the best place in the world to live, learn and work***. This will be achieved by collaborative partnerships delivering initiatives which are bold and innovative in their design, both locally and nationally.

Unique in its make-up, the CPCA region is defined by three distinct economies with differing sector specialisms and therefore differing social and economic skills needs. The region faces many challenges. Broadly speaking, Greater Cambridge have the highest levels of skills and the best educational outcomes; Greater Peterborough and the surrounding area experiences lower levels of employment and greater economic inactivity and the Fens has lower labour market performance, related to the accessibility of both jobs and training. It is imperative that, to achieve inclusive growth, we concentrate our efforts on closing the skills gaps, and overcoming the barriers and challenges to progression by developing bespoke life-long learning for all ages through a tailored approach. Key to the success of our local economy will be our ability to grow local talent alongside attracting new talent to the area. When looking at business skills, it will be important to consider how we can innovate and improve through a circular economy approach, moving towards zero carbon connected to clean growth.

The Cambridgeshire and Peterborough Combined Authority (CPCA) devolution deal established an agreement between Government, the seven local authorities and the Local Enterprise Partnership to devolve a range of funding, powers and responsibilities. The devolution of some of the skills functions alongside the Adult Education Budget to the CPCA frames the impetus for the Skills Strategy. With a holistic approach being taken to increasing productivity and to growing the social and economic well-being of the local communities, the Skills Strategy and high-level delivery plan have been aligned to the Local Industrial Strategy and the Cambridgeshire and Peterborough Independent Economic Review (CPIER) and its recommendations.

This Skills Strategy has been written in consultation with; the members of the Skills Committee, the Mayor's office, CPCA staff, an expert authors' group, CPSB CEOs and officers' groups, 10 business roundtables for priority sectors covering 60 businesses, the majority of the AEB providers and a range of key stakeholders. In total 300 individuals and organisations have consulted and contributed to the development of the recommendations herein.

VISION

The CPCA has a vision to grow a successful, globally competitive economy grounded in high-skilled, better paid jobs, increased productivity and strong sustainable communities through:

***An inclusive world-class local skills eco-system
that matches the needs of our employers,
learners and communities.***

The strategy is a blueprint for designing and applying skills policies that makes the most of the region's workforce and for maximising the skills of its residents to drive up productivity, enable economic growth and support social inclusion. However, the region does not operate in isolation and recognition is given to national initiatives that will impact on the local skills landscape. This strategy has been prepared taking account of the current landscape and the introduction of Technical level ¹ qualifications, Apprenticeship Reforms ², the National Retraining Scheme³ and "Making the most of everyone's skills and talents" National Careers Strategy⁴. We will develop a dynamic skills system within the Combined Authority area bringing together advice and guidance, a quality delivery mechanism, with identified pathways to higher skills which is designed to improve work and pay prospects, closing the skills gaps and improving quality of life.

We have a unique opportunity to **set the strategic direction**, enabling sustainable futures by **creating a culture of positive change within the skills arena** following three key themes:

- 1. Achieve a high-quality offer tailored to the needs of the three sub-economies.*
- 2. Empower local people to access education and skills to participate fully in society, to raise aspirations and enhance progress into further learning or work.*
- 3. Develop a dynamic skills market that responds to the changing needs of local business.*

¹<https://www.gov.uk/government/news/new-t-levels-mark-a-revolution-in-technical-education>

² <https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

³ <https://www.gov.uk/government/news/government-support-to-boost-skills-and-prosperity>

⁴ <https://www.gov.uk/government/publications/careers-strategy-making-the-most-of-everyones-skills-and-talents>

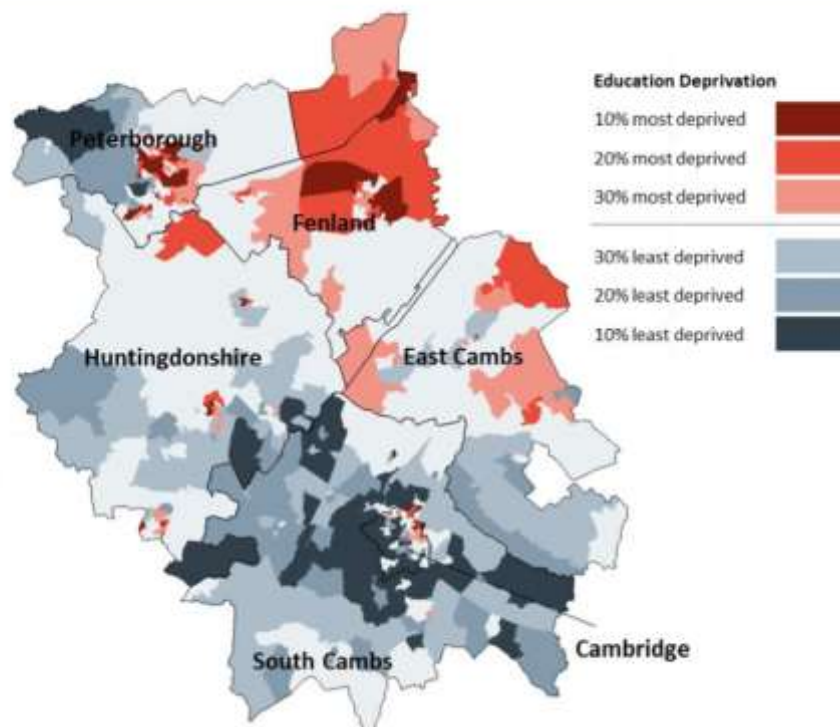
KEY THEMES

1. Achieve a high-quality offer tailored to the needs of the three sub-economies.

The future economic, cultural and social wellbeing of the UK is increasingly dependent on ensuring that the workforce is flexibly skilled and adaptable to meet today's market needs and those of the future. This will address the unpredictable needs of the next 10 to 15 years and beyond. We must assess how we best integrate and adapt our education and skills provision, ensuring it is aligned to the unique characteristics of the identified geographical areas. The focus areas for skills are split into three regions (based on travel to work patterns, supply chain mapping and housing market analysis):

- Greater Peterborough and surroundings (including north Huntingdonshire)
- The Fens** (including Fenland, some of East Cambridgeshire and part of Huntingdonshire)
- Greater Cambridge (Cambridge and South Cambridgeshire (including southern parts of Huntingdonshire and East Cambridgeshire)).

Figure 4.17 Education, Skills and Training Deprivation Map



The economic areas have similarities but with priority sectors across all three geographies which can vary. However, shared priorities across the region include:

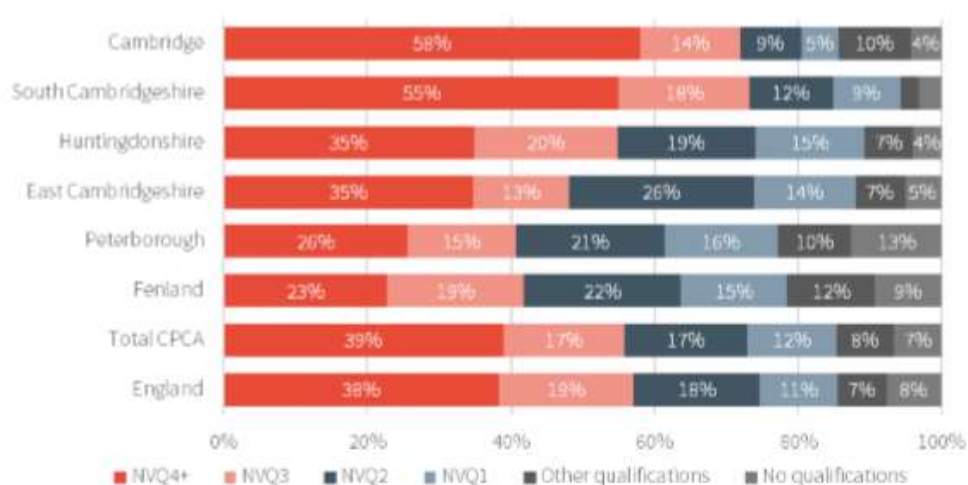
Health and Social Care	Agri-Tech and Food
IT and Digital	Life Sciences
Construction	Logistics and Distribution
Education and Professional Services	Manufacturing, Advanced Manufacturing and Materials

The Combined Authority will seek to ensure the highest possible quality of training across the region. In part this will be achieved through a commissioning process related to devolved funding. Additionally, the Combined Authority will seek to influence the regional training and skills provider network to share and adopt best practice whilst ensuring connectivity in industry aligns to, and keeps pace with, technological advancement.

2. Empower local people to access education and skills to participate fully in society, to raise aspirations and enhance progress into further learning or work

Within the rich and diverse nature of the geography for the Combined Authority area, there is a wealth of knowledge and diversity of culture. However, as shown in the table below, there is a need to develop skills levels across much of the region. This will be achieved through a tailored approach. This approach will be designed, as demonstrated in the key interventions shown below, to empower local people to access education and skills which will not only support academic achievement but will enable them to participate fully in society, raise aspirations and enable them to progress into further learning and work. Notwithstanding the importance of language development in business.

Figure 4.14 Highest level of qualification across CPCA (16-64 yr. olds)



Source: Annual Population Survey, 2017

The importance of inclusive growth is grounded in the fact that the poorest adults with the lowest qualifications are the least likely to access adult training despite being the group that would benefit from it the most (Social Mobility Commission 2019). A tailored offer, designed to improve work and pay prospects, supporting social and economic growth that is aligned to the geographical sub-economies, will move towards addressing the root causes of these inequalities. As the UK works towards leaving the EU it is more important than ever that relevant skills are built to improve productivity. It is for this reason that lifelong learning and adult education are so important.

3. Develop a dynamic skills market that responds to the changing needs of local business

The creation of a dynamic skills market that will improve prosperity and productivity will be based on local labour market information. Drawing from two significant baseline sets of evidence, the CPIER, used as the Local Industrial Strategy Evidence Base, and the Hatch Regeneris' Report, used as the Skills Strategy Evidence Base, this dynamic information and insight tool, developed with employers, will provide the foundation of future career pathways by identifying the current and future skills needs of local and regional businesses.

In our commitment to develop future pathways, recognition is given to preparing for the unpredictable as the balance of the kind of skills required in our employment sectors change with time. New and traditional sectors' occupations require more highly skilled workers and employers' needs for specific skills are constantly changing making it difficult to forecast. People entering the workforce and those already in work will need to be continually upskilled and trained to meet the jobs of the future. There is a need to embed a culture of lifelong learning and continuous skills improvement.

KEY INTERVENTIONS

The Combined Authority will play a critical role in facilitating the skills growth starting with 5 initial key initiatives, namely:

1. Adult Education Budget
2. Careers Education Information Advice and Guidance (CEIAG)
3. Health and Care Sector Work Academy
4. Skills Talent & Apprenticeship Recruitment Hub
5. University of Peterborough

Adult Education Budget

Devolution of adult skills funding from 2019/20 will enable the Combined Authority to vary funding rules and funding rates to target skills development in areas of shortage, particularly where these areas are in alignment with the sectors identified as priorities for the sub-regional development required to raise productivity and prosperity.

The current skills system within Cambridgeshire and Peterborough demonstrates that there is some degree of disconnection between schools, colleges and businesses. It is imperative that we map the current provision and ensure that outcomes of education and wider learning lead to employment, Further Education, Higher Education or further training. The Adult Education Budget (AEB) provides us with the tool to support learners to secure foundation skills, progression and diversification and is pivotal in supporting the needs of local people into employment. Improving workforce development is crucial to achieving the economic development of Cambridgeshire and Peterborough, particularly in those areas where levels of educational attainment are currently low.

Careers Education Information Advice and Guidance (CEIAG)

Key to progression is the ability of our schools, colleges and providers to deliver high quality careers, education, advice and guidance to inform all students of the opportunities in the region. By taking a holistic approach to skills provision we will enable our residents to have the opportunity to realise their potential and, through addressing skills gaps, to enable the regional economy to grow and thus to improve productivity and prosperity. The labour market is very prone to information failure in which people, especially younger people in schools, are unable to understand what is on offer or the benefits of investing their time and resources in identifying employment, skills and educational opportunities or differentiating between them to understand which creates the best life-chances for them individually.

Health and Care Sector Work Academy

This innovation pilot takes a holistic approach to the health and care sector with a single intervention in two parts. It will train people from outside and from within the health and care sector simultaneously. From outside the sector it will train those who, often employed in insecure or seasonal work may be trapped in low paid jobs with no career or pay prospects, and the unemployed., Inside the sector it will develop those working in the health and care sector to enable them to progress further by providing a robust and clear career pathway. These actions are expected to develop a pipeline of well trained employees for the health and care sector.

Skills Talent & Apprenticeship Recruitment Hub (STAR Hub)

The Skills Talent & Apprenticeship Recruitment Hub developed by the CPCA will increase the number of people transitioning through the skills ecosystem into Apprenticeships, Higher Education and employment. The CPCA will support providers, schools, colleges, higher education, parents and residents to navigate effectively through the complex skills landscape by the creation of the Digital Talent Portal through a “one stop shop”. This action will facilitate a better match of potential talent to skills needs and job vacancies and in doing so will create opportunities for a strong, productive and thriving economy.

Learning from experience in the past, there should be the opportunity to bring together demand and supply through a dedicated skills brokerage. We therefore propose to create a Skills Brokerage Service: specialist activity building relationships between businesses, providers and learners. One of the most challenging areas of matching need and opportunity is in relation to apprenticeships. On the supply side there is still an issue of perceived lack of parity of esteem between vocational and academic education and training. On the demand side, creating the critical mass for demand from employers to make support the feasibility of employer-based apprenticeships can be a challenge too. This lower level of demand for apprentices is most prevalent amongst SMEs who struggle to balance the value and effectiveness of a trainee, the 20% off the job training per week and the costs involved. Hence, to overcome this continuing market failure, we propose to better unlock the apprentice levy funding within large firms and help it flow down more effectively to SMEs in supply chains and sector clusters. To achieve this, we propose alongside our partners in other Mayoral Combined Authorities in Manchester and the West Midlands to agree with, and pilot on behalf of, the Dept for Education. This will give greater local freedom over the utilisation and management of underspend in the Apprenticeship Levy to create a highly functional local levy marketplace that significantly increases the quantity and quality of apprenticeships. We will develop local mechanisms to ensure that this critical resource in overcoming the current market failure in apprenticeships, can be deployed effectively, including creating pooling arrangements between employers.

University of Peterborough

The University of Peterborough is a key feature of the devolution deal agreed with government and is critical for the growth of the local economy and addressing skills shortages. There is a long-standing ambition between public sector partners, employers and the residents of Peterborough and surrounding areas to have a University in the city. It is envisaged that the University will offer technical qualifications to meet the need of local businesses as well as collaborative delivery models through close working with industry to shape the degrees/high level apprenticeships on offer. We have an agreed vision statement for the new University:-

“Our vision is to deliver a thriving, independent University which will be a power-house for intellectual and economic growth for the city and region. Our city centre campus, that will serve 10,000 + students in the 2030s, will be meeting the needs of employers for new types of jobs and organisations, all the while enabling and supporting social mobility. This technical University will be fit for now and the future in both its approach to students’ learning and course delivery. The University will anchor major re-development of the Peterborough Embankment. Our buildings will be architecturally leading, flexible and environmentally friendly. The curriculum, academic community and buildings will reflect a desire to be the greenest university possible”.

To achieve the vision, we have defined our technical University;

“The University of Peterborough will be a high quality employment focused university for the city and region. It will acquire an international reputation for applied technology and science and innovative technological approaches to face to face learning. It will be characterised by outstanding student satisfaction and respond to local needs. The curriculum will be led by student and employer demand as well as developing opportunities in the technological, scientific and business areas. “

Within a year we intend to implement this vision through:

1. A procurement compliant competition, for the selection of the most appropriate curriculum offer to satisfy the requirement above, through a partner that can demonstrate the financial, academic and commercial capacity to deliver it.
2. A specification for the buildings and equipment, with related capital and revenue costs, to deliver that offer in partnership with the selected partner.
3. The procurement of contractors to build and manage the university premises on the embankment site.

By 2022 we intend that the new university on the banks of the Nene in Peterborough, will have 2,000 students rising to 12,500 by 2030, when the University of Peterborough will become fully independent.

KEY CHALLENGES

Key Themes	Issues to address	Challenges	Interventions
1.2. 3.	Staff shortages in priority sectors.	<p>Staff shortages in our priority sectors – the biggest challenge is the availability of trained staff in technical and management roles. Efforts need to be made to pool resources and fill any gaps in provision on the “supply” side in education and training.</p> <p>Issues identified by the Department for Education in retaining highly skilled teachers in the area.</p> <p>Issues in tackling the local shortage of skilled workers in the Health and Care Sector.</p> <p>Issues identified in FE/HE around the ability to attract lecturers/trainers/tutors in some disciplines especially in the delivery of Apprenticeships.</p> <p>Potential impact of Brexit in terms of exodus of East European labour.</p>	<p>To support businesses and key stakeholders to grow their own talent as well as attracting, recruiting, training and retraining the employees who will be a fundamental part of their future commercial success through the National Retraining Scheme and the Skills and Apprenticeship Recruitment Hub.</p> <p>The Opportunity Area for Fenland and East Cambridgeshire will address this as part of priority 4 of the DfE Delivery Plan. CPCA to share best practice across the region.</p> <p>The Health and Care Sector Work Academy will tackle the local shortage and provide a further 2100 learners in the sector.</p> <p>Link businesses to providers to establish more integrated business expertise within apprenticeship standards as well as working with providers for expert staff to deliver at FE/HE.</p>
1.2.3.	Perception Vs Reality	<p>Perception of some sector industries is poor and careers promotion in schools/colleges is weak. It is imperative that careers education, information, advice and guidance in schools and colleges is realistic and aspirational.</p> <p>Perception of Apprenticeships and availability of Apprenticeships needs to change.</p>	<p>Careers promotion for sector skills is key to growing our local talent and raising awareness of the numbers of careers available in a given sector. To address the interface between employers, schools and providers, there is a need for early engagement with businesses through a strong skills brokerage.</p> <p>Working on levy pooling to support collaboration of delivery of apprenticeships to improve access for SMEs. The Technical qualification reform to support vocational pathways at Post 16 will assist with re-aligning the disconnect between technical qualifications</p>

			and the academic route. Alongside traditional qualifications, the University of Peterborough intends to offer technical qualifications to meet the demand of local industries and to grow local talent for jobs of the future.
1.2.3.	Plugging the Skills Gaps	We need to address the disconnection between education & qualifications and skills & jobs by ensuring all young people have access to quality careers advice and guidance to make informed choices at transition points as well as linking careers to curriculum to ensure young people are not disadvantaged in their career choices by poor choices at GCSE and A level.	The Technical qualification reforms, T levels will support the vocational pathways to be seen as equal to the academic route. The sector pilots and skills hubs will overcome the rurality issue with transport links in the more rural areas of our region.
1.	Lack of engagement in STEM subjects in schools/colleges	Embed the importance of STEM subjects in schools/colleges to raise awareness of jobs/qualifications that are fundamental to jobs within priority sectors – namely: manufacturing, engineering, life sciences, agri-tech, digital IT, construction and health and social care.	The Skills Brokerage offered to all schools in the localities will support STEM promotion through activities, careers promotion and employer engagement links with local businesses.
1.2.	Connecting the disconnected	Some people become disconnected from the labour market for a variety of reasons. Additional support, transition programmes, wellbeing support and community groups are required.	The Work and Health programme ⁵ will support the progression of adults who have become disconnected from the labour market into work.
1.2.3.	No central coordinator to influence and enable	Demonstrate the need – make a case! It is imperative that, to have a say in future devolution, we are highly successful through the devolved projects we currently run. Measuring impact and evaluating outcomes effectively, ensuring that the investment yields ,or wherever possibly exceeds, the return expected., will be essential	Achieving a skills base that matches business needs - ensuring young people are sufficiently prepared for work and prioritising skills development where it is needed most i.e. in areas where there are genuine skills barriers to economic growth is part of the devolution deal with the Combined Authority. Therefore, the University of Peterborough, Health and Social Care sector-based work academy and a highly successful AEB programme that meets the needs of the businesses, residents and providers will be key to unlocking further devolution, will be important elements of the strategy

⁵ <https://www.gov.uk/work-health-programme>

SUMMARY OF ACTIONS

1. Map the current skills provision through the Adult Education Budget to improve **AEB** commissioning to develop courses, employer engagement and student stimulation that links with Apprenticeship and job progression through transition pilots and sector focused retraining schemes.
2. Improve HE participation locally to raise aspirations for young people and ensure the curriculum meets the needs of the local employers, students and communities by, developing a **University for Peterborough**.
3. Connect business with providers and talent with the targeted support for STEM, T-levels, Employer Outreach, CEIAG, Work Readiness and Careers Pilots through a robust **Skills Brokerage Service**.
4. Create greater visibility of talent to support businesses with recruitment/ training and using social media to attract young people into key sectors by connecting into the **Digital Talent Portal**.
5. Use the levy pot better to connect SMEs into wider value chains, spreading funding more effectively across local sector clusters by the creation of **A Levy Pooling Mechanism**. Manage the levy pooling to support micro businesses currently unable to take on an Apprentice due to either their size or specialist nature by connecting into an **Apprenticeship Training Academy**.
6. Provide work placements leading to Apprenticeships and jobs through coordinated **Sector Academy Apprenticeship Hubs** across the CPCA region.
7. Create a **Health and Care Sector Work Academy** to tackle the local shortage of skilled workers and provide a further 2100 learners into the sector.
8. Working with the **Work and Health programme** to support adults who have become disconnected from the labour market to support their progression into work.
9. Work with government to lobby for **further devolution opportunities**, to shape the reforms so that the skills system becomes outcome based and business-led and develop strong labour market information to ensure provision meets the demand to fill skills gaps.
10. Use collaborative partnerships to deliver bold and innovative interventions to ensure that collectively we make Cambridgeshire and Peterborough, ***the best place in the world to live, learn and work.***

THE DELIVERY PLAN

The summary of actions shown below will be mapped into the delivery plan which will identify what success will look like and the impact it will have for the CPCA region. Each project will have identified objectives with associated targets.

The delivery plan has been produced in accordance with labour market information, the Cambridgeshire and Peterborough Independent Economic Review and the Hatch Regeneris' Skills Strategy Evidence Base Final Report.

Key Intervention	Added value to the area	Transformational change
Adult Education Budget	Funding can be targeted to meet local need.	Move from Central Government commissioning to the Combined Authority.
Careers Education Information Advice and Guidance (CEIAG)	Local targeted interventions creating opportunities for people to realise their potential.	Review, integration, coordination and better focus of current contracts for organisations delivering in the area to ensure local businesses are better connected and young people are better stimulated and guided. The Careers and Enterprise Company (CEC) model underpins CEIAG within the Skills Strategy alongside our brokerage services. It will be the mechanism for the delivery of the National Careers Strategy.
Health and Care Sector Work Academy	Additional new skills money into the area.	Bespoke delivery of the skills requirements to the Health and Care Sector designed collaboratively with local care and health providers. Offers a total wrap-around service for the students.
Skills Talent & Apprenticeship Recruitment Hub	The creation of a "one-stop" shop making it easier for businesses, training providers and local talent to understand the skills landscape.	Creation of a specialist activity building relationships between businesses, providers and learners. This will unlock apprentice levy funding within large firms and help it flow down more effectively to SMEs in supply chains and sector clusters. This will create a highly functional local levy marketplace that significantly increases the quantity and quality of apprenticeships.
University of Peterborough	Bringing HE to a local cold spot.	The creation of an independent higher education Technology University that will support local demographic and attract new talent to the area.

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