Local Skills Improvement Plan

Cambridgeshire and Peterborough

Cambridgeshire Chambers of Commerce

Report update

A target of 250 contacts was agreed for stakeholder engagement.
- 280: Identified & Contacted
- 344: Surveys responses analysed
- ~50: Attendees at 2 rounds workshops
- 20: BRO's consulted

The 5 Stage Approach

Desktop Research

Stakeholder engagement

Workshops

Data Analysis

Survey

Digital and Green are key themes
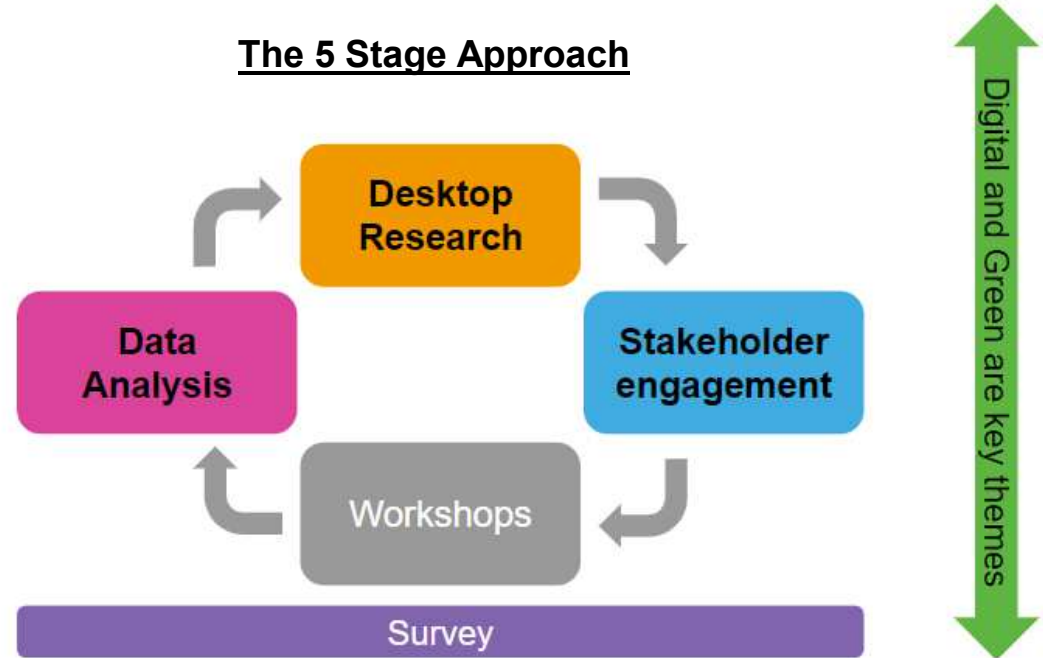
Summary of the report

Contents:

- **Part 1: The LSIP Priorities**
  - Introduction: *overview of the LSIP, context, key strengths and key challenges*
  - Strategic priorities: *sector growth priorities, cross-sector skills challenges and cross-sector skills priorities*
  - The status of the LSIP: *aims for the LSIP, changes and approach to achieving the solutions, approach to future projects, methodology and approach*
- **Part 2: Taking the LSIP Priorities Forward**
  - Key priorities: *sector growth priorities, cross-sector skills challenges and cross-sector skills priorities*
  - Skills components and competencies
  - Proposed options for local provision
- **Part 3: Delivering the LSIP Priorities**
  - Implementing effective and sustained change
  - Roadmap & framework for future actions by stakeholder groups
  - LSIP Management Maintenance and delivery

Part 1: the LSIP priorities

LSIP priorities

The priorities have been categorised into 3 groups.

| Sector growth priorities | Cross-sector skills priorities | Digitisation and Low Carbon |

Sector growth priorities

We have findings against the four sector growth priorities areas.

Life Sciences
IT and Digital
Advanced Manufacturing
Agritech

Cross Sector Prioroties

Skills priorities have been developed through our 5 stage approach to validate a number of emerging insights and stakeholder perceptions regarding their experiences with the skills system from a cross-sector perspective.

Insights include:

Perceptions
Lack of sustained investment
Inconsistent appreciation of transferable skills
Skills shortages
Labour market shortages
Careers IAG

Cross-sector skills challenges: Digital

As per the Department for Education's guidance, this report focuses on Digitalisation and Low Carbon as our cross-sector skills challenges. It is important to note that defining these areas at the skills level is particularly difficult.

There is a **perceived skill shortage** which is only set to increase as all industries adopt advanced technologies.

Context: The Digital Sector Strategy provides a comprehensive Digital Strategy for the region and aims and recognises four different segments of digital users, each of which have their own skill levels and educational needs: Digital Exclusion, Basic and Workforce.

The Digital Strategy highlights skills gaps, such as for **software developers, senior programme developers, data analysts/ big data developers and artificial intelligence developers**.

The region will need to be able to supply newer skills in relation to **artificial intelligence and data processing** as they become part of the digital economy of the future.

Engagement with the Careers Hub is critical to support and influence the upskilling of educators and working smarter with outreach work.

Cross-sector skills challenges: Low Carbon

As per the Department for Education's guidance, this report focuses on Digitalisation and Green as our cross-sector skills challenges. It is important to note that defining these areas at the skills level is particularly difficult.

Government policy on energy security and net zero is creating new demand for green skills. .

There are **national skills programmes** providing opportunities for individuals to train, retrain and upskill to meet green sector needs, which includes work-based and classroom based provision.

Context: The Green Jobs Delivery Group are focussing on 18 Priority Sectors to achieve the Net Zero Targets, all of which are relevant to the region. This includes Energy and Network, Transport, Sustainable Land Use, Manufacturing and Homes and Buildings.

Communications, Management and Sales are in the top common skills sought in Green Enhanced Skills Job posting.

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Part 2: taking the LSIP priorities forward

Life Sciences

Employers in the life sciences sector are recognising a shortage of technical skills, including immunology and genomics and data science. They are of critical importance to meet the forecasted growth in demand in evolving roles within the sector and therefore providers across the region need to respond to this shortage. There also needs to be more provision around generalist skills in business management and entrepreneurship. This is a common topic discussed throughout the stakeholder engagement and is therefore a point that needs to be addressed not only for life sciences.Another challenge is that many students currently enrolled in subjects suitable for life sciences employment will not enter the industry after graduating.

Suggested action: **Improved regional careers information and guidance to encourage students into life sciences employment and minimise migration to other areas is key**.

Digital and IT

Employers, particularly within professional occupations, are increasingly seeking individuals with the correct digital skills, including python, software engineering and software development. In terms of occupations, programmers and software development professionals are in the highest demand in the region.

Suggested action:**There needs to be improved digital training and upskilling for employees already employed, as well as provision for students which focuses on developing these skills. Evaluation of the need for a regional digital literacy standard for all Adults who pass through the FE system to support the upskilling.**

Advanced manufacturing and materials

The NMSTF is the catalyst for advanced manufacturing and recognises high level skills issues in the industry which include the following:

- Ability to attract new and diverse talent into the sector
- Upskilling and reskilling the existing workforce
- Employers ability to keep pace with technological change and understand what that means for their workforce and skills
- Difficulty to invest in upskilling, reskilling and recruitment of new talent with other constraints on time and resources e.g. energy costs etc.
- Competition for skills and number of vacancies needed to be filled
- Ability for employers to foresight and understand future skills and how to understand and respond to "green skills" or "industry 4.0" etc

Suggested action:**Providers need to use this information to signpost and improve courses and skills programmes which will equip the workforce with the traditional and emerging skills required for this industry. Delivery style and location of the courses may be key considerations.**

Agri-tech

There is an acute skills and labour shortage in the agriculture and agri-tech industry nationally, but a disparity in skills from PhD level to vocational and seasonal work within the CPCA area. The local industry is built on a highly skilled, international workforce, attracted to Cambridgeshire by the reputation of centres such as NIAB and the University of Cambridge.

This inward migration helps to fill the shortages, but also indicates that increased and improved local provision and upskilling is needed to encourage local entry into the sector.

Suggested action:

- **Raising awareness of T levels to employers**
- **Ensuring that apprenticeships meet the needs of employers and particularly SMEs**
- **Upskilling and reskilling with a focus on digital and green skills**
- **Developing a common skills language for the sectors to aid the transferability of skills across sectors**
- **Developing Growth Works so that the specific skills required for the industry are considered and communicated to providers**

2.Cross- sector Skills Priorities

Using the validated stakeholder perceptions and our agreed approach (see Annex B), a short-list of emerging solutions has been identified which recognises the significance of the perception as well as the ease and impact of the solution. These are outlined below and further details of the features are provided in part 3 of the report.

- **Governance/ Central Commitment**
  A vehicle for regional collaboration on taking forward the actions/changes set out in the LSIP

- **Centralised Communications**
  An approach for simplifying the skills system for stakeholders

- **Regional Careers Entitlement**
  Establishing a consistent and regional approach for access to careers information

- **Regional Independent Skills Brokerage**
  Establishing a central services for the delivery of and sign-posting of a range of business services

3. Focus on Digitalisation and Low Carbon

The CPCA have used Cambridge Insights to define Green and Digital by SOC code and we have used the CPCA's working definitions in our analysis of the lightcast data to identify the relevant jobs. Our stakeholder discussions relating to these topics has revealed that the current SOC approach may require adjusting in future to make it more relevant to stakeholders needs.

Digitalisation

Businesses also need to have a clear process for engaging with the education system and for signposting what skills and knowledge it needs its future workforce to develop. One route to achieving this is through the Digital Skills Partnership which is a localised, nation-wide programme of joint public/private sector engagement on education. Alternatively, a more ambitious programme could be the creation of a CPCA Digital Skills Task Force, consisting of business, education and public sector leaders, that generates and actions specific opportunities around the creation of digital skills among young people and adults; its mission would be to ensure that all businesses in the area are able to thrive through access to a consistent, high-quality supply of talent.

Low Carbon - Green skills

The key challenge for cross-sector skills themes is that there is currently no consistent understanding or definition of Digital or Green. What might be a digital or green skill for one person, might not be the same for another person. A clear working definition needs to be developed which can be shared across the region, ensuring consistency in the development of provision. The development of clear communications about skills will be a key aspiration for the next stage of the LSIP process.

Part 3: delivering the LSIP priorities

Proposed Solutions

The solutions have been designed to mitigate against the major themes that were identified during the workshops and through our interviews.The Chamber and the CPCA have agreed to work towards embedding the LSIP process into the existing skills system that has been implemented by the CPCA to identify and deliver skills priorities across the region. The project outlines on the following slides describe the current thinking that will be continued to be revised and tested with stakeholders to ensure that it can provide sustainable changes to the region. These proposed solutions provide:

- The rationale for being a facilitator/enabler of collaborative action, bringing together local partners to support the delivery of the roadmap including supporting greater employer investment in skills
- A range of actions to take forward the priorities
- A description of the process for managing effective delivery, reviewing progress and realising the expected benefits

It is expected that these proposals will be refined as part of the ongoing implementation of the LSIP between May 2023 and May 2025 and that the funding for the implementation of these initiatives will be sought from the LSIP budget, the CPCA budget and/ or LSIF funding as agreed by the stakeholders, or other additional funding that may be accessible to the region's stakeholders.

Below we set out four proposed solution, in summary these are:

- **Governance/ Central Commitment**
  A vehicle for regional collaboration on achieving the ambitions of the LSIP
- **Centralised Communications**
  An approach for simplifying the skills system for stakeholders
- **Regional Careers Entitlement**
  Establishing a consistent and regional approach for access for careers information
- **Regional Independent Skills Brokerage**
  Establishing a central services for the delivery of and sign-posting of a range of business services

The following slides set out in more detail each proposed solution.

Implementation

In order to implement the proposed solutions there is a set of overarching set of implementation milestones which align to the Department for Education's requirements.

1. **Establishing LSIP structures**
2. **Evaluating actionable priorities - Bi-annual reviews (to be aligned to CPCA planning timeline)**
3. **Embedding the LSIP**

The role of the ERB in supporting the LSIP delivery

The ERBs will play a key role in delivering the LSIP. In particular:

- **Key conduit** - ERBs will be a key conduit for engaging employers around their skill needs and helping employers understand and navigate local skills systems
- **Quality skills conversations with providers** - ERBs should gain a deeper understanding of employer skills needs and how to articulate them to providers in ways that are meaningful and actionable
- **Facilitating collaborative action** - ERBs should be a facilitator/enabler of collaborative action bringing together local partners to support the delivery of the roadmap, including supporting greater employer investment in skills

Role of the ERB

In supporting the delivery of actions/changes identified in the approved Local Skill Improvement Plan as the ERB, we will seek to build upon the successes of stakeholder engagement from stage one. We will:

- Bring together the networks formed as part of stage one engagement, for example the Business Representative Organisation (BRO) and Provider groups, to create a 'Skills Commitment Partnership' (Partnership).
- We will negotiate the terms of reference for this with CPCA to define the ways of working for the Partnership, which may include the creation of sub groups tasked with taking forward the collective approach to the action/changes identified within the approved LSIP.
- Engage alongside the CPCA, with stakeholders such as BROs, providers and local government, or third sector organisations to facilitate their joining of the Partnership and help to identify how they can commit to supporting the regions skills agenda.
- Once the partnership is established, as an ERB we will seek to support ongoing collaboration and monitor the effectiveness of actions/changes as a result of the approved LSIP. We will:
- Work with providers to ensure the approved LSIP actions are clear remain appropriate as well as to identify how employer skills needs can be better articulated in ways that are useful to relate to provision.
- Provide support to Providers on a range of LSIP related actions, including the development of LSIF applications and accountability agreements (Ofsted).
- Work closely with the Partnership to support collaboration and delivery of the LSIP roadmap, while continually sharing insights and establishing best practice.
- Carry out continued employer engagement, working with the Partnership and stakeholders, including those not already engaged as part of stage one, to better understand the evolving skills needs of employers and to support employer investment in skills.
- Bring together insights from the continued direct employer engagement and collaboration via the Partnership, seeking to establish metrics and to enable progress monitoring of activity to support the priority areas identified within the approved LSIP.

Report annually on the progress made by the region on the actions and changes identified within the approved LSIP and submit a new LSIP to the Department for Education's approval, where we identify that employers skills needs have materially changed.

Thank you