

East of England

All Party Parliamentary Group

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Opportunity East - Driving National Productivity Through Innovation

Presentation on the Emerging Findings from East of England Economic and Infrastructure Analysis

Review of Progress Towards Levelling Up in The East of England
Including Report Back from the Two Working Groups of
The East of England Levelling Up Delivery Partnership

15:30 to 17:00 on Monday March 18th, Thatcher Room, Portcullis House

NON-VERBATIM MINUTES

WELCOME AND INTRODUCTIONS: PETER ALDOUS MP AND DANIEL ZEICHNER MP, CO-CHAIRS, EAST OF ENGLAND APPG

- Peter welcomed all attendees and explained that there will be three presentations one on the region's economic and infrastructure analysis and two on progress towards levelling up regarding skills and housing. There would then be three Parliamentary speakers.
- Report back on AGM (5/3)
- Peter reported that the AGM of this APPG was successfully conducted two weeks ago and the minute of that meeting is on the East of England APPG website including the list of 22 registered members.
- Follow up to meeting on healthy life expectancy (23/1)
- He also highlighted that the slides presented at the meeting on levelling up healthy life expectancy held in January are available on the website as well as the follow up letter to the Minister for Health Inequalities

THE EMERGING FINDINGS FROM THE EAST OF ENGLAND ECONOMIC AND INFRASTRUCTURE ANALYSIS

 Kevin Fenning, Director Metro-Dynamics, presented slides – available <u>here</u>. He pointed out that there is a 100 page report being prepared and which will 'sit' behind the slides. This report will be launched at the Parliamentary event on 11th June. He then invited questions.

Q&A

- Q: The high level of investment in R&D is noted but I am aware at one time the Government were aggregating East of England with the Greater South East. Was the Government correct to say we don't need it? And within the region is it spread more widely or concentrated.
- A: Yes higher R&D rate than other parts of the country. This is money extremely well spent
- Q: It might be argued that the East of England economy is doing ok without support has any modelling been done to show what would happen to output if there was greater Government investment?
- A: The report is predicated on the fact that if barriers are removed growth would increase but precise modelling might be a specific focus for a future project.
- Q: A region wide climate change impact assessment is warranted: have any been done to your knowledge?
 - A: No region wide assessments have been conducted but this is something that has been raised at this APPG previously as something that should happen in the East of Engalnd
- Q: Are the importance of innovation zones written into the strategy?
- *A: Yes*
- Q: Are labour shortages factored into the report?
- A: This is an issue addressed in part when discussing skills but it has not been a major focus of our report.

PROGRESS TOWARDS LEVELLING UP - PRESENTATIONS

- Steve Barwick referred to the short report <u>here</u> on "**Progress towards Levelling Up"** and the activity undertaken by the APPG on all five issues where there had been low confidence that the Government's levelling up mission would be met
- Claire Paul, assistant Director for Skills at Cambridge and Peterborough Combined Authority
 presented slides here about the skills report "Towards a Strategic Approach to Levelling Up in
 the East of England" (referring to the short version of report and the long version).
- She pointed out that this is a strategic document because to succeed it is about taking a strategic approach at regional and national levels in order to join up activities and leadership to deliver more and better skills; and also that when we talk of skills what we are really talking about is people and talent.
- Joanna Barrett, Strategy & Assurance Director at Eastlight Community Homes, presented slides see here regarding "Act Now Before It Gets Worse", the report on the region's urgent housing
 priorities' see here

PROGRESS TOWARDS LEVELLING UP – PARLIAMENTARY SPEAKERS

- **Baroness Kath Pinnock, Liberal Democrats Spokesperson on Levelling Up**, began by giving the apologies of her colleague in the Commons, Helen Morgan MP.
- She explained that she took the Levelling Up Bill through the Lords lives in West Yorkshire, was a former Yorkshire Forward board member and Director Yorkshire Water. She is now a board member of Huddersfield University.
- She said the Levelling Up White Paper was a good start there was much that was really positive in it but unfortunately not enough of its content had ended up in the Bill.
- In her view a number of things have gone wrong with the levelling up policy. First, the Government failed to promote the policy as a very long term agenda it is not possible to level up in 4 years. It has therefore raised expectations about transformation which has therefore led to disappointment. Second, it requires cross party collaboration so that a long term agenda can be agreed and sustained. Third, there has been too much of a scattergun approach at the same time as a lack of funding for local government and for Further Education a sector which has had a rollercoaster of funding and expectations.
- She liked idea that we should be talking about people and their talents and not skills in the abstract. She supports degree apprenticeships but pointed out the financial model for universities does not encourage these.
- On housing she said she would like to ban the word affordable as for too many people it equates to unaffordable. She also said that what we desperately need is more social housing. Every local authority should have a plan to ensure more.
- She explained that the Liberal Democrats are committed to building 150,000 social rent homes per year and an Industrial Strategy which would provide each adult with a "skills wallet" of £30k over their lifetime. The party also supports more devolution (and less delegation).

Q&A

- Q: To realise economic potential do we need to increase housebuilding?
- A: Yes! Ideally, we need a long-term regional plan
- Q: How are we doing with lifetime learning as this is vital in the shifting economy of today
- A: The AEB budget is constantly being pushed and squeezed a single funding pot would be a game changer.
- **Lee Rowley MP, Minister for Levelling Up and for Housing** began his remarks by saying that Government recognise there is a massive housing challenge to get more houses in the right places. However, he pointed out that the Government have presided over the building of 2.5 million new homes over the past 14 years and said this was quite an achievement.

- He thanked EELGA and partners in the Levelling Up Delivery Partnership for the report and pointed out that the Government is trying to promote all types of housing with significant investment through the Affordable Housing Programme still available to be spent.
- He agreed that if a Local Plan can be agreed then that is very helpful. He also said that he was keen on building new homes on brownfield sites and that there is a renewed development focus for Cambridge.
- **Seema Malhotra MP, Shadow Minister for Skills and Apprenticeships,** began her remarks by saying that she had been involved with the East of England Development Agency and was very well aware of the difficulties in providing skills in a rural economy such as the East of England
- She said that the skills report was really good and that it was counterintuitive to see low skills participation when the opportunities are so great. She pointed out that if we are to grow the economy we will need to focus on skills.
- Labour would create a National Skills Strategy via Skills England, on the basis that many LSIPs highlight common challenges and key skills gaps (e.g. digital; green skills; 'soft' skills). Labour have also discussed more devolution of skills delivery as part of a national strategy.
- She also thinks that reform of the apprenticeship levy is overdue because there are employers that have only spent 15-20% of their levy. Labour would allow employers to spend up to 50% of their levy funding on short courses/'stackable' qualifications. This would not in her opinion diminish starts on full apprenticeships.
- She concluded by saying that the current system is neither addressing workforce shortages nor future demands. There is a need to understand and address barriers and allow greater flexibility as well as linking skills into schools and employers. Labour are therefore keen to encourage sector-based training and greater collaboration between industry and education providers. It will also pledge 2,000 new careers advisers in schools, to better educate young people about industry opportunities.

CONTRIBUTIONS FROM THE FLOOR

- Agree there is a need for a strategic system wide approach that creates more simple system. There is currently a muddle out such that the landscape for parents, 18-year-olds, careers staff, mature adult learners, employers in fact everyone is so full of single products that it is hugely confusing. The statistics on apprenticeships where the East of England has lower than average take up is a good reflection of the lack of simplicity. Can the East of England find an approach that leads the way in making the landscape clear and compelling for all?
- A joined-up approach to Skills to create the right 'ladders' and 'bridges' for learners and employers attempting to navigate the rich and complex offer is required. There are examples of good practice in the East of England for example Innovate Cambridge have created the proposal for an **Opportunities Hub** to do exactly this, in the context of attracting the right local/regional talent to form part of the success of the Cambridgeshire innovation ecosystem a globally significant collective of knowledge-intense industries, where growth can be further unlocked by

attracting young people and adults from the East of England to see such opportunities as 'for them', through the right infrastructure and interventions to inspire, include, upskill and reskill.

- Careers advice is vital. That 86%of children know about apprenticeships but only 2% do one needs to be looked at.
- Our 'ask' to government is this: thoughtful flexibility in use of the apprenticeships levy is welcome, including to tackle underspend but we need to go further than only varying the types of educational product that can be funded; we need to use some of the levy funding to invest in Skills Infrastructure, thus enabling uptake of the right education and training opportunities to unlock talent and productivity.
- More devolution is required so that there is a single funding settlement so housing transport and skills can be linked to health. Cambridgeshire and Peterborough need a trailblazer deal.
- On housing the fact that 9,600 children are living in temporary accommodation requires serous and urgent reflection

FINAL COMMENTS

- Baroness Kath Picnnock: I do agree with reforming post 16 qualifications including the apprenticeship levy and with more devolution
- Lee Rowley MP: I am not the skills Minister but I am convinced that devolution is appropriate. The
 current Government have actually gone a very long way in 10 years. It should be noted that with
 devolution comes variation and the Government retains the responsibility to make sure it works.
- **Seema Malhotra MP:** I think there is cross party consensus on devolution. Currently there is a very complicated system and the message has come over loud and clear today it needs to be simpler. That said we do need to identify where it is working well including sector based approaches. The interface between teachers and employers is very important. Careers advice is therefore a very vital part of the structure.

CONCLUSIONS: PETER ALDOUS MP AND DANIEL ZEICHNER MP, CO-CHAIRS, EAST OF ENGLAND APPG

 All speakers and attendees were thanked along with the sponsors of the Group and the Secretariat. Follow up letters would be sent to the relevant Ministers in the usual way.

ATTENDEES

Peter Aldous MP	MP for Waveney and Chair East of England APPG
Daniel Zeichner MP	MP for Cambridge, Chair East of England APPG and Shadow EFRA Minister
Lee Rowley MP	Minister for Housing, Department for Levelling Up, Housing and Communities
Baroness Kath Pinnock	Liberal Democrat Lords Spokesperson on Levelling Up
Seema Malhotra MP	Shadow Minister for Skills, Apprenticeships and Higher Education
Lord Haselhust	
Cllr Colin Noble	Suffolk County Council
Markella Papageorgiou	Norfolk County Council
Jan Feeney	Norfolk County Council
Dr Nik Johnson	Cambridgeshire and Peterborough Combined Authority (C&PCA)
Connie Anker	C&PCA
Dean Pierpoint	Norfolk Chamber of Commerce
Joanna Barrett	Eastlight Community Homes
Tom Lloyd	Eastern Education Group
Matthew Stewart	EELGA
Rob Bridge	C&PCA
Andy Sparks	Essex Chamber of Commerce
Claire Paul	C&PCA
Owen Stratford	Infrastructure Matters
Chris McMahon	Lower Thames Crossing
Jackie Sadek	UK Innovation Corridor
John McGill	UK Innovation Corridor
Kevin Fenning	Metro-Dynamics
Tom Fieldhouse	London Stansted Airport (Manchester Airport Group)
Gareth John	First Intuition
Claire Pike	Anglia Ruskin University

Esme Yuill	Transport East
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Andrew McGowan	Cambridge Ahead
Helen Langton	University of Suffolk
Robbie Laird	Believ
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Johnathon Cuthbertson	Essex County Council
Francesca Day	Essex County Council
Anne Bailey	Form the Future
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Cairistine Foster-Cannan	EELGA
Marianne Overton	LGA
Steve Barwick	Secretariat for the East of England APPG

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