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East of England
Local Government Association

EAST OF ENGLAND LEVELLING UP DELIVERY PARTNERSHIP

Towards a Strategic Framework for
Levelling Up Skills in the East Of England

EXECUTIVE SUMMARY

Improving employment and skills is crucial to the levelling up agenda as skills are a major driver of economic disparities between people and places. In a region such as the East of England - which has great potential for economic growth given its strengths in innovation and renewable energy – getting skills right is also critical if the projected 600,000 new jobs that are to be created are to be filled over the next ten years.

The Government has sought to **raise skill levels and address skills and employment challenges** through a number of strategies and initiatives including its target included in DLUHC's Levelling Up White Paper: ***By 2030 the number of people successfully completing high-quality skills training will have significantly increased by 200,000.***

The joint APPG and EELGA report **Levelling Up the East of England 2023-2030: The East of England's Progress Towards Achieving the Government's Twelve Levelling Up Missions** assessed that to meet this target in the East of England there would need to be in the order of 20,000 more people undertaking training with 8,000 more people completing courses in the lowest skilled areas.

However, skills participation has been declining significantly over the past 10 years, across all regions in England. In 2022/23 the indicative participation rate per 100,000 population was 2,573 (approximately 2.7% of adults) for the East of England, the ***lowest of all the regions in England***. The report therefore concluded there was "low confidence" that this mission will be delivered.

The East of England APPG met with the Minister for Skills, Apprenticeships and Higher Education to discuss the issues holding back greater skills provision in the region and then, as part of the Levelling Up Delivery Partnership agreed between the APPG, EELGA and DLUHC, it was agreed to explore in more detail the barriers to more education and training and to identify solutions.

The result is this strategic framework document which has been written by partners from the region's Chambers of Commerce, local authorities, Universities, Further Education colleges and private providers.

It begins with an overview of the region's four Local Skills Improvement Plans; looks at how to increase apprenticeships; identifies what is needed to get infrastructure and funding right; and finishes with the required other actions to deliver levelling up. It also highlights a range of case studies of best practice across the region.

Local skills improvement plans

Norfolk and Suffolk, Hertfordshire and Bedfordshire, Essex, and Cambridgeshire and Peterborough all have well-defined local skills improvement plans (LSIPs) aimed at enhancing education, boosting employment, and addressing the mismatch between the skills possessed by the local workforce and the demands of the labour market. The following sectors were identified as priority sectors in most of the region's LSIPs:

- **Green Skills:** Norfolk and Suffolk for example have seen a surge in demand for green skills, particularly in the renewable energy sector. Skills such as environmental engineering, ecological surveying, and sustainable construction have become increasingly vital to keep up with a growing green agenda. Hertfordshire, Essex, and Cambridge are also witnessing an increasing need for green skills in eco-friendly agriculture, conservation, and renewable energy technology, aligning with the broader national and global focus on sustainability and environmental conservation.
- **Digital Skills:** The demand for digital skills is required in all the mentioned regions, with a focus on areas such as software development, data analysis, cybersecurity, and digital marketing. Employers are seeking individuals proficient in coding, digital content creation, and the use of various software tools and platforms as well as those with the technical skills to support the convergence of AI and Life Sciences.
- **Soft Skills:** Such as communication, teamwork, and adaptability play a crucial role in the success of individuals in these regions. Employers in all the regions consistently emphasise the importance of soft skills, recognizing that they are essential for effective collaboration, problem-solving, and innovation in the workplace.

Increasing Apprenticeships

Apprenticeship uptake has been impacted by the Apprenticeship Levy (2017) and Covid-19 such that all UK regions saw a fall in apprenticeship participation between 2018 and 2023. In 2022/23 apprenticeship participation rate per 100,000 for the East of England was 1,644 (approximately 1.6% of adults) compared with the South-West with the highest participation rate of 2,160 and London with the lowest at 1,120. **The East of England is the second worst - 8th out of 9 regions in England.**

The report identifies eight barriers to increasing apprenticeships and proposes ten solutions, summarised as follows:

- A)** Further devolution of all post 16 skills funding, including all funds raised by the Apprenticeship Levy, and further amendments to Apprentice Levy Transfers (which should be made more flexible).
- B)** Incentivise through tax credits companies to: a) volunteer their staff to provide teaching support on apprenticeship courses in key sectors; and b) support and encourage (especially via procurement) their UK supply chains to hire apprentices

C) Government should work with Local and Combined Authorities and regional partners to tackle the practical barriers which prevent young people from taking up apprenticeships including:

- *amending child benefit rules to ensure child benefit is maintained for apprentices under the age of 20*
- *being more flexible regarding the Maths and English elements of apprenticeships at Levels 1 and 2.*
- *ensuring Degree Apprenticeships have meaningful parity with academic Degrees, by:*
 - *provider funding for Degree Apprenticeships to be increased in line with funding for traditional university Degrees;*
 - *provider regulatory burden for Degree Apprenticeships to be decreased in line with regulatory burden on traditional university Degrees;*
 - *national campaign to dispel myths about Degree Apprenticeships in comparison to traditional university Degrees.*

CASE STUDY – Utilising devolved funding

Cambridgeshire and Peterborough Mayoral Combined Authority is an example of how devolution of skills budgets can drive success. In the past three years Cambridgeshire and Peterborough region has increased AEB participation, against a backdrop of national decline. It has achieved this by targeting further education cold spots, deprived areas and seldom-engaged cohorts. This has included diverting 50% of AEB funding to deprived areas, and fully funding ESOL (English for speakers of other languages) and bursaries for care leavers progressing into Further Education.

This success can be replicated with apprenticeships and can be used to drive the much-needed diversity in apprenticeship take up (especially in key sectors such as Aerospace, Artificial Intelligence, Automotive, Construction, Creative industries, Digital, Life Sciences, Nuclear, Offshore Wind, Rail, Tourism). We therefore call for a further devolution of skills budgets, for a single, devolved funding pot for all skills, post-16, including apprenticeships in order that system-wide solutions for regional skills challenges can be adopted.

Getting further education & other skills infrastructure and funding right

Three main challenges are identified in the report: lack of infrastructure, widespread teacher shortages, and insufficient and inflexible funding. Five specific recommendations are made, summarised as follows:

A) Increasing the Adult Education Budget in the East of England to support infrastructure projects including the delivering at least one more Institute of Technology in the region.

B) Greater funding and/or flexibility of funding to allow providers to:

- deliver the courses in skills that are in reality needed rather than just deliver qualifications;
- allow adults to acquire a free **second** Level 3 (A level, T level or NVQ) qualification, which is meeting a skills need linked to the local and/or regional economy;
- support initiatives to recruit and retain teaching staff within skills shortage areas.

C) There needs to be a region-wide plan to meet the need of Health and Social Care skills across the East of England.

Other actions to deliver levelling up

The following three barriers to the further uptake of skills, especially by young people, were identified: an increasing number of young people not in education, employment or training; a lack of access to employability skills training to progress into the workforce, including training in Maths and English; and a lack of awareness of training/earning routes available post-16/-18. A range of 'best practice' actions that the region is already taking forward are identified along with four recommendations for Government action, summarised as follows:

A) The Government's planned 'one stop shop' website, which will 'join up' and present the various support services and training opportunities available, should be launched as soon as possible.

B) We welcome the launch of the DfE's Skills for Life website and encourage the Government to avoid single 'product' campaigns (e.g. T levels) in favour of a 'know your options' approach so that young people and adults may make informed choices e.g. across A levels, T levels, apprenticeships and jobs at each age/stage/life transition point.

C) Funding for transport for young people to industry placements (for T levels; 45 days+ and work experience) and to meet the costs of travel to first jobs should be provided.

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The academic partners of the East of England APPG are the Centre for Public and Policy Engagement at the University of Essex, The University of Cambridge, Anglia Ruskin University and the University of East Anglia.

