



East of England

All Party Parliamentary Group

Co-Chairs: Jess Asato MP and Andrew Pakes MP

Vice-Chairs: Blake Stephenson MP & Marie Goldman MP

sent by email on 10/10/24

Dear Baroness Jacqui Smith, Minister for Skills

I am writing to you in my capacity as the Chair of the East of England Skills Working Group to introduce our work and outline a series of key issues regarding skills policy, which we believe are crucial in order for us all to succeed in delivering the Government's Opportunity and Growth missions. However, first, please may I congratulate you on your appointment as Minister for Skills and wish you all the best in this important role.

The East of England Skills Working Group is an alliance of local authorities, strategic businesses organisations and Further and Higher Education Institutions collaborating to improve employment and skills in the region. It was established following the previous administration's commitment to levelling up, which, when [examined in detail by the East of England APPG](#), found 'low confidence' that the skills mission would be delivered.

Work to date has included development of a well-received report, [Towards a Strategic Framework for Levelling Up Skills in the East of England](#), approved by the East of England APPG and shared with your predecessor in March 2024. We now want the East of England to play a central role in helping to deliver the Government's mission to break down barriers to opportunity and to kickstart economic growth. As this letter outlines, we are well placed to do so.

The East of England illustrates the challenges and the opportunities to break down barriers to opportunity and reduce inactivity within the workforce. The East of England is one of the most economically successful regions in the UK, contributing £163 billion GVA to the UK's economy (2021) and is a net contributor to the Exchequer. This potential is well set out in [Opportunity East: How the East of England will help deliver more economic growth through innovation](#).

However, skills participation has declined significantly over the past 10 years and whilst this is a problem nationally, the East had the lowest participation rate of all regions. There are also growing challenges around economic inactivity with 4% of the 16 to 64 population unemployed and a further 17% economically inactive. Despite this, across the region there are examples of how through good practice, and particularly devolution, Local Authorities working with the private sector can drive success.

Much of the work identified in the Strategic Framework report has strong synergies with the agenda of the new Government. You have rightly identified that the national skills system is too fragmented and not sufficiently aligned to the needs of businesses, and that addressing this is central to kickstarting growth. The creation of Skills England is a very welcome first step to address this, as is the commitment for it to work closely with local government and businesses.

As a group, we are already making significant progress towards these aims. However, to continue, it will be imperative to ensure policy design prioritises simplifying access to funding and to developing courses that will enable impact at scale. To achieve this, in addition to the nine priorities outlined in the Framework – see appendix below – we ask you to consider the following six reflections that we believe will help maximise opportunities for citizens and ensure businesses reach their economic potential.

1. **Commitment to continue Employer Representative Boards (ERBs).** Across the region, local areas have well-defined local skills improvement plans (LSIPs) aimed at enhancing education, boosting employment, and addressing the mismatch between the local workforce skills and demands of the labour market. However, beyond March 2025 the role and investment in ERB's and LSIPs remains unconfirmed. In the past 2 ½ years ERBs and LSIPs have gathered momentum and trust, successfully bringing together public and private sectors, to identify and respond to skills deficits. We recognise the Government may wish to review the work as part of wider changes to the skills system – and would welcome the opportunity to share learning from local engagement – but we also call for you to act now to clarify the future of this vital work as an early decision is required to prevent disruption through loss of staff and erosion of trust of business in the public sector.
2. **Level 7 Apprenticeship Changes.** The Government has set out proposals to change how apprenticeship levy funding is used. Whilst we welcome the opportunities this provides to respond to employer demand and increase accessibility for young people through growth of entry-level apprenticeships, shorter qualifications and pre-apprenticeships, we have concerns regarding reduction of funding for Level 7 courses. Some Level 7 apprenticeships do, in fact, act as 'entry-level' qualifications to key public sector professions, addressing current acute skills needs in our public services; the *Medical Doctor* and *Chartered Town Planner* apprenticeships, for example, not only contribute valuable skilled workforce numbers, but also diversify the pool of talent entering these professions, widening opportunity to reach available talent. Other Level 7 apprenticeships provide an important opportunity to upskill established NHS workers – for example, the *Advanced Clinical Practitioner* apprenticeship – upskill leaders, support career changers later in life, and enable businesses to respond to the ongoing transformation of the global economy. We would consider disincentivising employer uptake from these Level 7 programmes as disadvantageous to the region; it risks creating a significant high level skills gap that will constrain growth and high-quality delivery of key public services.
3. **Changes to migrant visas.** There is a need to protect migrant visas so that we continue to attract the best global talent to our science sector. This is also very important for the long-term financial sustainability of HEIs and ensuring our universities continue to have global impact.
4. **Public Sector Workforce Skills Pipeline.** There are acute shortages of staff across the health and social care and teaching sectors with this identified in our report as a sector with chronic and acute shortages in the region. Across the region, local areas are piloting approaches that respond to this challenge, including in Essex where the Health Anchors Programme, funded by Essex County Council, has delivered 225 economically inactive people into a health or social care career. This is an area that has recently faced reductions in funding, particularly the nursing bursary that we know has been a barrier to people securing a degree. Reduction of funding in Level 7 apprenticeships (above) would damage the pipeline further. We would

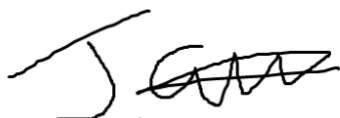
welcome dialogue with Government to share learning and develop a pilot to support more people into health, including dentistry.

5. **Ensuring access to good quality skills data.** A historic challenge that continues to stifle progress in reducing skills deficits is the accessibility of good quality and timely data. Almost always key data on skills deficit / need, employment and business growth is retrospective, often covering historic time periods many years previous – this is particularly true in growth industries. This significantly limits the value of the data as a predictive analytics tool or in developing local responses. The creation of Skills England including the incorporation of the Future Skills Unit, provides an opportunity to respond to this challenge and we would welcome the opportunity to work with the relevant Minister to explore opportunities to enhance data sharing.
6. **Devolution.** Finally, it is recognized that devolution is a key policy area of Government. Where deals have been agreed in the East of England, such as in Cambridgeshire and Peterborough the impact of activity such as devolution of Adult Education Budget has increased participation in skills. There remain a significant number of local areas without a devolution deal, including Norfolk and Suffolk where agreed deals have recently collapsed. Policy narrative focuses on Government working with MCAs to define local skills strategy, agree need and devolve funding; further clarity is required on the role of non-combined authorities in the short and medium term to avoid the unintended creation of a two-tier skills system.

In conclusion, the Working Group recognises the significant task ahead for your Department in responding to the skills challenge across the country but are more than willing to help in the East of England as we share your ambition to go much further and faster to achieve the shared aspiration to break down barriers to opportunity for our residents and businesses. As the Strategic Framework document, and the points raised in this letter, make clear, there are significant opportunities to increase the quantity and quality of skills provision in the East of England.

I would therefore like to request a meeting with yourself and the Parliamentary Officers of the APPG and/or to meet senior officials to discuss opportunities to work together. For example I am keen that we partner with your department and with Skills England to launch and/or pilot key initiatives. Senior officials are also most welcome at our bi-monthly Working Group meetings. I have asked Steve Barwick, who provides the Secretariat of the APPG and who has sent this letter on my behalf, to liaise with your officials regarding this. I am sure you would also be very welcome to address the East of England APPG at some time in 2025.

Yours faithfully,



Johnathon Cuthbertson

**Chair, East of England Skills Working Group
Head of Employability and Skills, Essex County Council**

APPENDIX

SUMMARY OF 'ASKS' IN TOWARDS A STRATEGIC FRAMEWORK IN THE EAST OF ENGLAND DOCUMENT

INCREASING APPRENTICESHIPS

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 solutions, summarised as follows:

- 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).
- Incentivise through tax credits companies to: (i) volunteer their staff to provide teaching support on apprenticeship courses in key sectors; and (ii) support and encourage (especially via procurement) their UK supply chains to hire apprentices
- 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:*
 1. *provider funding for Degree Apprenticeships to be increased in line with funding for traditional university Degrees;*
 2. *provider regulatory burden for Degree Apprenticeships to be decreased in line with regulatory burden on traditional university Degrees;*
 3. *national campaign to dispel myths about Degree Apprenticeships in comparison to traditional university Degrees.*

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. Some specific recommendations are made, summarised as follows:

- *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.*

- *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.**
- *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:

- *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.*
- *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.*
- *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.*