Local Skills Improvement Plan

Cambridgeshire and Peterborough

Aim of this Pack

This pack provides an initial view of the Cambridgeshire and Peterborough LSIP project and the emerging perceptions that have been developed from the work undertaken to date.

It provides a briefing for attendees for the first round of stakeholder workshops which are being run in February.

A second round of workshops are planned for the end of March into April that will provide attendees with an opportunity to support the development of interventions for the region that will be incorporated into the final report.

Background to the project

Objectives

Inviting everyone into the conversation:

- Working with employers, providers and any other stakeholders interested in contributing.
- Collaborating with stakeholders to create a more dynamic partnership between employers and further education providers.
- Ensure appropriate representation of groups who historically have not contributed to conversation.

Creating meaningful recommendations:

- Identifying the key priorities and changes needed to ensure education is more closely aligned to local labour market needs. With a thematic focus on Green and Digital jobs.
- Working with stakeholders to ensure recommendations are clear, actionable and sustainable.

Find out more about the LSIP here and please email lsip@cambscci.co.uk to contact the core team.

Contents

- LSIP background
- What we want from you
- Progress so far
    a. Data analysis
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- Emerging perceptions
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- Appendix

Find out more about the LSIP here and please email lsip@cambscci.co.uk to contact the core team.

What is an LSIP?

Local Skills Improvement Plans are designed to set out the key changes needed in a local area to make technical skills training more responsive to employers' needs.

LSIPs will:

- Place employers at the heart of local skills systems
- Facilitate direct and dynamic working arrangements between employers and providers
- Provide an agreed set of actionable priorities that employers, providers and stakeholders in a local area can get behind to drive change
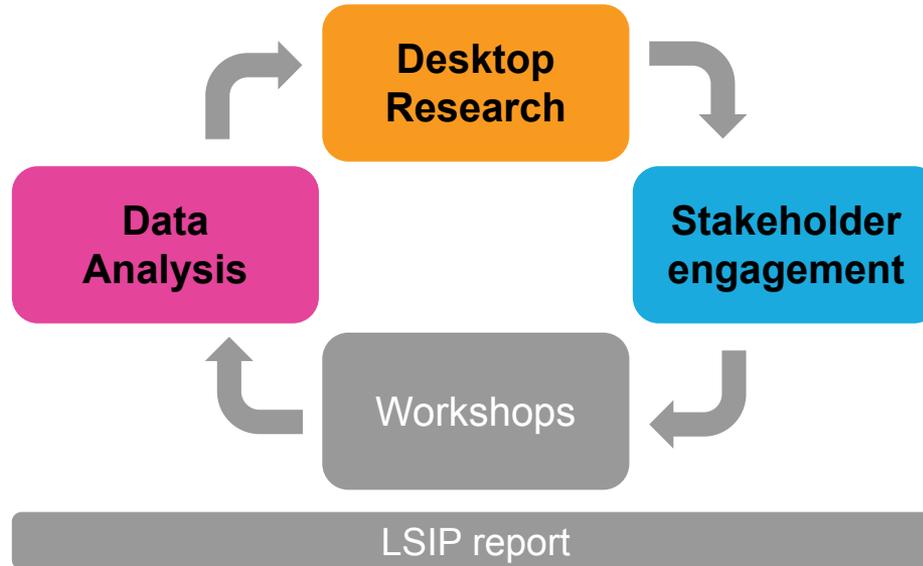
Dec 22- April 23	LSIP Report Development
May 23	LSIP Report Published
June 23	LSIP Report Maintenance
June 25	LSIP Report refresh (3 yrs)

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Roles
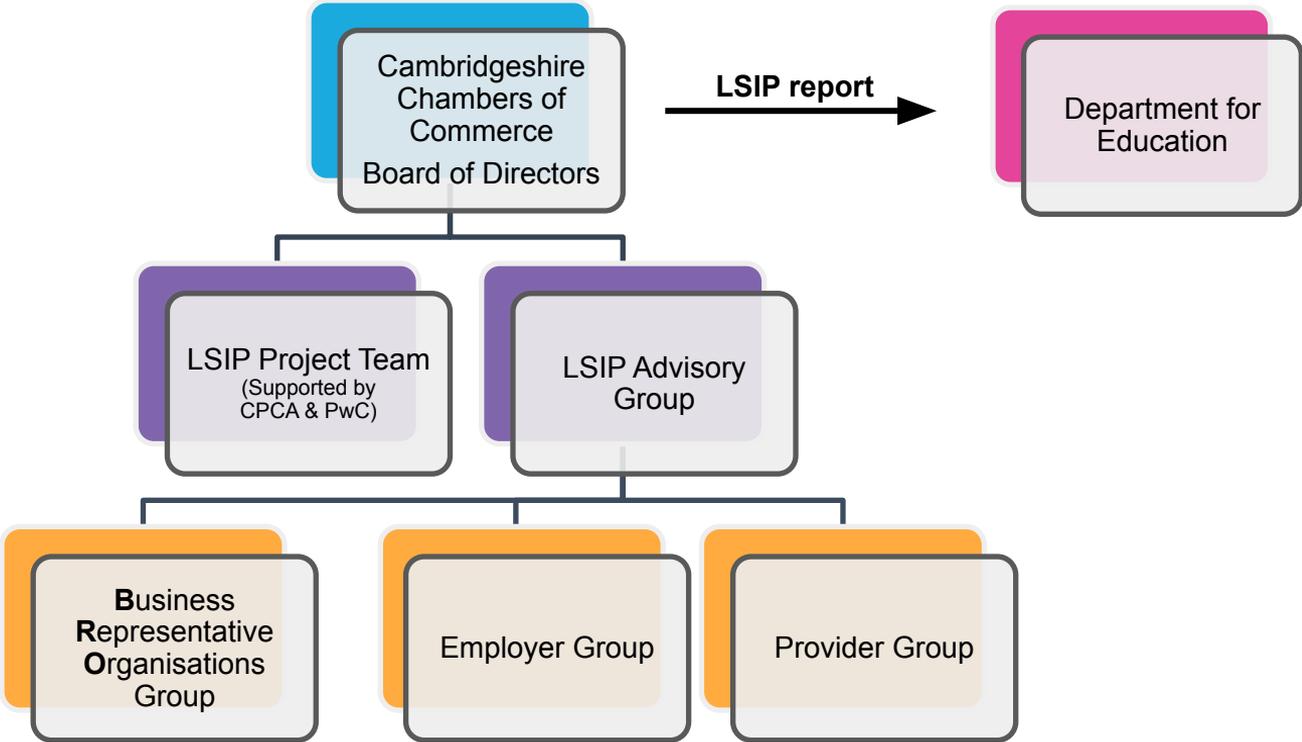
Overview of the Approach

There are 4 key elements that make up our approach:

What we need from you

What we need from you

Cambridgeshire Chambers of Commerce

The report will be building on the work of the Combined Authority but will aim to also offer new insights that will add value to the region's skills profile.

In order to ensure that we are delivering skills priorities which are responsive and relevant to both providers and employers, we need your support in **validating and developing our insights** for the report.

Actions…

- Please complete the survey!

- Start thinking about whether the emerging perceptions resonate with you, and if not, why?

- As potential employers, are there any barriers faced accessing existing training?

- As potential providers, are there any barriers faced in meeting employers needs?

- As potential employees or potential students, what are your main challenges to accessing the right skills for employment?
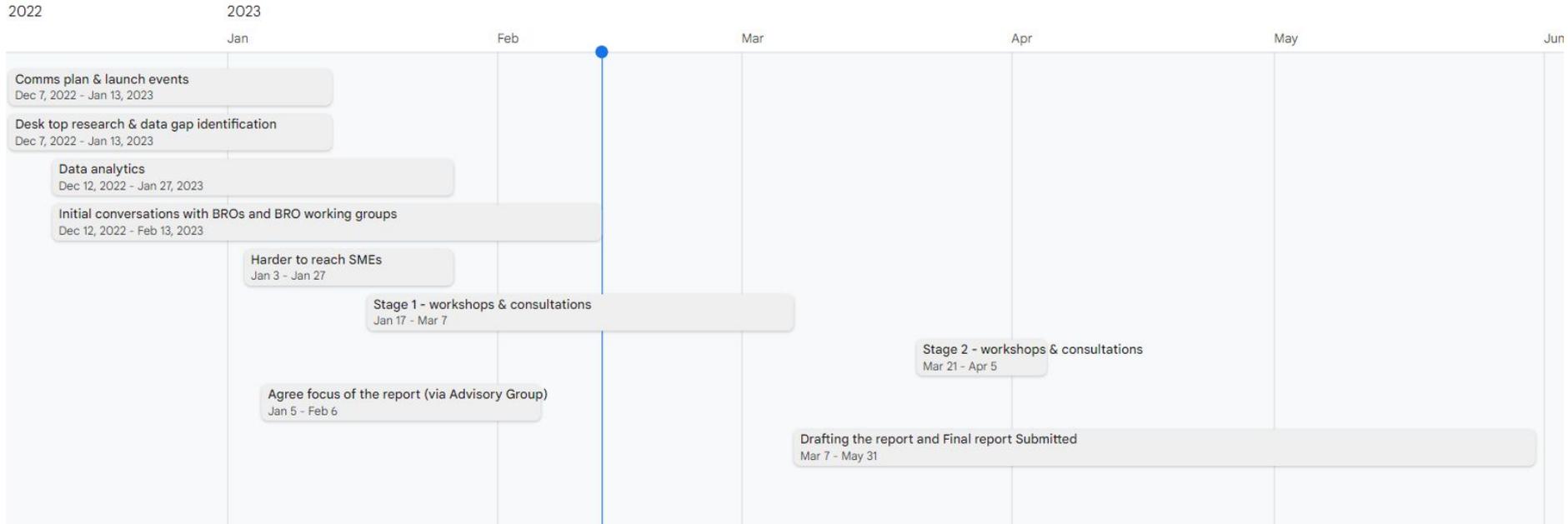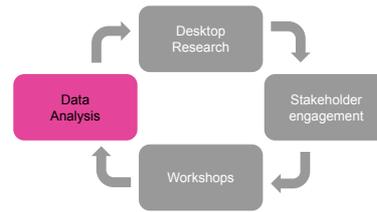
Progress so far

Project overview

Data Analysis

Data Sources:

Nomis - The Office for National Statistics data provides a view of the official census and labour market statistics

Lightcast - A source of labour market analytics used by the Combined Authority and many education providers. It provides a view of the recruitment activity, and the associated skills. It also provides a view of the education supply within our region and aligns it to the recruitment activity.

Unit for Future Skills - A new team in the DfE that aims to improve the quality and availability of data on skills and jobs.

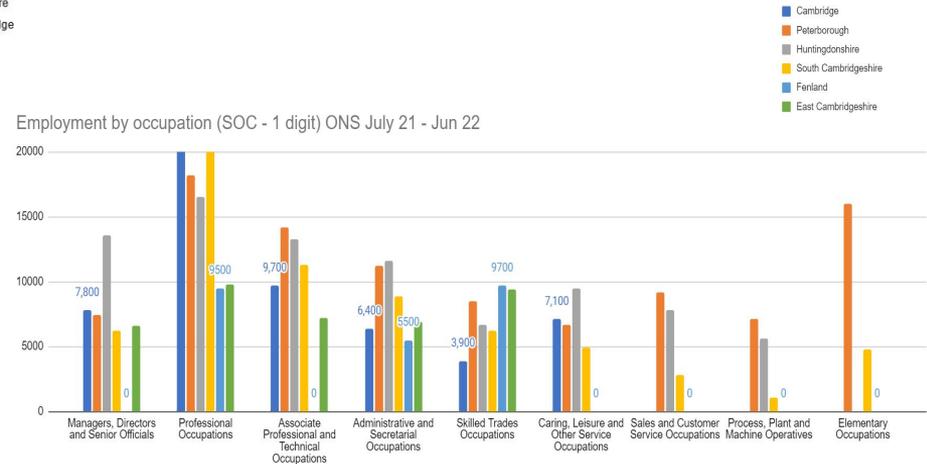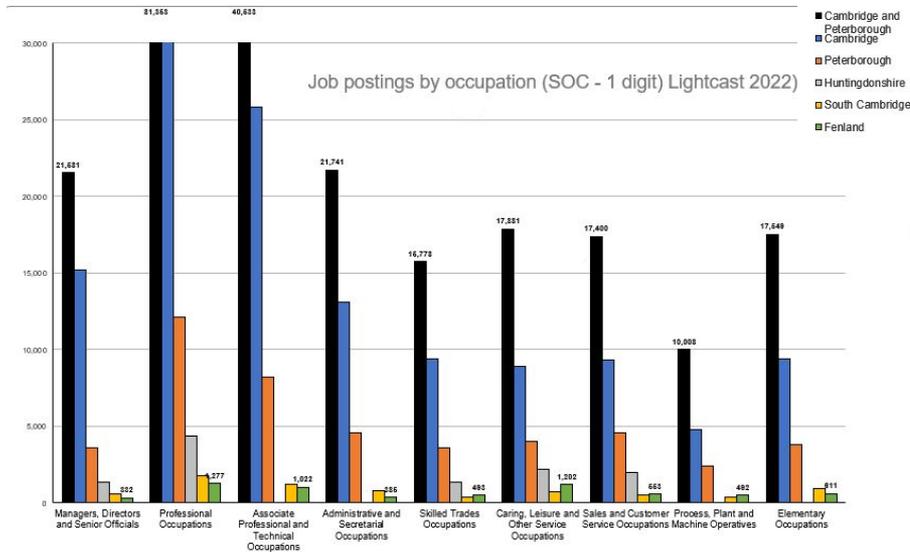| Core req.	Stage A	Stage B	Stage C	LSIP Report
	Articulating employers' skills needs – what are the skills employers need locally, but struggle to find?	Translating employer needs into changes in provision – how can those needs best be met by providers in more responsive ways	Addressing learner demand and employer engagement – what can local stakeholders and employers do to raise demand for and make better use of those skills	

Main Challenges

● The coding of Employment is via SOC and SIC codes, they do not match directly with the coding approach used for Education which is by SSA which are being replaced by the IfATE Occupational Maps.
● The coding approach for skills is not standardised in the UK. Lightcast uses it own skills taxonomy and splits skills into Common and Specialised skills but it is unable to create a direct link between workforce skills and education supplied skills.

Workforce overview
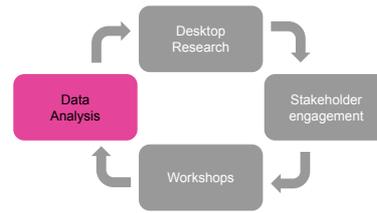
We have undertaken a review of the available data for the region to generate an Employability Profile, and provided example charts in the following pages.
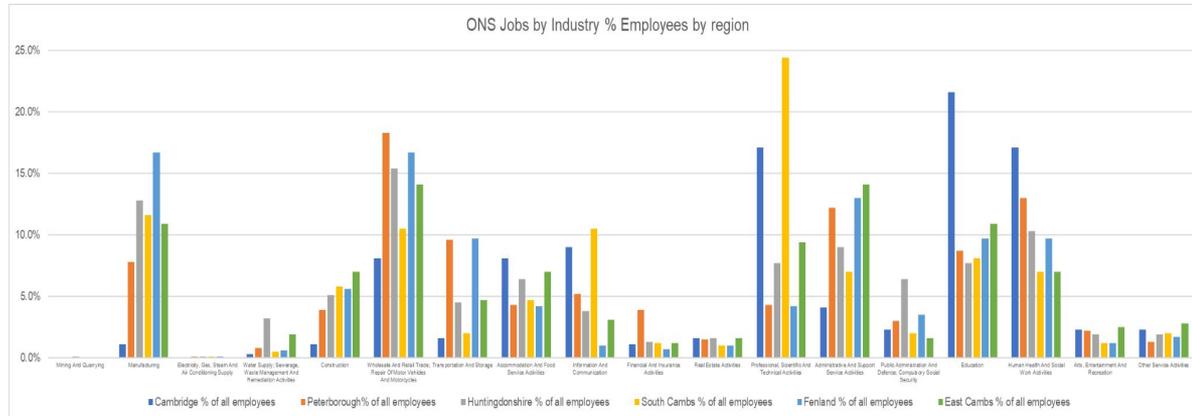

Job postings by occupation (SOC - 1 digit) Lightcast 2022

Employment by occupation (SOC - 1 digit) ONS July 21 - Jun 22

Whilst any review will require detailed information to draw specific conclusion a review of Job posting and Employment by SOC 1 confirms variability of employment and recruitment across the region. Professional Occupations account for 34% of unique postings and 29% of employment across the region and appears to be the most important sector and appears across each district. Process plant and machine operatives has the lowest level of recruitment activity 3.8% compared to 3.5% for employment reported in only 3 of the 6 districts.

Employment
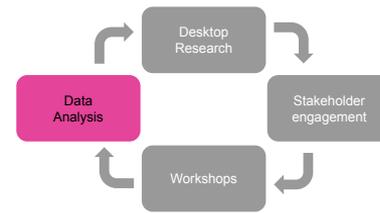
A more detailed view of employment by the UK Standard Industrial Classification (SIC) codes from the ONS Business Register and Employment Survey 2021(BRES).

ONS Jobs by Industry % Employees by region

Cambridge % of all employees | Peterborough% of all employees | Huntingdonshire % of all employees | South Cambs % of all employees | Fenland % of all employees | East Cambs % of all employees

Occupation	% of all employees
Mining And Quarrying	0.0%
Electricity, Gas, Steam And Air Conditioning Supply	0.1%
Water Supply; Sewerage, Waste Management And Remediation Activities	1.1%
Real Estate Activities	1.3%
Financial And Insurance Activities	1.7%
Arts, Entertainment And Recreation	2.0%
Other Service Activities	2.0%
Public Administration And Defence; Compulsory Social Security	3.3%
Construction	4.1%
Transportation And Storage	5.0%
Accommodation And Food Service Activities	5.9%
Information And Communication	6.3%
Manufacturing	8.7%
Administrative And Support Service Activities	9.2%
Education	11.6%
Human Health And Social Work Activities	12.0%
Professional, Scientific And Technical Activities	12.4%
Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	13.3%

A Standard Industrial Classification code or SIC code is a 5-digit code that classifies a business's main area of economic activity and is used for sorting companies into categories. It must be chosen from an official list of SIC codes.

Business Profile
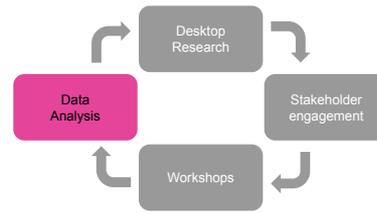
A more detailed view suggests…

One area of consistency is the significant proportion of Micro employers to the region. Across all districts there are more than 77% with less than 10 employees. Businesses with more than 50 employees represent less than 5% of the workforce.

Profile of regional businesses by size - ONS

Skills in Demand

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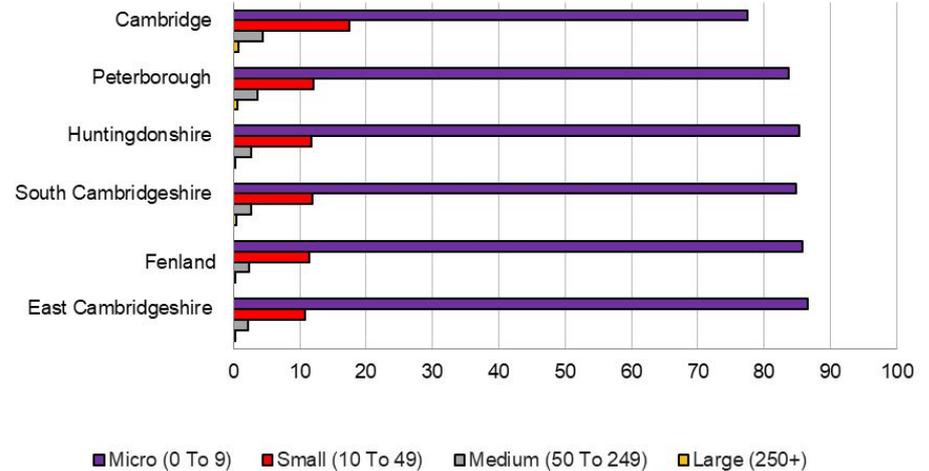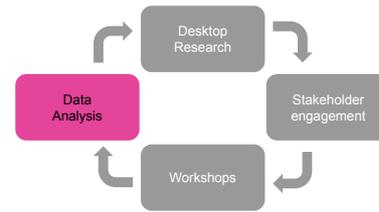
Skills Analysis has been produced from Lightcast data that identifies the frequency of postings of skills and classifies the skills within job postings into two categories:

- **Common Skills -** not related to a specific occupation - suggests that communications and Management are the top 2 most requested skills and that microsoft excel is only in the top ten of one Huntingdonshire

- **Specialised Skills -** Across all region the top 10 specialist skills represent between 40-50 of all skills being requested. Marketing is the most requested skills across the region with a combined total of 29%, with Finance, Auditing, and Warehousing being the most requested skills with over 20%for each.
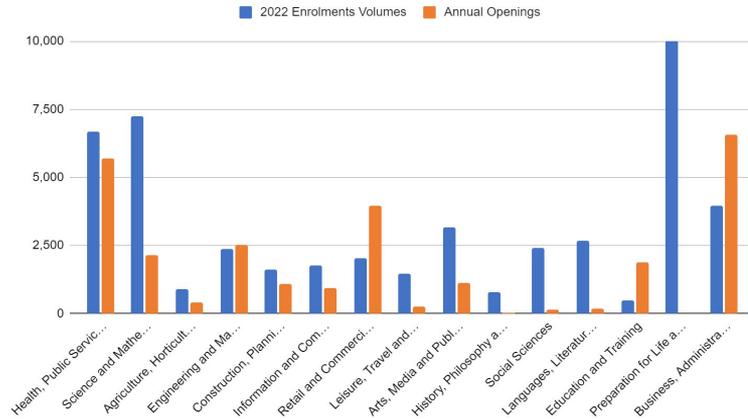

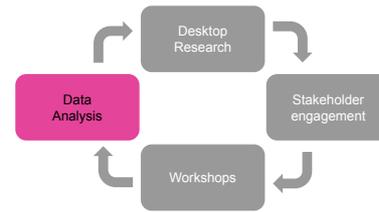Top Common Skills by Region from Lightcast

Top Specilaised Skills from Lightcast
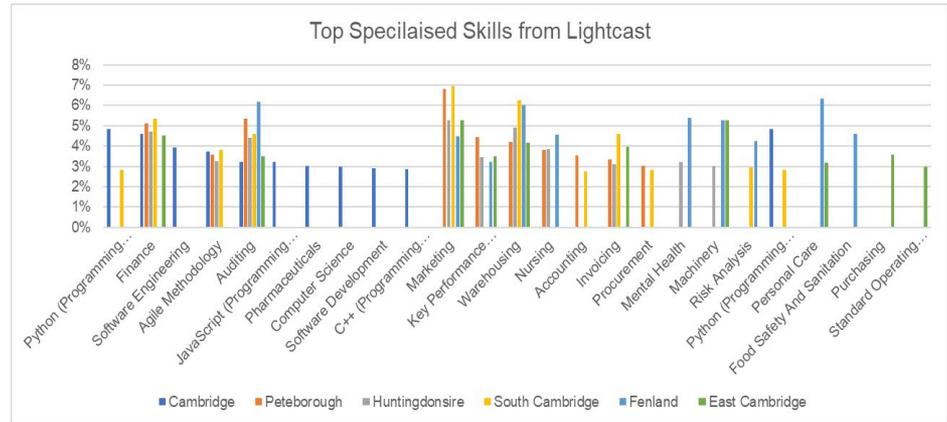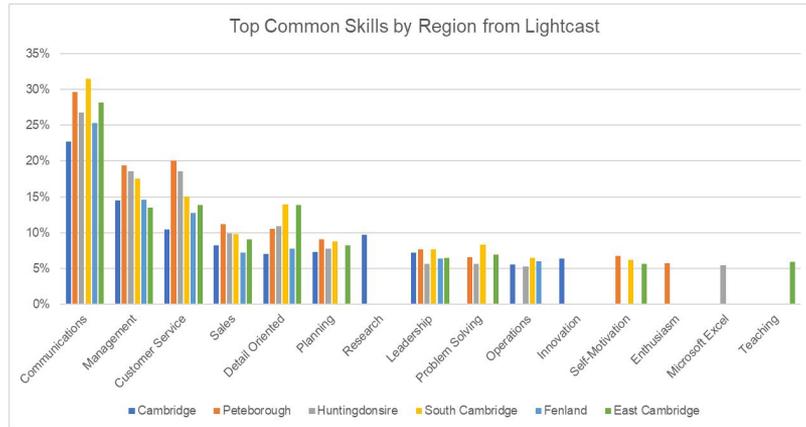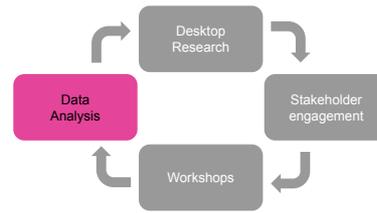
Skills Supply

Supply Side Skills by Region by SSA

2022 Enrolment by annual openings from Lightcast

■ 2022 Enrolments Volumes   ■ Annual Openings

Cambridgeshire and Peterborough					
Program	2020 Enrolments Volumes	2021 Enrolments Volumes	2022 Enrolments Volumes	Annual Openings	Regional Jobs (2021)	Regional Jobs (2022)
Health, Public Services and Care	5,615	6,368	6,696	5,707	105,486	106,825
Science and Mathematics	6,838	6,900	7,240	2,140	42,308	42,857
Agriculture, Horticulture and Animal Care	738	993	893	402	10,493	10,594
Engineering and Manufacturing Technologies	2,925	2,631	2,389	2,526	67,948	68,786
Construction, Planning and the Built Environment	1,777	1,859	1,619	1,101	29,199	29,597
Information and Communication Technology	1,663	1,982	1,758	920	27,984	28,397
Retail and Commercial Enterprise	2,503	1,850	2,033	3,947	106,382	107,411
Leisure, Travel and Tourism	1,827	1,380	1,463	237	5,967	6,010
Arts, Media and Publishing	3,205	3,083	3,164	1,111	29,867	30,407
History, Philosophy and Theology	787	763	787	39	1,164	1,180
Social Sciences	2,126	2,174	2,399	129	2,466	2,473
Languages, Literature and Culture	3,554	2,696	2,656	190	3,999	4,110
Education and Training	339	403	490	1,897	40,146	41,075
Preparation for Life and Work	24,258	21,096	22,372	0	0	0
Business, Administration and Law	4,242	4,131	3,958	6,547	179,139	180,754
	62,397	58,309	59,917	26,893	652,549	660,476

Desktop Research
Stakeholder engagement
Data Analysis
Workshops

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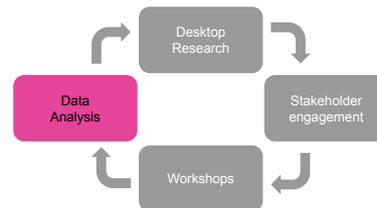
Skills Mismatches

Lightcast view expressed as supply - demand removing SSA14 Preparation for life and skills which has not been mapped. It uses delivery postcode not learner home postcode and therefore travel to learn is not included in this view.

**We have deliberately used enrolment volumes instead of achievements.**
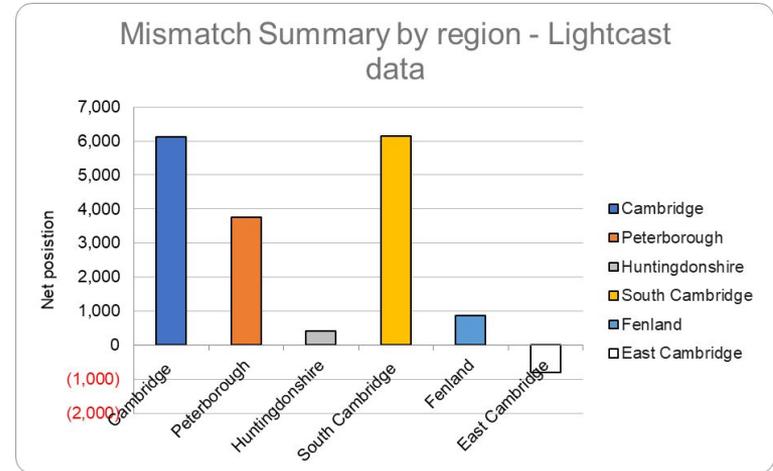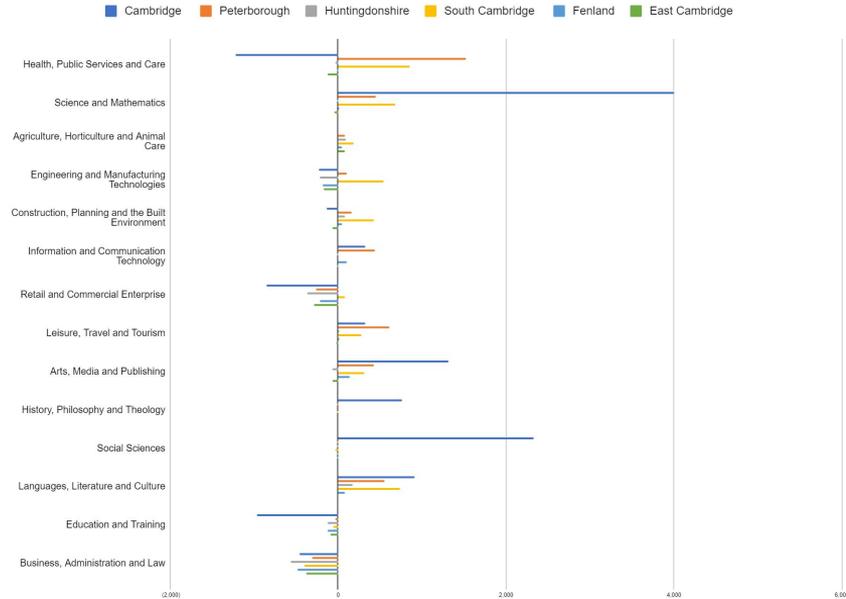
Digital Theme

Using the SOC4 codes provides by Cambridge Insights we have reviewed the recruitment activity of Digital Occupations using the Lightcast dataset. Whilst this coding approach provides a classification by occupation it does not identify the jobs that are being impacted on by digitisation and therefore provides a narrow view of this theme.

SOC	Digital Occupation	Cambridge and Peterborough	Cambridge	Peterborough	Huntingdonshire	South Cambridgeshire	Fenland	East Cambridgeshire
1136	IT and telecommunications directors	555	424	68	37	5	7	14
2133	IT specialist managers	200	135	35	24	4	2	0
2134	IT project and programme managers	1,226	956	157	66	40	2	5
2135	IT business analysts, architects & system designers	3,965	3,076	519	227	65	17	61
2136	Programmers and software development professionals	14,330	12,650	954	289	287	45	105
2137	Web design & development professionals	1,684	1,485	136	32	21	2	8
2139	IT & telecommunications professionals not elsewhere clas	2,725	2,245	271	85	82	16	26
3131	IT operations technicians	2,548	1,936	368	108	95	20	21
3132	IT user support technicians	2,891	1,765	718	256	84	15	53
5242	Telecommunications engineers	329	198	87	20	8	6	10
5245	IT engineers	416	388	6	12	9	0	1
	Total (all digital occupations)	**30,869**	**25,258**	**3,319**	**1,156**	**700**	**132**	**304**

Green Theme
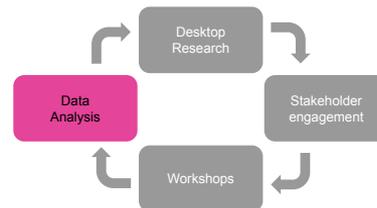
Using the [SOC4 codes provides by Cambridge Insights](#)* we have reviewed the recruitment activity of Green Occupations using the Lightcast dataset. The occupations identified have been classified into 3 broad categories.

Green category	Description	Examples of SOC2010* occupations	Examples of green-related jobs	Total Unique Postings (000's)
Green increased demand	Green occupations are not subject to any significant change in work and worker requirements, but are in increased demand due to greening. The context of work might change but the competencies and tasks remain the same.	Construction operatives n.e.c.** Carpenters and joiners Bus and coach drivers	Insulation installers Construction carpenters Bus drivers	32
Green enhanced skills	Green occupations are not new but are subject to significant changes in work and worker requirements, which may or may not be associated with a change in demand. The essential purposes of the role remain the same, but tasks, skills, knowledge and external elements, such as credentials, are altered.	Plumbers and heating and ventilating engineers Vehicle technicians, mechanics and electricians Finance and investment analysts and advisers	Renewable energy engineers Electric vehicle mechanics Directors of sustainability	40
Green new and emerging	The impact of green economy activities and technologies is sufficient to create the need for unique work and worker requirements, resulting in the generation of new or renewed roles. These new roles could be entirely new or 'born' from existing occupations.	Management consultants and analysts Actuaries, economists and statisticians Marketing associate professional	Sustainability consultants Environmental economists Green marketers	25

Green Theme
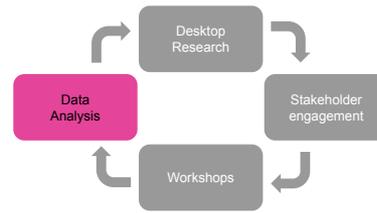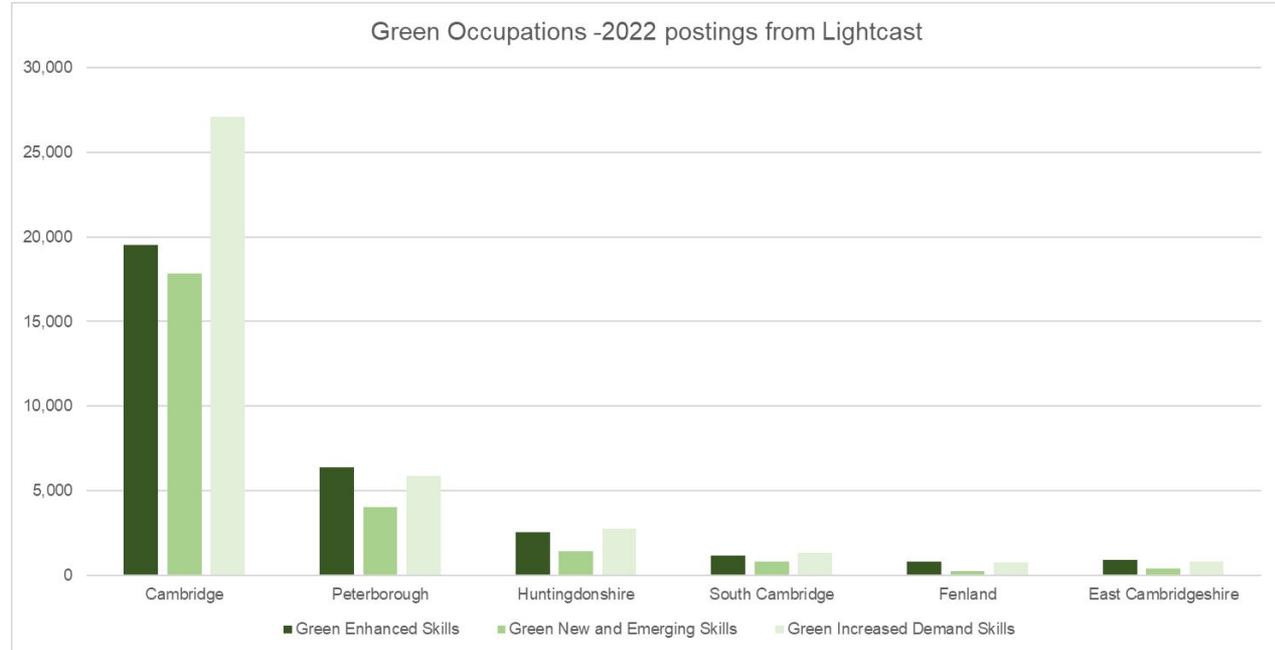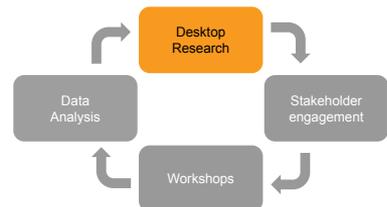
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Green Occupations -2022 postings from Lightcast

Legend: Green Enhanced Skills | Green New and Emerging Skills | Green Increased Demand Skills

Desktop Research

- We performed a literature review on all of the relevant skills focused documents, provided by the Combined Authority, to assess the baseline skills of the region and sector demand.
- We also assessed the report strengths and weaknesses so we can take these learnings to generate a skills plan which builds upon previous work in the area.
- The following report has been reviewed:

Document	Date	Author	Document	Date	Author
Skills Strategy	Jun-19	Cambridge & Peterborough CA	Employment Skills and Strategy	2022	Cambridge & Peterborough CA
Cambridgeshire and Peterborough Local Skills Report Refresh	Jan-22	Cambridge & Peterborough CA	A Digital Sector Strategy for Cambridgeshire & Peterborough	Mar-19	CW (Cambridge Wireless) & Anglia Ruskin University
Cambridgeshire and Peterborough Local Skills Report Refresh	Dec-21	Cambridge & Peterborough CA	Independent Economic Review	Sep-18	CPIER
Cambridgeshire and Peterborough Local Industrial Strategy	Jul-19	Cambridge & Peterborough CA	Adult Education Budget Devolution Evaluation	Nov-20	Cambridgeshire City Council & Cambridgeshire Research Group
Cambridgeshire & Peterborough Local Economic Recovery Strategy (LERS)	Mar-21	Cambridge & Peterborough CA	CA Business Plan 2022/23	2022	Cambridge & Peterborough CA
LSIP Trailblazer reports	Apr-22	Trailblazers ERBs	Cambridgeshire and Peterborough Economic Growth Strategy	Jun-22	Cambridge & Peterborough CA

Stakeholder Engagement
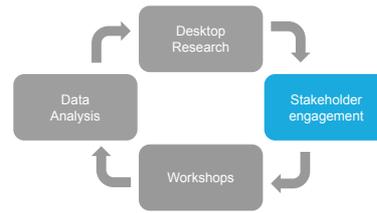
Targeted data collection

We initiated targeted data collection with the Business Representative Organisations (BROs), specifically to engage the 'hard to reach' groups and establish learner demand.
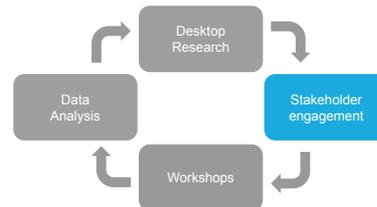
Wider stakeholder engagement

We have also held interviews and roundtable discussions with employers, learners and education providers to understand:

- The barriers faced by employers accessing existing training
- The barriers faced by providers in meeting employers needs
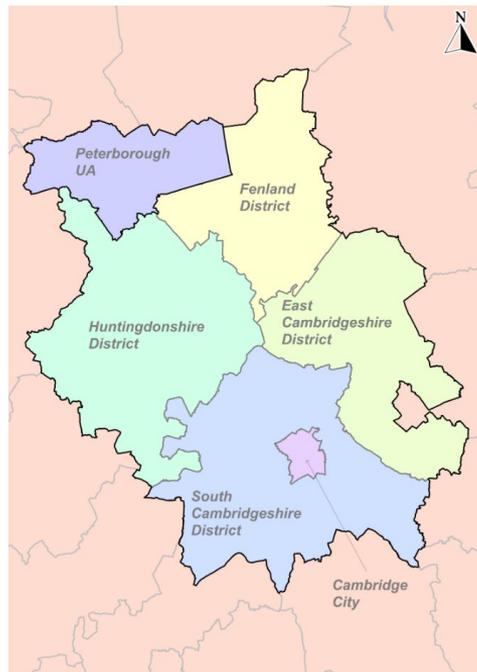
BROs

BROs - National reach

CBI

FSB

IoD

NFU (England and Wales)

CITB

Make UK

BROs – local reach

Cambridge Ahead

Allia Future Business Centre

Innovate UK Edge

Cambridge Network

Opportunity Peterborough

Business & IP Centre Cambridgeshire and Peterborough

Form the Future

Road Haulage Association

Fenland for Business

Shift Momentum

Ely Cathedral Business Group

Smart Manufacturing Alliance

Cambridge Wireless

Cambridge United Business Club

Greater Cambridge Partnership

Emerging Perceptions to Discuss

Emerging Perceptions

At this stage of the project we are collating all stakeholders perceptions of the skills system. These have not been validated and we recognise that some may not be factual. We will continue to refine these through our stakeholder engagement. Some of the perceptions will also fall outside of the scope of the LSIP.

Context

Significant regional differences

The skills required and qualifications vary across the region, creating disparities in terms of wealth and sector focus.

Inconsistency in transfer of skills across sectors

Some sectors require a distinct workforce. This creates a skills gap as roles are harder to fill through transfers between sectors.

Fundamental issues in the education system

The system is focused on and constrained by the financial viability and the performance of provision rather than regional employability.

Funding and Curriculum

AEB and Apprenticeships Funding

There is a mismatch between the expectation of employers and the skills the individual has when they start a role.

Perceived inflexibility of provision

There is less flexibility for Full-Time work for the 16/18 year old cohort in Technical education as they will be expected to be taking T-Levels, Study programmes or Apprenticeships. These are all rigid 2 year programs that do not provide the skills .

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Skills shortages

Low appeal of traditional roles

There is a need to change the perception of traditional industries, such as Farming, and the apprenticeships which are offered. How do we encourage young people into these roles?

Lack of understanding of skills required

There is a lack of understanding what skills are required for the job, creating a barrier in the education sector. Both Employers and providers do not speak a common language of skills.

Impact of Covid on skills

Face-to-face and interpersonal skills have been adversely impacted.

Schools leavers going straight into work with insufficient training & skills

School leavers are going straight into work so are missing out on upskilling and further career progression. There are lower than average rates of progression from school into Higher Education, Further Education and apprenticeships, with variation across places – some places deliver more apprenticeships, while in others there is higher uptake of academic routes.

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Skills shortages

Skills gap in low and mid-level, skilled roles

These require strong work-related and technical training.

Soft skills

There is a lack of work 'readiness' - honesty, reliability, willingness to work and attitude to work are seen as the key skills which are missing.

ROI for training and workforce development is unclear

Businesses, particularly SMEs, do not have the capacity to spend time outside of their day job understanding their future skills needs. There is lack of investing in training.

Mismatch between skills wants and needs

Students may want the skills employers don't need. An example is a forensic or psychology degree where the applicant is in an admin role.
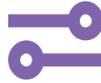
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Labour shortages

Diversity & Equality

Transport

Employee market

Mentoring

Women returning to the workplace

Transport impacts the regions access to skills. Bus services are lacking in particular and this disproportionately affects young people.
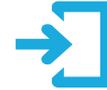
The labour market is experiencing retention issues. It is now an employee, rather than an employer market, heightened by the effects of Covid and Brexit.

School leavers can be demonised but they have a lot of skills which the older population doesn't have. Is there an opportunity for reverse mentoring to fill potential skills gaps?

Women often face skills gap when they are returning to the workplace. There is limited support and opportunities for upskilling provided for them.

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Emerging Perceptions

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Cross-cutting themes

Green

- How is the 'green' transition affecting organisations and future skills needs?
- Skills will be transferable across sectors, creating more competition and labour shortages.
- Should employers consider how they 'brand' their company? (whilst avoiding greenwashing)
- We need to be clear on the definition of 'green'.

Digital

- How is the 'digital' transition affecting organisations and future skills needs? There is a need to upskill the workforce - particularly the middle-aged population
- It is important to understand digital skills can vary - there is a difference between being able to use Microsoft Teams vs using a coding language.
- The education system can't keep up with the pace of digitalisation.

Hard to reach

Identifying and targeting

- There needs to be a clear value proposition for organisations, particularly SMEs, to engage. What will they get out of it?

Engaging

- Confidence and clarity are often seen as barriers for employers to engage.

Agenda for the workshop

| Introductions | Background | **Activity 1: validation and actions -** skills shortages, labour shortage and diversity and inclusion | **Activity 2: validation and actions -** context, funding and curriculum, cross-cutting themes and hard to reach | **Next steps** |

Thank you