Cambridgeshire and Peterborough Local Skills Improvement Plan

10 August 2023

This Local Skills Improvement Plan has been approved by the Secretary of State in line with the approval criteria set out in the [Skills and Post-16 Education Act 2022](#)*, and in accordance with the* [LSIP statutory guidance](#)*.*

Contents

Foreword

Foreword provided on behalf of the Cambridgeshire and Peterborough Combined Authority:

"The Combined Authority has worked closely with the Cambridgeshire Chambers of Commerce in its new role leading the Local Skills and Improvement Plan (LSIP). We are committed to the success of what will be an important component of a world class skills system that we want to embed across Cambridgeshire and Peterborough. Indeed, the LSIP has adopted our new Employment and Skills Strategy, published in January 2022 and has built on the existing evidence and analysis that we commissioned.

One aspect our skill strategy makes clear is the need for employers to be at the heart of skills provision. We welcome working with the Chambers on ensuring that the skills offered in the region match the demand of employers, supporting business growth and improved prosperity for all. In a complex system of learners, the education sector and employers, the Combined Authority is committed to working collaboratively to ensure a more joined up, better, simpler skills future for Cambridgeshire and Peterborough, of which the LSIP will be a welcome part."

Councillor Lucy Nethsingha,

Deputy Mayor and Lead Member for Skills,
Cambridgeshire & Peterborough Combined Authority

Executive Summary

This report provides the context for skills needs within the Cambridgeshire and Peterborough region as defined by those existing priorities established by the Cambridge and Peterborough Combined Authority (CPCA) and additional needs that have been identified by the Cambridgeshire Chambers of Commerce through research and stakeholder engagement with a wide range of businesses.

Whilst the business engagement has been successful in terms of numbers, the difficulties cited by many employers in accessing and navigating the regional and national skills system continues to be a factor into their perceptions about the effectiveness of the system and its ability to identify and meet their skills needs.

This report is set out to meet the specification of the Department for Education (DfE):

- **Part 1: The LSIP Priorities**

    In this section of the report, we set out the regional characteristics of Cambridgeshire and Peterborough and explain the key strengths and challenges. It sets out the strategic priorities in the following three categories: Sector growth priorities, Cross-sector skills priorities and a focus on Digitalisation and Low Carbon.

- **Part 2: Taking the LSIP Priorities Forward**

    In this section of the report, we document the priorities for providers, some of which are already being delivered or are part of future delivery plans for the region. It describes the specific skills and competences that have been requested by employers. These insights have been gathered through our data analysis and stakeholder engagement either in person or via the online surveys.

    We have not been provided with comprehensive evidence from employers that their skills needs are not met by the range of provisions delivered by the current providers. The fundamental issues identified from the stakeholder engagement suggest that employers require consistent support to articulate their needs in terms of skills and on-going support to navigate the skills system and to understand the opportunities and benefits that can be gained from transferrable skills. Therefore, the focus of this report is to signpost the skills required and to provide consistent structures for a wider range of employers in accessing and developing the skills required through enhanced engagement.

- **Part 3: Delivering the LSIP Priorities**

    In this section of the report, we set out the emerging solutions and a roadmap for delivering the LSIP. It establishes specific actions for stakeholders, bringing out how the whole will be greater than the sum of its parts. These have been developed through the analysis and validation of the perceptions and their solutions discussed in the two rounds of the stakeholder workshops and through additional consultation with stakeholder groups including the CPCA, business representative organisations (BRO's) and education providers. More details are available in **Appendices 11 and 12.**

    It is expected that these proposals will be refined as part of the ongoing implementation of the LSIP between June 2023 and March 2025.

- **Annex A** - Local strategic context and priorities relevant to the LSIP: Provides additional contextual information that is required to be understood when developing an LSIP for the region.
- **Annex B** - Background and Method: This section set out the key phases of implementation and engagement in the development of this LSIP report. Its sets out the key features of mobilisation, wider engagement, our research and analysis and our approach to the survey. Additional details are included in **Appendices 1,2,14,15 and 17**.
- **LSIP Report Appendix** which provides additional insights and information that could not be incorporated into the main body of the report.

The priorities established within this report will be communicated to the region via multiple channels and the progress with the solutions will be monitored and reported via periodic communications and an annual report. In its role as the Employer Representative Body (ERB), the Cambridgeshire Chambers of Commerce will support the delivery of actions/changes identified in the approved Local Skill Improvement Plan. As the ERB, it will seek to build upon the successes of stakeholder engagement from stage one.

Disclaimer

This is a publication of priorities resulting from the work of the LSIP project and all information, opinions and data contained herein are given as of the date of publication 11th August 2023 and are subject to change. Cambridgeshire Chamber of Commerce assumes no responsibility or liability to any third parties for any errors or omissions in the content of this report. The information contained within this report is provided on an "as is" basis with no guarantees of completeness, accuracy.

Introduction

Overview of the LSIP

The Local Skills Improvement Plan (*LSIP*) is a business-led and locally owned approach to bringing together employers, education and training providers and other key local stakeholders to better understand the priorities for the region's post-16 technical education landscape. The LSIP is set in statute in the Skills and Post-16 Education Act 2022. This means that the DfE is committed to funding independently led employer-driven activity to shape skills provision at a regional level. Cambridgeshire Chambers of Commerce and Industry (the Chamber) is the appointed Employer Representative Body (*ERB*) for the development of the Cambridgeshire and Peterborough LSIP.

As documented in the Department for Education LSIP Guidance[1], all post-16 technical education or training is in scope and an LSIP is not intended to be a comprehensive list of all skills gaps in the area. The process has been designed to allow employers working with the Chamber as the designated ERB to identify the most pressing skills issues informed by local economic strategies, employment and skills plans and engagement with stakeholders.

In defining the scope of work for the Cambridgeshire and Peterborough LSIP the Cambridgeshire Chambers agreed that it would:

- Work in partnership with the CPCA and draw on existing data and analysis.
- Target hard to reach employers defined as those not normally consulted by skills providers and funders.
- Build on and align with specific sectoral skills initiatives.
- Amplify the voice of those employers or sectors that most struggle to be heard through existing
- stakeholder routes, such as small employers.
- Provide a coherent articulation of cross-cutting issues such as Green (low carbon), Digital (digitalisation) and essential and transferable skills affecting businesses in all sectors.

Ultimately the LSIP process will help facilitate a stronger and more responsive relationship between employers and providers within the Cambridge and Peterborough region. All employers are encouraged to become co-producers or producers of skills; local skills providers have access to regional support to maintain their alignment to the current and future needs of the regional economy. LSIPs can support this by identifying ways that local employer-led activities can complement and supplement publicly funded provision.

Format of this report

This report is set out to meet the specification of the DfE:

- **Part 1: The LSIP Priorities**
- **Part 2: Taking the LSIP Priorities Forward**
- **Part 3: Delivering the LSIP Priorities**
- **Annex A - Local strategic context and priorities relevant to the LSIP**
- **Annex B - Background and Method**
- **LSIP Report Appendix**
- **Approval of the LSIP report**

We have captured the work and projections of stakeholders in the skills system and we have used skills data from a variety of sources, including a review of all the CPCA's key skills documents (see **Appendix 1**).

---

[1]Department for Education, Statutory Guidance for the Development of a Local Skills Improvement Plan (2022)

The status of this LSIP

This section of the report provides an update on the Chambers current position with respect to the LSIP processes in its role as the Employer Representative Body (ERB).

This report provides an evaluation of the observed alignment between regional employers' skills needs (demand-side skills) and the skills provided through existing training and education (supply-side skills). It seeks to identify insights and opportunities for supporting activities in the region and continue efforts to co-align these. It also recommends a range of possible activities that will provide optimisation of the regional skills system.

This report remains a draft report, until approved by the Department for Education on behalf of the Secretary of State.

Changes and approach to achieving the solutions

Changes the LSIP is seeking to achieve
The LSIP is seeking to enhance the relationships between the education stakeholders and businesses in the region, ensuring where good practice exists it is easily accessible to all and where challenges exist, they are easily acknowledged and the stakeholders are working towards improving these. This will minimise confusion and create consistency across the region.

The approach for achieving the actions and solutions
In order to achieve this, there must be a strong consensus and agreement from all stakeholders involved, which will be achieved through soft governance and working towards a regional commitment of collaboration across the Cambridgeshire and Peterborough Chamber of Commerce, CPCA and (BRO) group.

Future projections

In its role as the Cambridgeshire and Peterborough ERB, the Chamber is committed to work collaboratively with its stakeholders across the duration of the LSIP to enhance the responsiveness of the existing skills system in meeting the needs of the region's employers. Clarity regarding the capturing of skills needs is the initial priority that will need to be addressed and following that it will be important to understand how the employers can be supported to communicate their skills needs. Providers have also reported the challenge of attracting, recruiting and retaining qualified staff to teach current and future skills, because they can earn more money working in industry, which may impact the ability to respond to employer demands.

Whilst our original intention had been to gather details of specific skills required by the employer stakeholders across the region, the feedback in the workshops consistently related to challenges for employers in their experience with and navigation of, the skills system. We have captured these challenges and reported them as cross-sector skills priorities and resolving these perceptions is linked to the success of the local skills system and the skills needs of the Colleges and other education and training providers.

Part 01: The LSIP Priorities

In this section of the report, we set out the regional characteristics of Cambridgeshire and Peterborough and explain the key strengths and challenges. It sets out the Strategic Priorities in the following 3 categories: Sector growth priorities, Cross-sector skills priorities and a focus on Digitalisation and Low Carbon. More details are available in **Annex A** and **Appendix 14.**

Context

This provides an overview of the region and describes the key strengths and challenges that have influenced the development of the LSIP approach and priorities. Additional local strategic context is provided in **Annex A.**

This report builds on the existing work conducted by the CPCA set out in the Employment and Skills Strategy (*2022*)[2], by attempting to bring more employer's needs into the skills system, particularly where employers may not previously have engaged with the region's skills conversation.

The 2018 Cambridgeshire and Peterborough Independent Economic Review (CPIER)[3] identified three interdependent sub-economies across the geography, Greater Peterborough, Greater Cambridge and the Fens. These are distinct in terms of needs and opportunities and equally important in terms of their contributions to the wider economy.

These significant regional differences reveal areas of affluence as well as pockets of intense economic deprivation. Variation in education provision across the region is also reflected in the disparity of skills and qualification attainment. For example, analysis of Office for National Statistics (ONS) data indicates that the proportion of individuals in Fenland with no formal qualifications is 28% whereas across Cambridge, South Cambridgeshire and East Cambridgeshire this figure is only 6%. Whilst an absence of formal qualifications is not necessarily an equivalent of low skills, it is a useful indicator for comparative purposes in terms of understanding technical education provision.

Map of the Cambridgeshire and Peterborough region
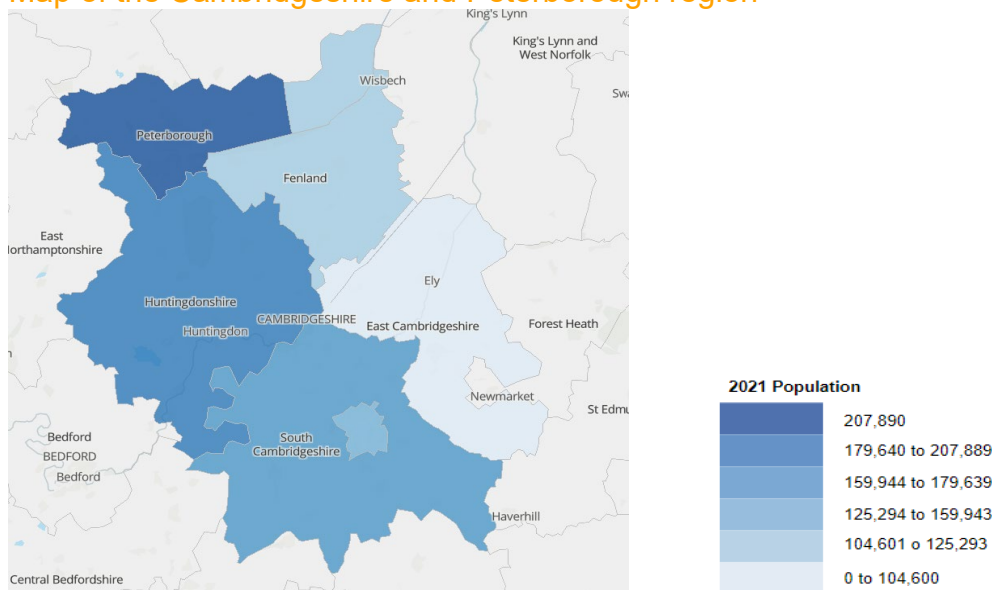
Source: Lightcast (2022)[4]

It is also important to recognise the national and global challenges that have been experienced in recent years that have impacted the region's local economies in diverse ways, depending on the sectors and demographics that dominate. These factors include the Covid 19 pandemic, Brexit and the war in Ukraine, where for example the sectors hardest hit by the Covid-19 pandemic are facing a rapid need to adapt swiftly to changing trends in consumer habits, market structure and technological advancements. These include Retail, Hospitality and Leisure, Health and Care, Education, Construction, Transport and wider Manufacturing[5]. Alongside this, businesses are also experiencing pressure from the net zero transition and the digitalisation of industries.

---

[2] Cambridgeshire and Peterborough Combined Authority, Employment and Skills Strategy (2022)

[3] Cambridgeshire and Peterborough Combined Authority, Cambridgeshire and Peterborough Independent Economic Review (2018)

[4] Lightcast, LMI data (2022)

[5] Cambridgeshire and Peterborough Combined Authority, Local Economic Recovery Strategy (2021)

Key Strengths of the region

This section summaries the main strengths of the region when compared to other 37 LSIP regions that have been designated by the Department for Education[6].

Strong labour market

The Greater Cambridge area has the highest skilled population and best educational outcomes across the CPCA area, creating a **strong supply of skills**[7]. The region's employment rate is high at 80.1%[8] compared to the national average of 75.6%[9] and whilst Peterborough has the lowest employment rate at 76.3% the area is still performing above the national average.

This large, employed workforce has supported the recovery out of the Covid 19 pandemic and is underpinning the growth of the priority sectors - Agri-Tech, advanced manufacturing, digital and life sciences. These growth sectors are creating a **strong demand for skills**, particularly as there are occupational crossovers between the roles and skills required within the sectors.

We have captured examples of good innovative practice and collaboration that support employers and students across the region and many of these include co-design and provider collaboration. Case study 1 provides an example of a regional initiative that was mobilised to meet a regional demand. We have provided additional examples within the report but also attempted to capture a list of these activities which is recorded in **Appendix 3.**

> **Case study 1 - An example of regional innovation and collaboration**
>
> **HGV Case study**
> - **Peterborough college (part of Inspire Education Group (IEG)) worked** with the CPCA and the Department for Work and Pensions (DWP) to fund a new programme to provide HGV training in response to well published shortages of drivers. The quick action was possible thanks to devolution of the adult education budget program to the CPCA giving it flexibility to help meet the need for more drivers
> - The courses were free for learners and involved the college working in partnership with industry body the Road Haulage association (RHA) who not only provided practical training but supported the college to understand the entire process involved in gaining a HGV licence allowing the college to build the training process from scratch. This increase in skills aimed to give a real boost to the local economy supplying the haulage sector with highly qualified drivers whilst also giving people skills that employers demand helping them start
> - RHA said "This is a fantastic scheme helping people to get trained to drive lorries and secure work with a local firm. We are delighted to be involved with the CPCA and Peterborough college to help local people start new careers in our industry."
> - The relationship between college and the RHA further grew to support a number of then local members to find career opportunities as newly qualified HGV drivers

Providers

The Adult Education Budget (AEB) allocation for 2022/23 is delivered through contracts with 25 providers, 9 of which are grant funded. All the 8 FE providers were classified as overall effectiveness grade 1 - Outstanding or Grade 2 - Good (Ofsted), which compares well to other regions who have a lower proportion of these high grades. Two providers have been graded as Strong for skills as part of the new enhanced Ofsted Inspection. More details of the profile of providers have been collated and extracts are included in **Annex A** and **Appendix 13.**

---

6 https://www.gov.uk/government/publications/designated-employer-representative-bodies
7 Cambridgeshire and Peterborough Combined Authority, Local Skills Refresh (2022)
8 Department for Education, Unit for Future Skills Dashboard
9 Office for National Statistics, Census (2021)
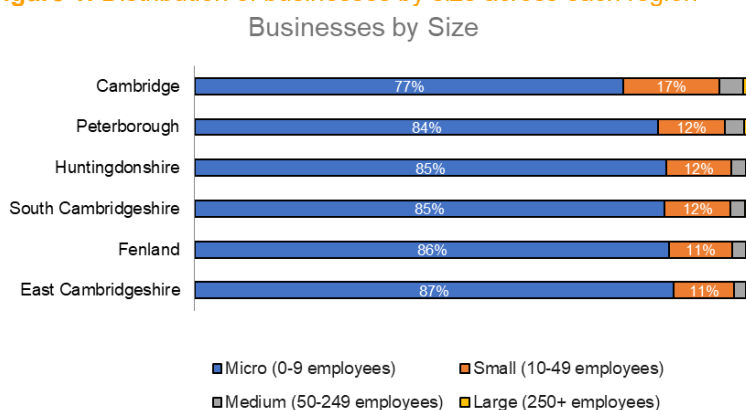
Key Challenges for the region

This section summarises the key challenges for the region that have an influence on the priorities that have been addressed in this report. It also includes a summary of sector challenges that have been identified as having an impact on skills. More details are available in **Annex A.**

Domination of Micro-Businesses

The region is saturated with micro-businesses and SMEs as reflected in **figure 1.** Employees in these businesses account for 30% of the total working population showing the influence these small businesses have on the workforce. Due to the size, capacity and monetary constraints of these organisations their voices are often not spoken or heard when discussing the skills needs of the region and they may present a larger challenge for colleges and other providers in translating their skills needs.

Large players, such as AstraZeneca, have the wealth of strong recruitment processes and branding to drive successful recruitment and dominate the employee market. Ensuring that the smaller local players are included in our discussions has therefore been a priority to ensure the LSIP is representative of all needs.

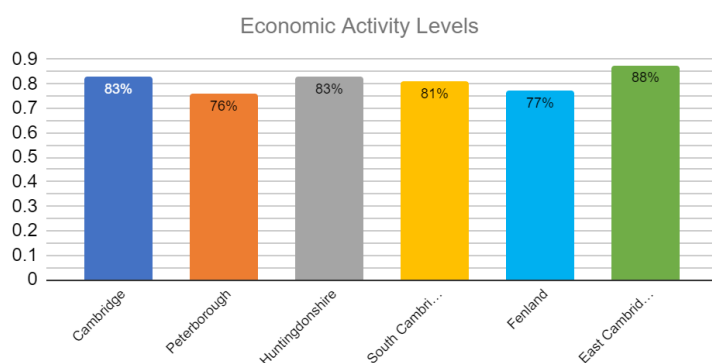**Figure 1:** Distribution of businesses by size across each region

Businesses by Size

Region	Micro (0-9 employees)	Small (10-49 employees)
Cambridge	77%	17%
Peterborough	84%	12%
Huntingdonshire	85%	12%
South Cambridgeshire	85%	12%
Fenland	86%	11%
East Cambridgeshire	87%	11%

■ Micro (0-9 employees) ■ Small (10-49 employees)
■ Medium (50-249 employees) ■ Large (250+ employees)

Source: ONS (2022)

Deprivation and regional disparities

Despite the relatively high employment rate across the region, there are clear variations between each area and sub-economy affecting the supply of skills and therefore enhancing the disparities in wealth. East Cambridgeshire has the highest economically active population at 88% whilst Peterborough has the lowest at 76%[10], as highlighted in **figure 2**. Greater support is therefore needed for business growth, job creation and upskilling in the more deprived areas to boost the demand and supply of skills and help to level up the region.

Figure 2: Level of economic activity across each region

Economic Activity Levels

Cambridge	Peterborough	Huntingdonshire	South Cambri...	Fenland	East Cambrid...
83%	76%	83%	81%	77%	88%

Source: NOMIS (2022)

It is also important to note that of those who are economically inactive, 78-94% have stated that they do not want a job. As such, additional support also needs to be provided to these individuals to encourage and help them back into the workplace. Cambridgeshire and Peterborough Local Skills Report (2022) states:

---

[10] Office for National Statistics, Nomis (2022)

"Within the Indices of Multiple Deprivation, Fenland is ranked third of all 316 local authorities nationally for Education, Skills and Training need, where 1 is most deprived. Peterborough is ranked 31st, which is the second lowest rank across the CPCA. These two areas show much higher levels of deprivation compared to other districts in the area. This directly translates to lower educational attainment. East Cambridgeshire also shows higher levels of relative deprivation for Education, Skills and Training relative to its overall deprivation rank."

Education and skills

The education system traditionally trades in qualifications and these are regulated through Ofqual (*The Office of Qualifications and Examinations regulation*) and the IfATE (*Institute for Apprenticeships and Technical Education*). One of the key features of the LSIP is its ambition to identify the specific skills required by employers, however, skills are not clearly defined across the UK education system and there is no universally agreed taxonomy. The IfATE has published a range of occupational maps[11] which demonstrate the relationships that exist between education, qualifications, apprenticeships and occupations in England. These maps provide the ability for a review by specific job and can underpin the development of regional careers and progression pathways.

As defined by the international group of stakeholders involved in the Organisation for Economic Co-operation and Development (OECD) Future of Education and Skills 2030 project[12] skills are the ability and capacity to carry out processes and to be able to use one's knowledge in a responsible way to achieve a goal. Skills are part of a holistic concept of competency, involving the mobilisation of knowledge, skills, attitudes and values to meet complex demands.

There is no single comprehensive taxonomy for skills across occupations and education in the UK and therefore developing a consistent understanding of skills is a prerequisite for any detailed analysis. For this report, the Chamber has adopted the following definition of skills, this will be informed by developments.

"A skill is the ability to achieve a specific task at an agreed performance standard, i.e., we can all kick a ball, but we are not professional footballers who can kick a ball with accuracy and skill."

This definition leaves the option for skills to have levels and for skills to be grouped. A consistent approach for the capturing and monitoring of the detailed skills required for employers has been a significant challenge for the LSIP process. It is also broadly consistent with the International Labour Organisation (ILO) definition for skills which is described in **Annex 1**.

Skills Data

Outside of the new vocational qualification such as T-Levels and Apprenticeship standards there is no consistently agreed set of skills associated with job roles or occupations. Lightcast[13] is one of the leading suppliers of labour market analytics, its data set logically groups 32 employment categories and contains a skills framework that represents 32,000 different skills. Lightcast classifies skills into common, specialised and certified skills. We have used the CPCA's access to Lightcast to inform our analysis of the regional job market. However, other skills classifications exist such as the Skills Builder Partnership[14] that focuses on 'essential skills' and is widely used by business and providers.

The ILO is using skills to provide insights on the transition to the world of work in the future by assisting in the development of skills policies and systems aligned to local labour market needs, it has three programmes of work:

- Skills policies and systems.
- Anticipating and building competencies for the jobs of the future.
- Social inclusion.

It suggests there are 3 types of skill:

- **Basic skills:** These skills (*such as literacy, numeracy and ICT (Information Communication Technology) skills*) are considered as a prerequisite for further education and training and for acquiring transferable and technical skills.
- **Transferable skills:** These are skills that are relevant to a broad range of jobs and occupations and can be easily transferred from one job to another. They include but are not restricted to problem-solving and other cognitive skills, physical skills, language skills, socio-emotional and personal behavioural skills
- **Job-specific/technical skills:** These are skills particular to an occupation which include specialist knowledge needed to perform job duties; knowledge of products or services produced; ability of operating specialised technical tools and machinery; and knowledge of materials worked on or with.

Our engagement with stakeholders identified a fourth category of skills referred to as 'work ready skills.'

---

[11] https://www.instituteforapprenticeships.org/occupational-maps/

[12] OECD Future of Education and Skills 2030 (2019)

[13] https://lightcast.io/uk/about/company

[14] https://www.skillsbuilder.org/

Work ready skills are the skills and behaviours that employers expect that all employees should be able to demonstrate when they start work. They are a combination of the ILO's basic and transferable classifications. There is not a standard approach to work ready skills being delivered to students and accredited across the region and whilst many providers embed these skills into existing qualifications employers and students may not always be aware of these specific skills.

Cambridge Regional College has implemented a Personal Development Portfolio that focuses on five of the most in-demand employability skills in the region that employers are looking for. PDP badges will be awarded in recognition of students demonstrating these skills helping them to understand, articulate and showcase them at interviews.

Skills Analytics

The ability to use recruitment data and analytical techniques to identify the profiles of skills associated with individual occupations, qualifications and Curriculum Vitae (CVs) provides a granular understanding of the capabilities being requested by employers. However, the robustness of this analysis can be variable depending on the tools being used. CPCA has provided access to Lightcast to the project team which was used to provide some insights into the skills associated with the local recruitment data. Additional analysis has been provided by Geek Talent to provide the Chamber with insights of skills supply for HE and FE and skills profiles from European Skills, Competences, Qualifications and Occupations (ESCO) these have been used to enhance the Chambers understanding of complexities of skills matching. However, the regional skills demand analysis has largely been driven through stakeholder engagement and as such is not as detailed.

Case study 2 - Example of skills Accreditation using digital badges

Cambridge regional college Is the first college in Cambridgeshire to recognise the learning and development of soft skills through exclusive digital badges. The badges showcase the 5 most in demand skills identified from analysis of half a million job adverts and include communication, self-motivation, innovation, problems solving and digital skills.

The Cambridgeshire and Peterborough region of learning (CPRoL) project is an ambitious multiyear social mobility project that will use the Cities of Learning framework to badge, map and connect learning in the region. It was launched in 2021 with the aim of supporting 15- to 24-year-olds furthest from education and employment to take advantage of learning across the region to achieve their ambitions. Its focus is on identifying and creating pathways into key growth sectors in the region including:

- creative and cultural.
- finance and legal.
- wellbeing being opportunity provision.

working with the **RSAs future of work team** they are also delivering a local sector specific skill framework of future risks register that is being shared with employers across the region including additional badge for work ready skills.

West Suffolk College has identified 8-character strengths; resilience, optimism, curiosity, ambition, ownership, respect, self-control and confidence, which foster a culture in which we are preparing our students to live as independent thinkers confident in their choices and actions and ready for the workplace, but this does not include the digital accreditation
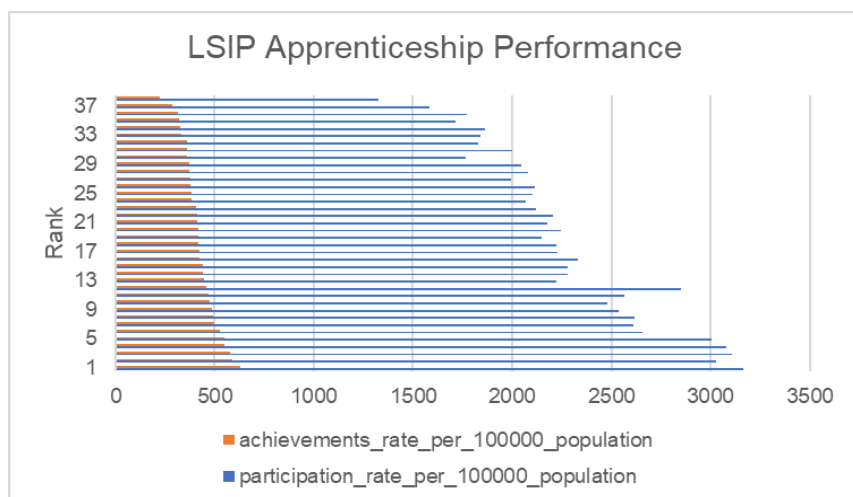

Apprenticeships

For the 2021/22 academic year regional Apprenticeships participation numbers are 9,710 learners. To compare it to the other LSIP regions we can rank it based on its participation rate (per 100000 population) which is 1,828 with an achievement rate of 361 achievements rate (per 100000 population). Which places it 33/38 for overall participation and 32/38 with a rate of 361 for overall Apprenticeships achievements[15]. Cumbria LSIP region is top of the list for both with respective rates of 3164 and 631.

The CPCA Skills Strategy describes its plan for a Skills Talent & Apprenticeship Recruitment Hub (STAR Hub). CPCA has the ambition to support providers, businesses and residents to navigate effectively through the complex skills landscape by the creation of the Digital Talent Portal through a "one stop shop." This action will facilitate a better match of potential talent to skills needs and job vacancies and in doing so will create opportunities for a strong, productive and thriving economy. Learning from experience in the past, there should be the opportunity to bring together demand and supply through a dedicated skills brokerage.

Figure 3: LSIP Apprenticeship Performance

---

[15] Department for Education, Unit for Future Skills Dashboard

Source: DfE Apprenticeships starts 2021/22

Further analysis on key challenges can be found in Annex 1.

Qualification Reform

The government continues to review the qualifications landscape and in July 2021, they published their plans for Review of post-16 qualifications at level 3 in England[16]. Their stated ambition is to:

"We will streamline and improve the quality of the level 3 system. We are strengthening the pathways to progression, creating clearly defined academic and technical routes with qualifications leading to further study and/or skilled employment. This clarity of purpose will allow students to see more easily how their study will help them to progress."

The CPCA will have the ability to continue to fund training and education programmes where providers can demonstrate that this leads to increased employability.

Context summary	• The CPCA region is highly diverse and therefore the skills requirements across the districts are likely to require specific features. Market towns feature across the region and the access to work and training is constrained by the rurality of some areas. • The CPCA currently commissions its AEB programmes through 25 providers, with most of that funding allocated via grant provision. Further commissioning of provision includes Skills Bootcamps, Free Courses for Jobs and Multiply in the future there will be the potential to utilise Higher Technical Qualifications and Adult T-Levels. Whilst the AEB funding awarded by the CPCA may not be the providers main funding stream, the CPCA uses the flexibilities available since devolution to ensure provision is regionally relevant. However, the CPCA AEB funding does not represent the main allocation for any of the providers and may not be considered a priority income stream for all. • The CPCA has established processes for capturing the needs of employers, but this excludes skills analysis. • Currently, Skills Analytics are undeveloped and therefore understanding the skills needs of employers is a significant challenge and employer's struggle to clearly articulate their current and future skills needs • A consistent regional understanding of skills will provide the basis for a detailed understanding of skills gaps in the future.

Strategic Priorities

The following commentary on the strategic priorities has been underpinned by a review of the CPCA's published documentation to evaluate the knowledge of the skills priorities for the region that can contribute to the development of the LSIP priorities. More details are available in **Appendices 5,6,7,9**.

1. Sector growth priorities

---

[16] Department for Education, Review of post-16 qualification at level 3 in England (2021)

Emergence of the priority sectors

The Cambridgeshire and Peterborough Independent Economic Review (*CPIER*[17]) and the Local Industrial Strategy (LIS) identified **Agri-Tech, life sciences, advanced manufacturing and materials and Digital and IT** as priority sectors for long-term, innovation-based growth in the region. These have continued to be referenced as priority sectors in more recent reports including the Cambridgeshire and Peterborough Local Economic Recovery Strategy (*LERS*), Cambridgeshire and Peterborough Economic Growth Strategy and the Employment and Skills Strategy 2022. The Chamber has agreed, with the CPCA and key LSIP project stakeholders, that these will also form the sector priorities focused on within this LSIP report.

As referenced in the Employment and Skills Strategy[18], employment in these sectors is rising faster in the area than nationally, at 17.4% compared with 6.6%. However, the growth in these sectors is not experienced evenly across the region – with priority sectors clustering in specific places, for example, advanced manufacturing and materials in Peterborough, Cambridge and South Cambridgeshire, life sciences in Cambridge and South Cambridgeshire and Agri-Tech in Huntingdonshire and the Fens. To ensure that the LSIP is representative of the entire region, cross-sector themes and skills needs have also been considered and stakeholders from the entire region have been consulted in locally based workshop activities.

In 2022 these sectors accounted for 20% of employment in the region[19]. The recent Strategy identified a wider set of priority sectors due to their significance as employers: retail, hospitality and leisure, construction, transport, education, manufacturing, health and care.

The scope of the LSIP project have meant that the LSIP cannot individually consider each of these priority areas in depth in its first iteration, though cross-sector considerations have included consultation of stakeholders in each of these sectors wherever possible. Further skills analysis on the remaining 80% of employment can be found in the Local Skills Refresh (*including a detailed action plan in **Appendix 4***)[20].

Challenges (as referenced in the Employment and Skill Strategy)[21]

Understanding the transitions between jobs, employers, occupations and roles is increasingly important as the employment market responds to the increased pace of change. Net-zero, Industry 4.0 and automation, potentially accelerated by labour shortages currently being experienced from the effects of Covid-19 and Brexit, are expected to impact priority sectors in Cambridgeshire and Peterborough. Agri-Tech has the highest exposure to automation at 49% of employment exposed, with 43.9% of employment not overlapping with other priority sectors.

Advanced manufacturing and materials face 39% of employment exposure, with 33% for digital and 31% for life sciences. These four sectors also have more overlapping occupations in other sectors, ranging from 74.2% to 79.9%. Reskilling will be a clear challenge in the coming years, particularly in areas with concentrations of agriculture and manufacturing.

---

[17] Cambridgeshire and Peterborough Combined Authority and Cambridge Ahead, Cambridgeshire and Peterborough Independent Economic Review (2018)

[18] Cambridgeshire and Peterborough Combined Authority, Employment and Skills Strategy (2022)
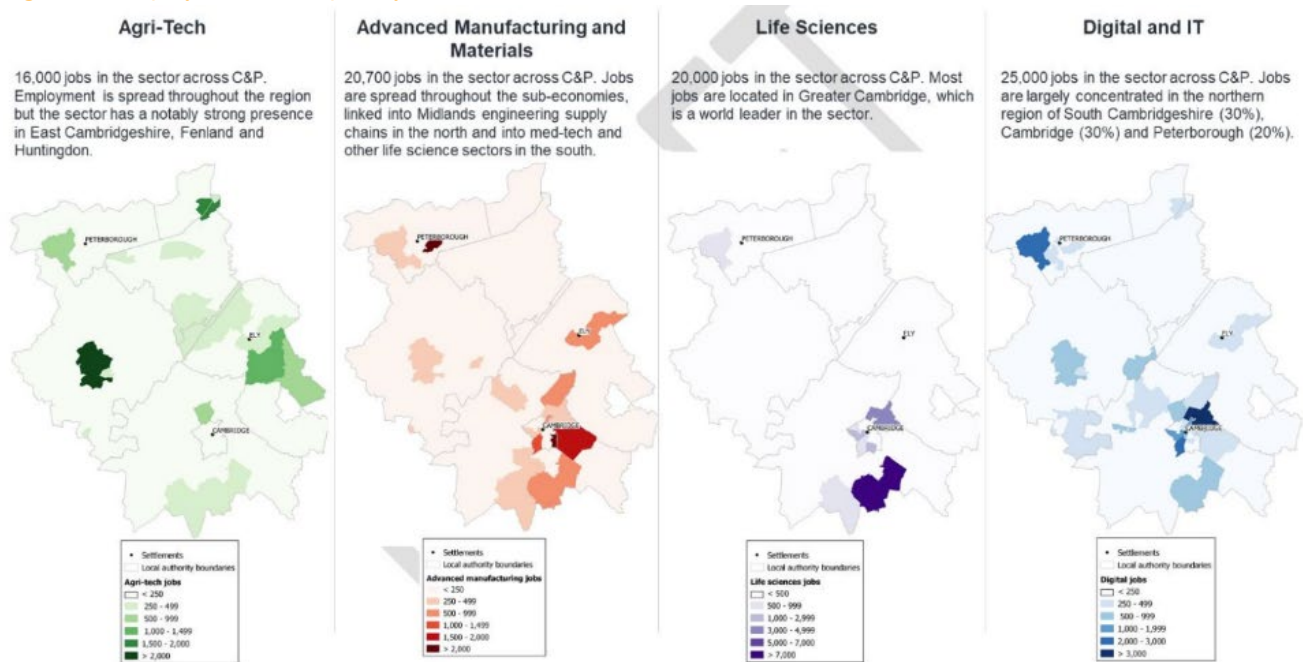
[19] Cambridgeshire and Peterborough Combined Authority, Employment and Skills Strategy (2022)

[20] Cambridgeshire and Peterborough Combined Authority, Local Skills Refresh (2022)

[21] Cambridgeshire and Peterborough Combined Authority, Employment and Skills Strategy (2022)

District profile

Agri-Tech	Advanced Manufacturing and Materials	Life Sciences	Digital and IT
16,000 jobs in the sector across C&P. Employment is spread throughout the region but the sector has a notably strong presence in East Cambridgeshire, Fenland and Huntingdon.	20,700 jobs in the sector across C&P. Jobs are spread throughout the sub-economies, linked into Midlands engineering supply chains in the north and into med-tech and other life science sectors in the south.	20,000 jobs in the sector across C&P. Most jobs are located in Greater Cambridge, which is a world leader in the sector.	25,000 jobs in the sector across C&P. Jobs are largely concentrated in the northern region of South Cambridgeshire (30%), Cambridge (30%) and Peterborough (20%).

Source: Cambridgeshire and Peterborough Independent Economic Review (2018)[22]

Summary of the sector growth priorities

Appendix 5 provides detailed definition and demand and supply analysis for the sector growth priorities along with source references. The tables below provide a summary of the skill landscape for each of the priority sectors. Where possible we have confirmed these with our BRO's and we will continue to develop our understanding of these sectors through future engagement.

life sciences sector	• The life sciences sector is prominent in Cambridge and South Cambridgeshire and is home to large international organisations. • There is a shortage of people with the technical skills to support the life science industry in the Cambridge area, especially in the convergence of AI and life sciences, seen which is seen as the key differentiator for the industry in the region. • There is also a shortage of people with the commercial management skills required to grow a life science company. This is supported by data analysis, conducted as part of the LSIP, which shows that Pharmaceuticals and Clinical Trials (*part of life sciences*) at a Manager, Director and Senior Officials level is in the top 10 sought after specialised skills at 5% and 4% of job postings[23]. • There is a large number of people enrolled in life science related programmes in Cambridgeshire, but a significant proportion of these people tend to relocate to London once they finish. More work needs to be done to improve retention levels in the region.

---

[22] Cambridgeshire and Peterborough Combined Authority and Cambridge Ahead, Cambridgeshire and Peterborough Independent Economic Review (2018)
[23] Lightcast, LMI data (2022)

<table>
<tr><td>**Digital and IT sector**</td><td>

The region's Digital and IT sector is attractive at an international scale due to its home-grown success, such as ARM and major private investments including Microsoft and Apple.
Cambridge is also a key part of the £1bn invested in UK artificial intelligence start-ups.
There is on-going and significant demand for Digital and IT skills across the region, particularly within Professional Occupations with Python being the most sought after.
Programmers and software development professionals are in the highest demand across the region, which may indicate labour shortages.
Definitions for the digital sector are consistent with Cambridge Insights list of Standard Occupational Classification (SOC) codes and therefore this excludes the skills required by non-digital workers because of on-going digitisation.

</td></tr>
<tr><td>**Advanced manufact-uring and materials sector**</td><td>

Peterborough and Huntingdonshire have strong manufacturing backgrounds and large international firms are based in this area. Fenland is also a significant contributor to growth in this sector.
Advanced manufacturing and materials employment is growing at a faster rate than manufacturing in the region.
There is a national skills shortage for individuals in the manufacturing sector and a large proportion of those currently employed in the sector are over 50s so retraining and upskilling is vital.
Training provision is strong and there are multiple skills initiatives already in place such as the College of West Anglia Technology Centre in Wisbech, the North Cambridge Training Centre in Chatteris and the new Anglia Ruskin University Peterborough Campus.
The skills agenda needs to focus on alignment, where significant investments in education may not necessarily be aligned to future skills needs and quality, reflecting a perception that there was a mismatch between the delivery of training and the way employers would prefer it to be delivered.

</td></tr>
<tr><td>**Agri-tech sector**</td><td>

The strength of the Agri-Tech sector in the region is based on a highly skilled and international workforce, attracted to Cambridgeshire by the reputation of centres such as NIAB and the University of Cambridge.
There is a disparity in skills from PhD level to vocational and seasonal work around agriculture and Agri-Tech in the region.
There are several regional HE and FE delivery partners who are reflecting on how to offer courses and skills programmes to prepare the workforce for 21st Century agriculture, which includes emerging skills as well as traditional. These operate in a competitive backdrop nationally, so more bespoke programmes are reportedly needed for the region.
There are several industry-led providers – such as the Agri-Tech Register and Training for Innovation and Skills;(ARTIS) which currently exists to provide flexible learning in some areas of the industry – and plans should be considered within the context of this and other initiatives.

</td></tr>
</table>

2. Cross-sector skills priorities

The cross-sector skills priorities have been developed using data analysis, desktop research, stakeholder engagement, workshops and the skills survey. These perceptions were gathered through LSIP workshops and have been tested with the main stakeholder groups. Further information is detailed in **Annex B**.

Skills shortages

Perception	Features
Inconsistent understanding of skills	Employers often do not engage and when they do, they struggle to articulate their skills needs to providers. Currently skills are not clearly defined across the UK education system and there is no universally agreed taxonomy in use.
	Both employers and education and training providers do not always speak using a consistent language of skills.
There appears to be a lack of sustained investment in skills by employers	Emerging from the pandemic and given the high inflationary pressures there appears to be a lack of investment in skills by employers and many do not have a clear skills strategy.
	Return on investment (ROI) for training and development is unclear which is contributing to the lack of investment in skills.
	Many businesses, particularly SMEs, do not have seem to have the capacity to spend time outside of their day job understanding their future skills needs as they are unaware of the ROI in this engagement.
Skills gap in entry and mid-level skilled roles	Skills needed are entry to mid-level technical with a particular concern from employers about level 2 skills.
	The most immediate challenge is the need for lower-level technical provision.
Inconsistent appreciation of transferable skills	Some sectors require a distinct set of skills within their workforce. However, there is a lack of understanding or clarity of transferable skills across sectors.
	There can be a lack of openness to diversity of experience from different sectors, so skills and experience can be overlooked.
Mixed approach to work ready skills	Employers have identified the lack of 'employability' skills as a barrier to successful recruitment. There is a lack of a consistent approach to 'work readiness', for example communication, time-management, teamwork and attitude to work.
Employers believe that students are not choosing the education courses that meet the local labour needs	There were perceptions that on some occasions students are choosing to take courses or study degrees in areas or subjects they want to but where there is not necessarily a skills demand locally. The value of student autonomy and transferrable skills needs to be recognised by employers.
Business skills	Business skills are lacking in the region e.g., leadership, business planning and financial accounting skills. This is limiting the growth of micro-businesses. Training exists but uptake is insufficient to meet business needs and the costs of training may be prohibitive.
Business experience	Alongside or prior to work experience, it would be valuable for businesses to engage with schools and colleges to provide talks on specific sectors and job roles. This supports the careers advisors and gives the students exposure to new industries.
	We need to support businesses who are often too time constrained to engage. Stakeholders have suggested a range of channels including drop-in session, chatbots and amplifying the support from the regional BRO's.
Stakeholders have reported inconsistencies with careers information, advice and guidance	Students are not always aware of what options are available to them in the local recruitment market and in terms of further education options.
	There needs to be better support for students to recognise how their skillset can be transferred on to a CV and understand what jobs would be suitable for them.
	Careers advisors do not always have the appropriate industry experience and are not aware of the local demand for skills.

Skills shortages

Perception	Features
Apprenticeships	Concerns have been expressed by some employers about the need for supporting apprentices throughout their programme as this is not perceived to be part of the apprenticeship funding. This is a particular concern for smaller businesses.

Professional and personal development

Perception	Features
Teacher industry experience	It would be valuable for teachers to have access to relevant industry placements or day visits to businesses so they can provide guidance on a range of sectors in the local areas and understand how businesses work. The challenge is that teachers are often too time constrained to enable this.
Mentoring	Mentoring will support new employees to be more effective in their role. There is an opportunity for reverse mentoring to fill potential skills gaps. The idea is that the junior employee can share their expertise (commonly, technology and digital media topics) with the senior colleague, who may be less familiar with these areas.
Work experience	The majority of stakeholders appreciate the value in work experience. There are challenges in supporting the students and the businesses to provide meaningful opportunities. There can also be safeguarding issues and health and safety issues.

Diversity and inclusion

Perception	Features
Women returning to the workplace	Women often face a skills gap when they are returning to the workplace. There is limited support and opportunities for upskilling provided for them.
Refugee communities	Refugee communities often contain a range of professionals with skills and talent that are not easily recognised or transferred.
Over 50s	The over 50s and retired population can often contain a range of professionals with skills and talent but their expectations for working styles and potential health constraints may require workplace flexibility. A continued focus on working with the DWP and employers on finding more opportunities for the economically inactive including the long term unemployed is required.

Our findings were supported by a companies report produced by Cambridge Ahead which cited the following areas of focus from their membership:

- Shorter training interventions for businesses.
- Work placement being better co-ordinated.
- Career partnerships getting more support.

3. Focus on Digitalisation and Low Carbon

This report also considers cross-sector themes including Digitalisation and Low Carbon (Net Zero) due to the repeated raising of these as of particular significance both nationally and locally by key stakeholders (including the CPCA). It is important to note that defining these areas at the skills level is particularly difficult.

The pace of change within these evolving areas makes it challenging for employers to understand their future skills needs and there is pressure on the education system to keep the curriculum and provision of skills up-to-date and aligned with the wider economy. There is a clear need for futureproofing of skills strategies to ensure the region can manage the risks and realise the opportunities which can be generated from a low carbon and digitalised world. As more industries adopt green and digital technology into their workflows, more strain will be placed on the supply of suitable talent leading to an ever increasing digital and green skills gap, particularly if employers do not upskill their existing workforce.

Digital skills

The CPCA's focus has been on evaluating digital occupations through Standard Occupational Classification codes that are in **Appendix 5.** Digitalisation is likely to have a broader definition of specific skills and this will need to be the focus for additional analysis in the future.

The Analysis of Digital Skills from Lightcast and the Skills survey

Lightcast analysis indicates that C#, Python and Software development are the most common specialised skills requested by employers in job postings from across the region. For common skills, communication, management and problem-solving skills are the most frequently requested skills. Each sector has its own profile of specialised skills and this can be seen in **Appendix 9.**

Digital Skills (advanced) was selected by 13% of the responders to the Employer Skills Survey question 'Which skills do you feel your business most needs to maintain, develop or obtain over the next 3 to 5 years in order to remain viable and competitive?'. 8% of responses suggested Basic IT Skills (which could be provided through the government's free online Skills Toolkit[24]).

Summary of the digital skills challenges	- Developing a meaningful regional definition for digital is a challenge. - 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. - There is a perceived skill shortage which is only set to increase as all industries adopt advanced technologies. - The 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. - In addition to the basic IT skills provision available through the Colleges, a range of free online courses exist but it is not clear if stakeholders access these online courses.

Green skills

The definition of Green for CPCA is currently based on adoption of the GLAECONOMICS approach to identifying Green Occupations in London (*Jan 22*)[25]. It classifies green occupations into three broad categories. See examples below with the full occupational list included in **Appendix 7.**

Green category	Examples of SOC2010* occupations	Examples of green-related jobs
Green increased demand	Construction operatives n.e.c.[26]Carpenters and joiners Bus and coach drivers	Insulation installers Construction carpenters Bus drivers
Green enhanced skills	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
Green new and emerging	Management consultants and analysts Actuaries, economists and statisticians	

---

[24] National Careers Service, The Skills Toolkit

[25] Greater London Authority, Identifying Green Occupations in London (2022)

[26] https://nationalcareers.service.gov.uk/job-groups/8149

Green category	Examples of SOC2010* occupations	Examples of green-related jobs
	Marketing associate professionals	

The Analysis of Green Enhanced Skills from Lightcast and the LSIP Skills Survey

For Green enhanced skills, Lightcast identified marketing, mechanical engineering and machinery skills as the most frequently required specialist skills from job postings. Communications, management and customer service were the top 3 common skills across the region.

The LSIP Skills Survey indicates that Green technology and sustainability represented approximately 7% of responses against the question 'Which skills do you feel your business most needs to maintain, develop or obtain over the next 3 to 5 years in order to remain viable and competitive?'.

Summary of the green skills challenges	• Developing a meaningful regional definition for the Green sector and impact of low carbon initiatives on the workforce is essential. • Government policy on energy security and net zero is creating new demand for green skills. • 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. • 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. However, providers will require capital investment to deliver on these skills. • Communications, Management and Sales are in the top common skills sought in Green Enhanced Skills Job posting. • College of West Anglia has plans to build a Carbon Net Zero Skills Centre at the Wisbech Campus.

See Appendix 5 for a detailed definition and demand and supply analysis for the cross-sector theme challenges.

Part 02: Taking the LSIP Priorities Forward

In this section of the report, we document the priorities for providers, some of which are already being delivered or are part of future delivery plans for the region. It describes the specific skills and competences that have been requested by employers. These insights have been gathered through our data analysis and stakeholder engagement either in person or via the online surveys.

Key Priorities

We have not been provided with comprehensive evidence from employers that their skills needs are not met by the range of provisions delivered by the current providers. The key issues identified from the stakeholder engagement suggest that employers require consistent support to articulate the needs in terms of skills and on-going support to navigate the skills system and to understand the opportunities and benefits that can be gained from transferrable skills. Therefore, the focus of this report is to signpost the skills required and to provide consistent structures for a wider range of employers in accessing and developing the skills required through enhanced engagement.

1. Sector growth priorities

The Chamber is committed to supporting the existing growth priority areas as part of the introduction and development of the LSIP. There will need to be a balanced approach to meeting sector growth priority needs as they may compete for talent in a tight labour market. More details are available in **Appendix 5.**

Life Sciences

Employers in the life sciences sector are recognising a shortage of technical skills, including immunology and genomics and data science[27]. 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[28].

Local Actionable Priorities: **Improved regional careers information and guidance to encourage students into life sciences employment and minimise migration to other areas is key. Evaluate the regional need for the skills listed in Appendix 5 as identified by the sector body Cogent skills.**

Digital and IT

Employers, particularly within professional occupations, are increasingly seeking individuals with the necessary 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[29].

Local Actionable Priorities: **There needs to be improved digital training and upskilling for employees already in work, 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.**

---

[27] Cambridgeshire and Peterborough Combined Authority, Life Sciences Strategy (2021)

[28] Cambridgeshire and Peterborough Combined Authority, Life Sciences Strategy (2021)

[29] Lightcast, LMI data (2022)

Advanced manufacturing and materials

The National Manufacturing Skills Task Force (NMSTF) is the catalyst for advanced manufacturing and recognises high level skills issues in the industry which include the following[30]:

- 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.

**Local Actionable Priorities****: Providers need to utilise this information to signpost 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, Horticulture 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 highly productive soils growing high value crops as well as the reputation of centres such as NIAB and the University of Cambridge[31].

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. This includes the development of apprenticeships and T Levels as both are important entry routes through to the industry from a policy perspective.

Examples of specific skills required across the Agri-Tech sector include knowledge of agronomy and biology, knowledge and application of IT and statistics tools, knowledge of regulations covering plant science products, rigour/ ability to analyse and summarise, comfortable interpersonal relations / team player, ability to write documents, ability to work independently, adaptability and able to make suggestions in a group[32].

There are several regional HE and FE delivery partners and they, like their counterparts across the wider UK, are reflecting on how to offer courses and skills programmes to prepare the workforce for 21st Century agriculture and horticulture, which includes emerging skills as well as traditional. Agri-Tech of course forms a key part of this; however, the national pool of learners is presently attracted to providers on a national scale and it has been suggested that bespoke offerings for the businesses and learners in the CPCA area are needed.

There are several industry-led providers – such as ARTIS[33] which provides flexible learning in some areas of the industry – and future plans should be considered within the context of this and other initiatives[34].

**Local Actionable Priorities****:**

Based on the above information, 5 short-term objectives have been identified to support the sector growth priorities.

- **Raising awareness of Agriculture, Land Management and Production T levels to employers as a steppingstone into Agri-Tech.**
- **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 regional Skills Brokerage Service Offer so that the specific skills required for the industry are considered and communicated to providers.**

2. Cross-sector skills priorities

---

[30] Cambridgeshire and Peterborough Combined Authority, Advanced Materials and Manufacturing Strategy (2021)

[31] Cambridgeshire and Peterborough Combined Authority and Cambridge Ahead, Cambridgeshire and Peterborough Independent Economic Review (2018)

[32] My G Work, Biological Dossier Writer (BAD)

[33] ARTIS, Practical Management of Soil Compaction

[34] Cambridgeshire and Peterborough Combined Authority, Agri-tech Strategic Action Plan (2021)

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 and **Appendices 11 and 12.**

- **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**
  Developing a consistent and regional approach for access to careers information.
- **Regional Independent Skills Brokerage**
  Establishing a central service for the delivery of and signposting 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.

Digital skills

Sufficient educational provision for both young people and adults needs to be accessible either through the school, college and higher education system, or through employer-led training. Engagement with the 'Careers Hub' is critical to support and influence the upskilling of educators and working smarter with outreach work.

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[35].

Local Actionable Priorities: **There is a need to define digitisation of occupations through the monitoring of specific skills codes and all stakeholders should be supported by future versions of the LSIP to understand the difference between Digital and IT as a growth sector and digitisation of current roles through the impact of technology and Artificial Intelligence.**

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.

Local Actionable Priorities: **The development of clear communications and definitions about skills will be a key aspiration for the next stage of the LSIP process. This should be embedded as part of careers guidance and aligned to the messages currently being developed by the DWP on the identification of green jobs**

Skills Components and Competences

This section provides a view of the specific skills requirements identified during the development of this LSIP. See **Appendix 15** for more details.

As the focus of the workshops and the interviews related to perceptions of the system, the LSIP Skills Survey has been the main source of information regarding the skills needs of employers across the region. The survey provides an articulation of the specific skills and training requirements employers need. Continued communication with providers will clearly demonstrate where this currently exists and/or where new provision is required. Whilst selective views of the survey responses have been included in this report the Chamber has analysed all of the responses and will use the success of this survey to develop its approach to consultations and surveys in the future.

---

[35] Cambridge Wireless and Anglia Ruskin Recruiting staff with the necessary technical skills University, A Digital Sector Strategy for Cambridgeshire and Peterborough (2019)

# Analysis of the LSIP Skills Survey

An instance of the survey was launched by the Chamber aimed at the general public and was hosted on the Chambers website whilst another instance of the survey was launched as a closed survey that was linked to a prize draw that was advertised through alternative routes such as football clubs. Overall, the survey had 344 responses (some of which were not completed in full).

- 38% of those have indicated that they would be happy to continue to engage with the Chambers on skills issues in the future.
- 55% of total responses were made by employers and were spread across the sectors.
- 51% of employees were from the hard-to-reach target group which is employers with less than 50 employees.

Challenges experienced in looking for work

Overall respondent reported that the Top 4 Challenges to finding work are:

- 22% - Difficulties in recruiting from the local area.
- 21% - Recruiting staff with the necessary technical skills.
- 19% - Recruiting staff with good employability (e.g., communication skills attitude initiative).
- 18% - Finding sufficient numbers of employees. (This demand appears to be more prevalent in the larger businesses.)

What challenges have you experienced in looking for work most recently?
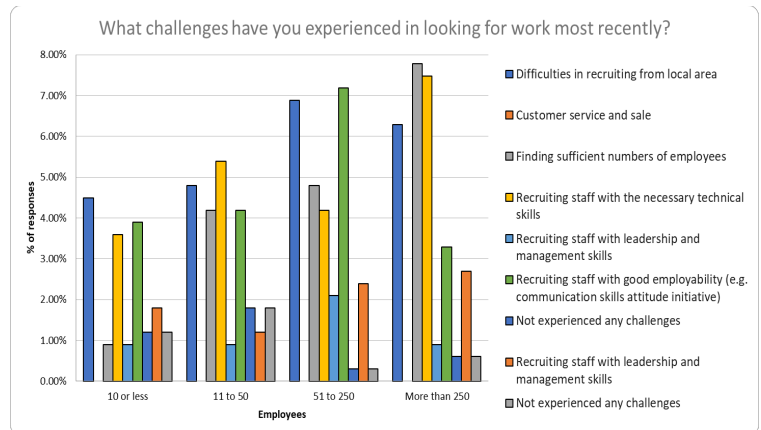
The skills businesses most need to maintain, develop, or obtain over the next 3 to 5 years in order to remain viable and competitive?

Respondents reported that the Top 8 most common requested skills over the next 3-5 years are approximately:

- 18% - Soft/transferable skills (e.g., communication problem solving).
- 17% - Sector specific technical skills (please see below*).
- 15% - Leadership and management.
- 13% - Digital skills (advanced).
- 11% - Customer service and sales.
- 7.5% - Basic IT skills.
- 7% - Green technology and sustainability.

Skills required by business
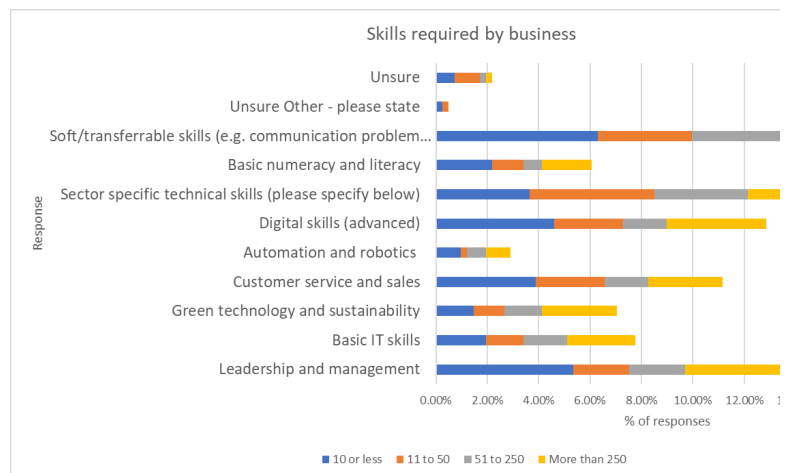
*sector specific technical skills detailed 17 unique characteristics that mainly related to personal characteristics

Key skills shortages

Overall, approximately

- 44% of all responses identified Specialist Skills as the biggest shortage category. (The specialist skills were individual requests for behaviours and competencies that have been assessed by the Chamber.)
- 32% Soft Skills
- 20%Technical Skills
- Life Sciences, Advanced Engineering, Education and Professional Services provided details of the specialist skills required and these will be monitored by the LSIP team.

Skills shortages by sector
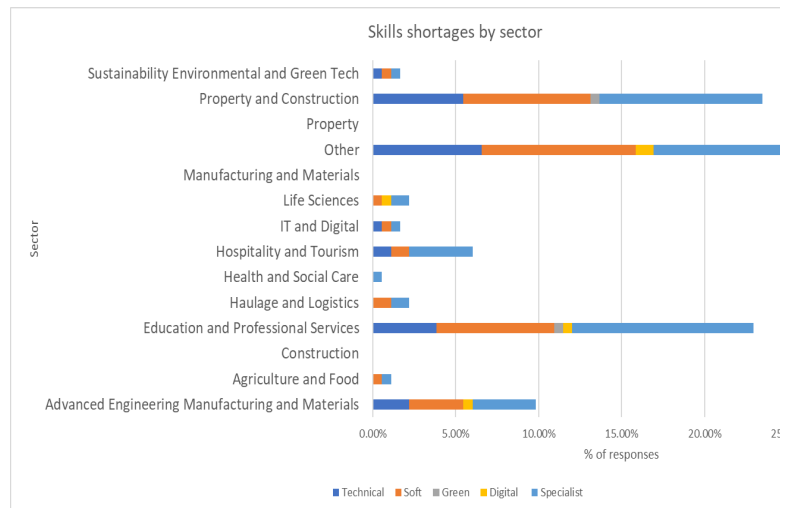
Actionable priorities for local provision

Providers should consider the results of the survey and the actionable priorities in order that they continue to meet the identified needs of the region

Skills priorities summary	• The CPCA growth sectors have been established as the priority skills required by the region and their skills needs have been summarised above and more details are available in **Appendix 5.**
	• Green and Digital skills needs are related to their definitions, we have provided a view of skills based on current definitions, but these should be continued to be discussed and refined through sector groups. Additional considerations are included in **Appendices 6, 7 and 9**
	• Engagement with stakeholders has identified a number of skills requirements that employers want from local provision and sets out the specific skills components and competencies employers need in the workplace but are struggling to find; it also provides a rationale for where and why changes in local provision are needed to better meet those needs. Providers are asked to review and consider if they can provide additional flexibilities in the delivery of their provision to meet these needs. More details are included in **Appendix 15**.
	• The results of this analysis will be used to underpin the sector focussed dialogue that will follow to develop detailed profiles of skills needs for each district and sector.
	• Innovative approaches are required to meeting the skills shortages of regional providers and is a priority.
	• Some employers are unclear about the range of provision that is available to them to meet their skills needs. Providers should continue to work with the Chamber, Stakeholders and the CPCA to review the range of provision across the region to ensure that there is an appropriate mix of Apprenticeships. T-Levels accredited and non-accredited provision available and sign-posted to meet the regional needs. This can be supported by sector groups. See part 3.

Part 03: Delivering the LSIP priorities

In this section of the report, we set out the emerging solutions and a roadmap for delivering the actions/changes identified within this LSIP. It establishes specific actions for stakeholders, bringing out how 'the whole will be greater than the sum of its parts.' These have been developed through the analysis and validation of the perceptions and their solutions discussed in the two rounds of the stakeholder workshops and through additional consultation with stakeholder groups, including the Chamber and the CPCA, BRO's and education providers. More details are available in **Appendices 11 and 12.**

Implementing effective and sustained change

The solutions have been designed to mitigate against the perceptions that were summarised into major themes, 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 outline on the following pages describes 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 programme and that the resources for the implementation of these initiatives will be sought through the Chamber as the Designated ERB, 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 solutions, in summary these are:

- **Governance/ Central Commitment**
  A vehicle for regional collaboration on taking forward the actions/changes set out in the LSIP.
- **Regional Independent Skills Brokerage**
  Developing a central service for the delivery of and signposting of a range of business services.
- **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.

Below we set out in summary each proposed solution and more detail, including proposed implementation schedules, are included in **Appendix 11.**

Governance/Central Commitment

The region's providers have demonstrated that they are committed to meeting the needs of the region's businesses and two of the FE colleges have had their approaches validated in recent Ofsted inspections. However, there is the opportunity to implement improvements in the coordination and consistency of educationally related services across the region which would support the ability of providers, (BROs), including the ERB and Local Authorities to meet the needs of a wider range of employers and individuals across the region. This becomes the main vehicle for regional collaboration on taking forward the actions/changes set out in the LSIP. More details are included in **Appendix 11.**

Our hypothesis is that through establishing a clearly articulated commitment of collaboration for Providers, Local Authorities and BROs across the region, a range of easy access, regional entitlements for key stakeholder groups and more consistent ways of working can be established.

Features (to be reviewed and agreed annually) are likely to include:

- Agreement on how the LSIP process is incorporated into the CPCA existing skills system, including evaluation of the opportunities for secondments and operational alignment.
- Collaboration and coordination of education and training related services across regional business support service providers including the Chamber, Providers, BRO's and Local Authorities (LAs).
- Regional agreement to use Learner Support to provide help for Apprentices (this requires an appropriate diagnostic).
- Explore updating the conditions of grant funding to include 'working towards' regional collaboration.
- Bringing together regional and sector focused networks coordinated via centralised comms.

- Agreement on the development and adoption for a regional approach and language around transferable skills.
- Support providers with activities including annual accountability statements.
- Making recommendations for regional curriculum plans that meet the emerging skills needs of employers.
- Evaluating the sufficiency and adequacy of the curriculum available to employers against the current and future priorities established by the LSIP.

Regional Independent Skills Brokerage

We have developed a working definition for a regional skills brokerage as 'a service that arranges for the supply of skills to be aligned to the user's needs for skills.' As such, this role is different to that normally offered by a provider as it would be similar to the role of an independent mortgage adviser who would assess the suitability of the regional provision to meet a detailed understanding of business needs. It is clear from conversations with providers that brokerage does occur naturally within the system as referrals, but these referrals are not tracked and therefore it is unclear if all needs are being met. There are also inconsistencies in the access to business services across the region, as many of the wider business services reside across the BRO network and 'Skills Brokerage Service Offer with Skills' and there is minimal collaboration across these groups. It should also seek out and promote best practice solutions from across the region, UK and internationally.

Our hypothesis is that there is an opportunity to utilise the re-commissioning of the Skills Brokerage Service Offer to provide a more comprehensive range of services to the regional stakeholders.

Beneficial elements of the service would be:

- Evaluation and development of a regional curriculum offer.
- Promoting and supporting identification of transferable skills.
- Repository for regional careers pathways.
- Capturing and analysing skills needs.
- Support for the development of regional skills networks that can be used to gather skills needs.
- Work experience brokerage.
- Networks co-ordination - central registry of regional and national groups.
- Build on existing Skills Brokerage contract service offer - 1:1 business growth coaching advice, expert-led workshops, talent and skills development, grant funding, equity finance, inward investment.
- Building on the CPCA ambitions for a Skills Talent & Apprenticeship Recruitment Hub (STAR Hub).

Centralised Communications

Independent businesses, individual colleges and other regional education service providers have successfully developed and delivered their own approaches to communications with their stakeholders. When reviewing the range of individual approaches from a regional perspective it is evident that the differences in the communication approaches adopted can lead to confusion for the service users.

Our hypothesis is that an agreed centralised approach to communications across the region will provide a more consistent user experience for regional stakeholders and will provide opportunities for combined marketing campaigns and services targeted at the harder to reach groups. This can be through the support and promotion of Sector forums/round tables.

Features (to be reviewed and agreed annually) are likely to include:

- Standardisation and central glossary of terminology (set for the language of the Cambridgeshire and Peterborough region).
- Centralised communications, updates and signposting.
- Stakeholder engagement co-ordination.
- Our Education Landscape in Cambridgeshire and Peterborough - A Guide for Employers (Gatsby Example - but this should be multi-media).
- Our Education Connections in Cambridgeshire and Peterborough - A Guide for Employers (Gatsby Example - but this should be dynamic and multi-media).

Regional Careers Entitlement

The careers guidance landscape is complex as the National Careers Service (NCS) and the Careers and Enterprise Council (CEC) are independent organisations that service different age groups. Whilst many of the career's perceptions related to the provision of work experience in schools (which is out of the scope of the LSIP), the introduction of the T-levels and Apprenticeships standards will benefit from a standardised service offering for careers and work experience that can benefit from economies of scale.

The LSIP Skills survey reveals that employers use a variety of sources to access information about careers and it is unclear if they are informed by a signal source of regionally focussed Careers Advice and Guidance. Stakeholders have suggested that the access to regional careers advice and guidance can be developed and reduce any potential confusion for stakeholders.

Our hypothesis is that an agreed centralised approach to Careers information across the region will provide a more consistent experience for regional stakeholders and that engagement with the CPCA Careers Hub is critical to support and influence this approach

Features (to be reviewed and agreed annually) are likely to include:

- Liaison and alignment with the needs of regionals schools and the DWP.
- Localised, regional national careers information - a multimedia resource bank of local career opportunities.
- Local employment opportunities to be a focus of local careers communications.
- Career pathways and links to Green and Digital sign posted.
- Skills information.
- Education and information for employers and providers.
- Formal mentoring schemes and guidance (including reverse mentoring).

Roadmap and framework for future actions by stakeholder groups

To implement these proposed solutions there is an overarching set of implementation milestones which align to the DfE requirements. These are indicated dates below:

1. **Establishing LSIP structures**
   a. Governance July – September 2023.
   b. Brokerage August - December 2023.
   c. Careers Entitlement August – December 2023.
   d. Centralised Communications August -December 2023.

2. **Evaluating actionable priorities - Bi-annual reviews**
   a. Capturing unmet demand as collated by the Colleges in their engagement with business.
   b. Collaborating with CPCA in provider account management, seeking to capture how their provision can meet the needs of the LSIP.
   c. Implementing priority deep dives, where further demand signals are needed. These may be sector and regional focussed and will involve collaboration from sector groups.

3. **Embedding the LSIP**
   a. Monitoring of progress against targets – as agreed with stakeholders.
   b. LSIP annual review and report.

The role of the Chamber as 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 BRO and Provider groups, to create a 'Skills Commitment Partnership' (Partnership) that clearly continues to be employer led.
- 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 subgroups tasked with taking forward the collective approach to the action/changes identified within the approved LSIP, or sector forums to identify changes to employer skills needs.
- 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 the local actionable priorities.
- Work with providers to ensure the approved LSIP actions are clear and 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 local actionable priorities 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.

<table>
<tr>
<td>

LSIP solutions summary

</td>
<td>

- These solutions provide the infrastructure for the implementation of a sustainable LSIP process that is aligned to the existing skills system and meets the current and emerging needs of regional employers.

- The LSIP engagement has identified and acknowledged a range of regional skills system challenges alongside local actionable priorities that will need to be resolved to embed an LSIP into the existing skills system and these have been presented in **Part 2** of this report with additional insights of requirements for consideration by providers contained in **Appendices 5, 6 and 7.**

- This report provides a snapshot analysis of the current skills challenges and provides an evidence base for the regional priorities. However, additional work will be required to develop a detailed understanding of the skills required by the current and future workforce and those that are missing that will need to be developed by the regional providers.

- Effective collaboration across the Chamber, CPCA, providers and BRO's is key to the future success of any regional skills system.

</td>
</tr>
</table>