

South East LEP

A Five Year Skills Strategy Published 2017/18

A partnership approach to skills for a flourishing, inclusive economy

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1. Foreword from our Chairman

"This is an area with national and international significance; quite simply it is instrumental to the UK's success."

It is an exciting time for the South East LEP, the largest in the country. This is an area of national and international significance. We are instrumental to keeping goods and services moving and our productivity impacts on the national picture. We look to the future with enthusiasm and skills is absolutely fundamental to our response.

Across our LEP area, there are so many tangible examples of growth; Public Health England's forthcoming relocation, a new Entertainment Resort in north Kent, one of Amazon's largest warehouses at the Port of Tilbury, Southend Airport growth, Bradwell Power Station plans, Newhaven Enterprise Zone,, North Kent Enterprise Zone and Gatwick Airport growth. Our LEP area will see up to 300,000 new homes to 2030, requiring a skilled construction workforce on a significant scale. Likewise, sectors like health and care have current shortages, set to increase with an ageing and growing population. This year so far, our LEP area has advertised over 7,500 nursing vacancies, nearly 8,000 programmers and web developers and over 4,000 care workers. Our sectors are advertising a range of skills needs from entry level to post graduate.

This is in the context of some challenging statistics. Although our skills levels are improving, we have nearly 190,000 people with no qualifications. 33% of people have a degree level qualification compared to 38% nationally and nearly 42,000 people are claiming out of work benefits. We have 178,000 workless households.

When we talk about size and scale, it is useful to remind ourselves that we have a population of 4.1 million, set to grow to nearly 5 million by 2039. That is bigger than Croatia, Panama, Georgia and Lithuania and double the size of countries like Estonia and Cyprus. Our 165,000 enterprises employ over 2 million people and in sectors such as construction, our LEP employs nearly double that of other LEPs outside London (98,000 compared with 58,000 in Leeds and 51,000 in Birmingham). For virtually all sectors, the South East LEP has far greater numbers of employees than most other LEP areas outside London. There are over 100,000 in manufacturing, 42,000 in finance and 222,000 in health and social work. This is an area of diversity, home to the longest coastline in England, large rural areas and urban concentrations and a close relationship with London. Our communities are among the most prosperous but also most deprived nationally and we have world beating international companies as well as burgeoning SMEs.

We are doing much already. Our 29 skills capital projects and ESF programmes totalling £100m of investment are already delivering apprenticeships, employment training and growth. Local Skills Board initiatives also respond to the skills shortages and illustrate a joined up, consistent approach. Local authority Leaders are exploring their use of the apprenticeship levy to respond to growth. Looking to the future, nearly £15m Local Growth Funding allocated to skills projects, such as the Canterbury Christ Church University EDGE Hub will continue to support strong partnerships between education and employment. There is much more to do and I am pleased to introduce our shared approach to building a first class, locally driven skills system. Christian Brodie, South East LEP Chair

2. Background

"The SELEP believes that skills have a fundamental role in productivity and growing an inclusive economy; it is a top priority." Adam Bryan, South East LEP Managing Director

The existing South East LEP (SELEP) Skills Strategy was produced in November 2014. The economic and skills landscape has changed significantly and there are a number of areas of change and reform, including apprenticeships, careers support and T-levels. Therefore a refresh is necessary. The aim of this strategy is to set out skills and employment priorities across the LEP area to inform funding, drive activity, influence government and shape future focus. The importance of skills is also reflected in the new emerging SELEP Economic Plan and Investment and Infrastructure plan. This document is owned and driven by the LEP Skills Advisory Group; a partnership of colleges, universities, local authorities, training providers and voluntary sector representatives across the LEP. Its production has also involved discussion with local Employment and Skills Boards and employers and partners across the LEP through meetings and an online consultation.

This strategy is supported by a suite of documents and evidence:

- South East LEP Skills Evidence Base LEP wide information
- District and sector profiles (appendix 1)
- Skills Strategy online Consultation headline results and conclusion (appendix 2)
- The impact of Brexit supporting paper (appendix 3)
- The Digital economy supporting paper (appendix 4)
- Construction and its importance to the SELEP area (CITB report) (appendix 5)
- Celebrating Skills overview of current capital and ESF investments (at http://www.southeastlep.com/images/uploads/resources/SELEP_brochure_%28E SF_and_Skills_Capital%29.pdf)

Headlines

- By virtually all measures the SELEP area is considerably bigger than other LEP areas outside London (vacancies, employees, enterprises).
- However, our GVA, earnings, skills levels and benefit claimants require improvement if we are to be a productive, competitive area.
- Apprenticeship numbers have remained static in recent years and need to increase significantly for us to contribute proportionately to the government's three million target and to increase our productivity.
- Our focus on sectors is broadly appropriate, with sectors such as construction, IT &
 digital, manufacturing, health, care and logistics experiencing large shortages already,
 set to increase with significant growth across the SELEP area. Sectors such as tourism,
 land based and agriculture are also clearly important to our area. We might consider
 how we support the education sector and should acknowledge the large volume of jobs,
 vacancies and enterprises in retail.
- Although we have issues such as high numbers of workless households and benefit claimants, this is coupled with a wide range of opportunities, which means that we can be optimistic with regard to responding to the challenge.

3. National context and impact upon SELEP area

"We must help people and businesses to thrive through skills. Our poor performance in basic and technical skills is key to the UK's persistently lower levels of productivity compared with other advanced economies." *UK* government

3a. The Apprenticeship levy and reforms are one of the most significant changes in recent years.

The levy is essentially a tax on UK employers with annual pay bills over £3 million (therefore less than 2% will pay the levy). The government's ambition is that this supports productivity, helps to deliver the 3 million-apprenticeship target to 2020 and ensures that training is employer led. Therefore funding will be with the employer, rather than the provider. Most non-levy payers will make a 10% contribution to apprenticeships, with 90% provided by the government, though there are exceptions to this based on business size and apprentice age. There has been speculation that smaller non-levy paying employers may be deterred by this new requirement and that there may be a short-term decrease in the numbers offered. Additionally, whilst it is positive that apprenticeships may open up for many existing employees of all ages, there is a risk that employers seeking to get value for money will rebadge existing training as apprenticeships, not necessarily therefore offering added value.

There have been short-term issues impacting upon apprenticeships and the roll-out of these reforms, including reduced allocations to non-levy apprenticeship funded training and delays in the Register of Approved Training Providers (RoATP) to deliver apprenticeships. SELEP and partners have written to the Skills Minister and Education and Skills Funding Agency in July 2017 querying a recent reduced allocation for non-levy apprenticeship funding and the consequent impact this will have on take up.

SELEP's population is 4.1 million, roughly 7% of England. Applying this proportion to the government target of 3 million apprenticeships (from 2015-2020) would equate to **SELEP contributing 210,000 apprenticeships to this target.** For the last few years, apprenticeship starts have been approximately 32,000 annually. **AREA FOR ACTION**

The reform of apprenticeships means that apprenticeship frameworks will be phased out and replaced with standards, also known as 'Trailblazers' and with employer input informing their design. In the short-term therefore, new standards applicable to growth sectors will not be universally available though in the longer-term these should be more relevant and employer driven. Degree apprenticeships have also been introduced, which it is hoped may address the arbitrary divide between academic and vocational routes. Available degree apprenticeships are limited currently but in the longer-term, we would hope this is an area for Further and Higher Education to expand. **AREA FOR ACTION**

SELEP and partners are absolutely committed to achieving significant apprenticeship growth across the LEP and ensuring the conditions are right for more technical, adult and degree apprenticeships, which will respond to priority sectors and growth.

3b. Introduction of T-levels - now 2020

T-levels are new technical qualifications aimed at putting vocational qualifications on an equal footing with academic ones. They will enable 16 to 19 year olds to study in 15 sectors such as construction, hair and beauty replacing thousands currently on offer and with the ambition of making access to the job market easier and young people 'work fit' in a number of key industries. The first T-levels were originally due to be in place for February 2019, the government has announced that this will now commence from September 2020 with the remaining routes in place by 2022. Industry bodies such as the Confederation of British Industry have generally welcomed these delays given the extent and complex nature of these reforms, which the government has described as 'the biggest overhaul of post-school education in 70 years.' The government has pledged £500 million per year to deliver T-levels by 2022. The qualifications falling within the sectors have yet to be determined and will be informed by industry panels. There will be a requirement for three months high quality work experience, which is positive though may be challenging to offer given the high number of SMEs across SELEP. Employers will therefore need to be assisted to prepare for this change.

The 15 sectors / routes covered are as follows and some of these cover a range of occupational areas (those with * will primarily be delivered through apprenticeships). These correlate with many of SELEP's areas of growth and sectors potentially experiencing shortages due to Brexit:

- o Agriculture, Environmental
 - & Animal Care
- Business and Administrative
- Catering and Hospitality
- Childcare and Education
- Construction
 - Creative and Design

- Digital
- Engineering and Manufacturing
- Hair and Beauty
- o Health and Science
- Legal, finance and Accounting
- Protective Services *
- Sales, Marketing and Procurement *
- Social Care *
- Transport and Logistics *

As with apprenticeships, SELEP is committed to achieving greater levels of technical skills, supporting Further Education to deliver these and responding to sectors where there are shortages. To this end, alongside and in parity with A-levels this simplification may assist respond to growth and the confusion within the landscape often cited. However, it will be necessary to respond to the detailed proposals, as and when they become available. It should be noted that there is a general shortage of qualitied trainers aligned to growth sectors, exacerbated by and impacting upon skills shortages in industries.

3c. £170m for Institutes of Technology (IoTs)

The government announced £170m capital for Institutes of Technology early in 2017, to improve attainment of technical and STEM (Science, Technology, Engineering & Maths) based skills required by employers. Given that this is a national pot, there is some concern over how far this funding may stretch and how it will be determined, with a lot of the detail still be published. As of October 2017, Expressions of Interest have been invited by the end of the month and preliminary information circulated in February 2017 gave the context and cited that 'in the UK we currently have too few people equipped with the higher level technical skills our economy needs. This skills gap is harming the economy, hindering productivity and hampering the life chances of young people.' As our Skills Evidence Base illustrates, this picture is clearly echoed across SELEP arguably on a far greater scale than

anywhere else nationally. SELEP's Skills Strategy and Evidence Base will help to inform the areas for priority for any IoTs in the SELEP area.

IoTs are expected to be based around boosting provision at Levels 4 and 5 in STEM subjects (mainly within FE), developing a strong pipeline of provision at Level 3 with clear pathways to the IoT's level 5/5 provision and up-skilling or re-skilling the existing workforce, to keep pace with rapid technological change. Again, the Skills Evidence Base illustrates the necessity of this across SELEP, with lower than average skills levels particularly at level 4 and above, coupled with high levels of need. Employers are expected to be central and to this end, the LEP's local Employment and Skills Boards will have a key role to play. SELEP and partners would be keen to see strong Higher / Further Education and employer partnerships, responding to the growth set out in the Skills Evidence Base. ** AREA FOR ACTION**

3d. The Industrial Strategy and skills

The government's Industrial Strategy Green Paper was published in January 2017 and set out 10 pillars' important to drive forward the industrial strategy across the entire economy'. The second of these pillars is 'developing skills' illustrating the importance placed on skills for growth. The strategy outlines that 'we must help people and businesses to thrive by; ensuring everyone has the basic skills needed in a modern economy; building a new system of technical education to benefit the half of young people who do not go to university; boosting STEM (science, technology, engineering and maths), skills, digital and numeracy; and by raising skills levels in lagging areas'. The role of skills in supporting businesses to grow is also captured.

The Industrial Strategy acknowledges again the importance of investment in technical education, which it notes has been 'relatively neglected' and notes the 'bewilderingly complex array of qualifications, some of which are poor quality'. This complexity is also reflected by responses to SELEP's skills strategy consultation. As the Industrial Strategy outlines, this has led to a shortage of technical-level skills (which is also evident across SELEP) and a position of 16th out of 20 OECD countries for the proportion of people with technical qualifications. Greater proportions of young people are still choosing academic rather than vocational study.

This picture is echoed in the SELEP area also and in our shared ambition to increase technical skills to respond to growth. The green paper consultation has now closed and in SELEP's response the ambition for 'parity of esteem' between vocational and academic was welcomed and SELEP's growth requirements were outlined as per this strategy, including awareness of jobs and clear pathways. The importance of adult upskilling and retraining was emphasised, particularly to qualifications for which there is currently no funding support (i.e. HGV driving, Construction Skills Certification Scheme card).

3e. Brexit and impact on sectors, funding and workforce

A separate report to support this strategy will consider the potential impact of Brexit more fully and the evidence base considers the impact on some sectors, with for example, higher proportions of migrant labour. With much still to be negotiated at the time of writing, it is difficult to make any predictions with certainty. The government nationally is already exploring a 'UK shared Prosperity' fund to replace EU funding.

SELEP and partners have influenced European Social Funding held by the DWP and matched by the DWP, ESFA and Big Lottery. This is delivering against areas such as apprenticeships, in work training for growth sectors and supporting unemployed and disadvantaged cohorts towards employment. Partners would welcome greater control, influence, and flexibility over this funding so any national pot will need to respond to local need and give local partners a leading role. For cohorts including homeless, carers, offenders and those with mental health barriers, EU funding support has been important. Therefore, some ring fencing would arguably be a positive thing.

A Federation of Small Businesses (FSB) report 'What Small Firms want from Brexit' was published in April 2017. This outlined that one in five companies have EU staff and one third do business with or within the EU. Key concerns were described as being accessing the skills required (59%), growing their business (54%) and enforcing new immigration rules (56%). The sorts of responses being considered to likely shortages included moving abroad (13%) or closing (8%), continuing to recruit from the EU at extra cost (40%). Some were considering investing in their current workforce (9%) or offering new opportunities like apprenticeships (16%).

In terms of SELEP priority sectors, the biggest being construction; the Royal Institute for Chartered Surveyors (RICS) has produced figures outlining that 'post Brexit should the UK lose access to the single market, nearly 200,000 EU workers could be lost, placing infrastructure and construction projects under threat.' The Nuffield Trust representing health and care also concluded that 'there is doubt about the future of our EU workforce who currently perform a vital role across health and social care'.

With skills shortages potentially set to increase, investing in areas such as skills support and apprenticeships are therefore likely to be even more important.

3f. Digital revolution changing the way we work (supporting report)

A separate report to support this strategy will consider the potential impact of the digital revolution more fully. This now cuts across all sectors, from robotics being used in warehousing to the application of digital care. In some sectors (i.e. manufacturing and engineering) robotics have seen employers reduce their workforce. Methods of working have changed, with remote and flexible working being applied by many employers, reducing travel times and negating the need to meet in person.

These advances represent huge potential for skills development. Many schools, further and higher educational establishments now use virtual reality, drones and robotics. Virtual reality and simulators mean that people can be trained for an industry without having to actually be there. A potential area for SELEP and partners to explore would be reaching adults and cohorts such as prisoners though such flexible and interactive learning.

It is predicted that this will continue to transform workplaces and with some forecasts suggesting that more than 10 million jobs could be at risk of being replaced by automation over the next ten years. This is already happening in areas such as self-service check-outs. Many of these will be lower skilled jobs and coupled with Learning and Work Institute predictions of more than six million too many low skilled people and two million too many

with intermediate skills, it again highlights the need to improve the skills levels across the LEP. It is therefore vital to help people in work to upskill as well as new entrants.

3g. UK skills levels in an international context and on productivity

According to the Organisation for Economic Co-operation and Development (OECD)'s international table published in 2015, two in ten 15-year olds in the UK lack basic maths, science and reading skills compared to one in 10 in Vietnam. The UK is ranked 20th of 76 countries and falls behind Japan, Poland, Finland and Canada. The OECD notes that if education failings are not tackled 'economic output is lost and is a powerful predictor of the wealth that countries will produce in the long run.

A BEIS report notes that 'a nation's prosperity depends largely on its ability to raise the level of its productivity. The education level of its workforce, and how effectively the skills are used in the production processes, are considered important factors in this process.' Comparisons with other countries illustrate relatively poor productivity in the UK compared with countries such as Italy, Canada, France and Germany. The same report finds evidence of a positive link between high skills and productivity. This is evident in SELEP's lower than average GVA, earnings and skills levels and further illustrates the benefits of upskilling.

It is clear that the UK's performance in productivity and skills is not keeping pace internationally and the skills evidence base illustrates that SELEP is failing to keep up with national skills levels and those of other LEPs. This is due to a combination of factors, including availability of employment, access to training in rural areas and deprivation in coastal areas and there are disparities, with some parts of SELEP well above and others well below the national average. This is therefore an important area to address, if the SELEP area is to reach its full potential and given its size, impact upon national performance.

3h. Further Education Area Reviews

In September 2015, the government commenced reviews of further education across England (33 in total), which concluded in 2017. The focus was on FE and sixth-from colleges, with participation by other institutions such as school sixth forms and training providers being voluntary. This did lead to questions about the scope of the review, in that not all post 16 provision was therefore included. Reviews were led by steering groups, chaired by the FE commissioner and including LEP and local authority representation as well as college Principals and Chairs of Governors. They explored areas such as mergers, financial resilience and responding to labour market needs.

The reviews were conducted in waves, with East Sussex being part of the Sussex Area Review in the first wave. Kent and Medway and Essex, Southend and Thurrock were in wave five, whereby the process was more streamlined and prescribed. The LEP worked with local authorities, Kent and Medway Skills Commission, the Essex Employment and Skills Board and Opportunity South Essex to present an employer led, evidence based overview of jobs and skills growth for FE providers, in line with the LEP's capital investments in FE from 2014.

- The full reports are now available at https://www.gov.uk/government/collections/post-16-education-and-training-area-reviews and key recommendations include:
 -Continued collaborative working to provide routes to higher technical and professional learning
- o Developing progression routes beyond level 3 to increase skills levels of local residents

- Increasing delivery of apprenticeships in key sectors, particularly at higher levels
- Supporting better careers education, information, advice and guidance through collaborative working with colleges, the LEP and local authorities
- Colleges developing their estates to ensure facilities are suitable to support the delivery of provision in priority skills areas
- The development of greater specialisation in key areas where colleges have expertise in order to provide level 4+ provision in priority areas
- Effective transition arrangements between schools and colleges
- Mergers / potential mergers in SELEP's area include Canterbury and East Kent College,
 Palmers and SEEVIC and Sussex Coast and Sussex Downs College.

3i. Work and Health programme

The Work and Health programme is a new government welfare-to-work programme, due to launch in autumn 2017. This will replace the previous 'Work Programme' and 'Work Choice' though not all beneficiates of those will necessarily be referred to the new programme. It will provide specialised employment support for people with disabilities and long-term unemployed people. This will be run by providers and as part of the bidding process, some providers have contacted the LEP or local authorities for further information on priorities and growth. It would clearly be the LEP's ambition that such programmes fit with the local landscape, do not duplicate with existing provision and address skills shortages. Geographically, the programme is based on Job Centre Plus operational boundaries and the SELEP falls within the 'Home counties' area, which also includes parts of East Anglia.

3j. The Careers Enterprise Company (CEC) – connecting schools and employers

The Careers Enterprise Company (CEC) is a national network set up by government to 'connect schools and colleges, employers and career programme providers to provide high-impact career opportunities for young people.' As of August 2017, there were 1,700 schools nationally signed up to the network. The CEC part funds Enterprise Co-ordinator posts (EC's) by 50% and ECs work with up to 20 schools in their area to match them with an Enterprise Adviser (senior business volunteer) to work in partnership with schools and colleges to develop a careers plan and connection.

Across the SELEP area, match funding is currently provided predominantly by local authorities, with a presence across Essex, Southend, Thurrock, East Sussex, coastal schools in Kent and with a West Kent network just launched. This represents nearly 200 schools to ultimately be worked with and represents a huge opportunity to articulate LEP and local skills board priorities. The LEP has also played a role in linking partners such as the National Careers Service, Job Centre Plus and others up given all now have remits to work with schools. The training provider networks and local authorities across the LEP also do a lot of work with schools, including apprenticeship promotion and information. As part of the ambition to increase apprenticeships, independent and impartial services locally for employers are important, particularly given the high volume of SMEs across SELEP's area.

The importance of careers has emerged as a key requirement in the skills strategy consultation and the fact that ideally this would commence at primary level. There are many programmes and initiatives cluttering the landscape and a range of partners have expressed the need for simplification and local determination.

4. The South East LEP context

"The largest LEP outside London and covering a very diverse area, it is impossible to categorise SELEP"

One of 38 LEPs nationally, SELEP has a federated model of operation, principally supported by local business and skills boards. For skills, this includes the Skills Advisory Group and local Employment and Skills Boards. LEPs were set up by government to deliver activities to drive growth

Geographically, the South East LEP includes Kent, Essex, East Sussex, Medway, Southend and Thurrock. By far the largest LEP area nationally, it has a population of 4.1 million and covers 35 local authority areas, including 29 districts. The map below illustrates that it includes one of the largest coastlines in the country and borders on Greater London, Cambridge, Hertfordshire, West Sussex and Suffolk.



SELEP covers a very diverse area, made up of rural, coastal, urban, wealthy and deprived populations. From areas such as Jaywick in Essex (the most deprived ward in the country) to Tunbridge Wells in Kent, with low-level unemployment and high qualification levels, it is impossible to categorise the SELEP area and different areas often require different approaches. This diversity makes the SELEP area applicable to a wide range of government policy.

The SELEP is home to some world-beating companies and is an area to be proud of including household names such as Ford, Saga, Stansted Airport, P&O Ferries, Konica Minolta, Eurotunnel, DP World and Amazon as well as a wide range of start-ups in sectors such as digital, creative and construction. The area is soon to be home also to Public Health

England, a new Bradwell Power station, Entertainment resort and expanded ports and airports.

The SELEP area is nationally and internationally important –SELEP's sea, rail and airports provide a gateway to the world and the rest of the UK. This area is vital and instrumental in keeping goods moving and enabling international trade.

Overall, SELEP has lower than average skills levels and though improving, these are failing to keep up with the national average at every level, except level 1. Generally, SELEP falls within the bottom half of LEPs for skills levels. As a diverse and large area, SELEP has areas well above and well below the national average.

Nearly 190,000 (7.5%) adults have no qualifications; the highest number of any LEP nationally after London and Leeds. 90,000 people in employment do not have a qualification and 237,000 have a level one only. **FE participation has fallen in recent years.**

This area will see significant housing and infrastructure growth, with up to 300,000 new homes projected to 2030. This has clear consequences for the construction sector but also for sectors serving a growing population, such as health, tourism and care. This is coupled with nationally important infrastructure schemes such as the Lower Thames Crossing.

There will also be significant population growth, increasing to nearly 5 million by 2039. This will include a sizeable ageing population, impacting upon sectors such as health and care.

SELEP has large volumes of both high value and entry-level jobs, building on a strong IT, creative, construction, manufacturing, care, tourism, agriculture and health base and with nearly 400,000 vacancies advertised from August 2016-July 2017.

SELEP has the second highest of all LEP areas of workless households; there are 178,000 workless households and 83,000 children living in workless households. Over 40,000 people were claiming out of work benefits as of June 2017 – among the highest numbers nationally.

Apprenticeship start numbers have remained fairly static in recent years (around 32,000 annually), with a population of nearly half a million 15-24 year olds. SELEP applying a proportionate target to the government's ambition for 3 million apprenticeships (from 2015-2020) would equate to SELEP contributing 210,000.

SELEP enjoys a close relationship with London, which has both positive and negative impact on the area in sometimes drawing skills out of the South East, offering higher salaries and affecting house prices (i.e. the average house price in Sevenoaks is £409,256), which has implications for lower paid jobs, in sectors such as care. However, some London companies are seeing opportunities for relocations to SELEP, in sectors like finance and creative.

Across SELEP, there is a growing need to support disadvantaged groups such as benefit claimants, ex-offenders and increasing numbers of homeless people. Some areas within SELEP are now nationally considered 'hotspots' for homelessness including Harlow, Basildon, Chelmsford and Colchester.

5. Sector context (all facing shortages already, set to increase)

The skills evidence base illustrates the significant size of SELEP compared with other LEPs and for its sectors also. For example, 98,000 people are employed in construction compared with 58,000 in Leeds and 51,000 in Greater Manchester. It is a similar picture for sectors such as health and care. The SELEP area also has the fourth highest number of manufacturing sector employees (103,000) of any LEP area nationally. Across all sectors, there is a growing need for more start-up / entrepreneurial, leadership and management skills as well as digital. Across all sectors, the speed and level of change mean that the nature of work is changing and therefore training needs to adapt accordingly.

A table from the skills evidence base is included below, to illustrate the sector requirements and developments in the area which will impact upon skills and jobs needs in the future. Generally, there is a need to support people across all sectors with higher, technical and professional skills to increase productivity and competitiveness and enable people to progress from low and entry level jobs. Sectors that have been marked as priorities have been identified as having LEP wide significance due to large current and future jobs growth, high value jobs or strategic importance. Supporting sector reports will be produced.

Sector	SELEP Picture Now	Growth / Future
Health and Care (PRIORITY)	 27,325 enterprises 101,000 employee jobs Ageing workforce Disproportionately male workforce Nearly 6,000 vacancies (including Electricians, plumbers, carpenters, Quantity Surveyors, Bricklayers, Production Managers) Average national salaries include: Production Manager (£46K), Supervisor (£33k), Carpenter (£32k), Quantity Surveyor (£47k) Competition from London offering higher salaries to people trained here 7,240 enterprises 220,000 employee jobs Disproportionately female workforce (particularly in care) Over 45,000 vacancies (including Nurses, care workers, medical practitioners, social workers and care managers Average national salaries include: Nurse (£35k), Care workers (£20k), Residential home managers (£41k), Social Workers (£41k) 	 300,000 new homes across SELEP, so sector set to see considerable growth Large infrastructure projects (i.e. Lower Thames Crossing) Growing need for 'green' & low carbon skills Public perception hindering growth. Large requirements in 'off site' jobs Carpenters, Joiners, Architects, Project Managers, Plumbers & heating & ventilation engineers and Chartered surveyors identified by UKCES as jobs of the future Brexit impact as large migrant workforce Population growth to 4.6 million by 2030 Increasing ageing population – both will impact on health and care needs Public perception of sector (particularly care) hindering recruitment – good opportunity to progress to management Care Workers, Nurses, dentists and nursing assistants identified by UKCES as jobs of the future Potential impact of Brexit as large migrant workforce Opportunities to use digital technologies
IT, Digital & creative (PRIORITY)	 19,170 enterprises 85,000 employee jobs IT has a disproportionately male workforce Over 30,000 vacancies (including Web developers, software developers, IT 	 Current 'digital revolution' means skills for this sector applies across all other sectors with digital skills needs growing Many hard to fill vacancies in IT Programmers & Software developers, IT specialist managers, IT analysts, IT project

Finance (PRIORITY)	 support, graphic designers) Average salaries include: IT project manager (£57k), IT technician (£34k), programmer (£43k) 3,020 enterprises 43,000 employee jobs Strong relationship to London – many SELEP residents commuting to finance jobs Over 8,000 vacancies (including Insurance underwriters, finance analysts, sales related roles and financial managers) Average salaries include: Finance and investment analysts (£45k), Pensions and insurance clerks insurance underwriters (£42k), insurance underwriters (£41k) 	 managers, web designers and developers identified by UKCES as jobs of the future High numbers of micro businesses and freelancers which may require a different approach / support to enter sector Trend for some finance companies in London relocating to parts of SELEP due to available workforce / lower rents Growing need for IT (software) skills due to online nature of industry – difficult to recruit to Finance and investment analysts and advisers, chartered and certified accountants, sales accounts and business development managers identified by UKCES as jobs of the future Potential impact of Brexit on international companies presents in LIK with London
Manufacturin g (PRIORITY)	 108,000 employee jobs Nearly 12,000 vacancies including mechanical engineer, production manager, engineering manager, test engineer Disproportionate male workforce Ageing workforce Internationally famous companies located here (i.e. Ford, Raytheon, e2v) Average national salaries include: design and development engineers (£43k) engineering professionals (£33k), mechanical engineers (£38K) 	 companies presence in UK, with London as Europe's main financial services hub Public perception of sector hindering recruitment Ageing workforce likely to impact on skills needed – high need for technical skills Mechanical Engineers, Metal fitters, production and maintenance fitters identified by UKCES as jobs of the future Impact of digital and robotics on future skills requirements Decline in employment forecasts but current shortages and factors such as competition from other sectors / ageing workforce means there is continued need for skilled staff
Transport & Logistics (PRIORITY)	 6,270 enterprises 93,000 employee jobs Disproportionate male workforce Of national and international significance – SELEP has nine ports, high speed rail links and regional airport capacity Over 8,000 vacancies including HGV Driver, Forklift Truck driver, warehouse manager, transport manager and depot manager Average national salaries include: managers in transport distribution (£37k), Warehouse Managers (£36k), LGV Drivers (£26k) 	 Impact of digital and robotics on future skills requirements (i.e. automated warehousing) Aircraft pilots, LGV drivers, train drivers identified by UKCES as jobs of the future Airport expansion at Gatwick (outside LEP but providing large volume of jobs), Stansted, Southend airports
Agriculture and land based (Kent & East Sussex PRIORITY)	 6,000 enterprises 1,000 vacancies including landscaper, veterinary nurse and farm estate worker Average national salaries include farmer (£44k), veterinary nurses (£24,495) 11,495 enterprises 276,000 employee jobs (NB includes wholesale and repair also) 	 Important to food security and potential move to more UK production if imports become costly Innovations in areas such as wine production could lead to further growth Farmers UKCES jobs of the future Growing need for farm based R&D Impact of online retail Heavy reliance and inter-relation with transport and logistics sector

	 11,000 vacancies including store manager, sales executive and retail sales person Average national salaries include sales assistants (£21k), cashiers (£18k), retail managers (£28k) 	UKCES identifies IT skills associated with sector, such as business analysts as jobs of the future
Education	 2,935 enterprises 156,000 employee jobs 33,000 vacancies including secondary education teaching professionals, teaching assistants, primary and nursery education teaching professions Reported difficulties recruiting and people leaving sector Average national salaries include secondary education teachers (£31k), FE teaching professionals (£35k) & teaching assistants (£17k) 	 Largely public sector so reliant on public funding UKCES identifies Secondary School Teachers and educational support assistants as jobs of the future General challenge in schools, colleges and universities to recruit to sector specialism especially where there are shortages in the sector itself. Useful to explore industry placements and support to address this.
Professional , scientific & technical (cross cutting) PRIORITY)	 27,950 enterprises 110,000 employee jobs Reflecting the high level of technical and higher level jobs across SELEP Reflects jobs in some of sectors as above such as IT, construction and also legal Over 9,000 vacancies including Solicitors, legal professionals and legal secretaries Average national salaries include Solicitors (£45k), Vets (£40k) and legal professionals (£45k) 	Technical roles are increasing as reflected in the sectors described above and are reflected in UKCES jobs of the future as well as legal and medical roles
Energy & Utilities (PRIORITY)	 18,000 employee jobs 1,600 vacancies including water and sewerage operatives, engineering technicians and business sales executives Average national salaries include £29,000 for water and sewerage operatives and £30,000 for engineering technicians 	 The sector reports requirements in engineering and experiences similar shortages to the engineering sector UKCES identifies needs for technical skills and notes that in future there will be increasing skills requirements for the expansion of intelligent energy systems that track usage as well as installation of energy technologies such as solar & wind.
Accommod ation, Food & Hospitality	 112,000 employee jobs 8,615 enterprises Nearly 6,000 vacancies including restaurant manager, bar staff, hotel manager Average salaries include £28,000 for a Restaurant Manager, £20,000 for a Chef & £30,000 for a Hotel Manager 	 Current and future trends include the development of companies such as Airbnb changing the nature of the sector Growth across the SELEP area has seen an increase in new restaurants, hotels and bars in many areas

Future developments influencing these sectors

Clearly there is a lot about the future which will impact SELEP's sectors which cannot be predicted. However, there are a range of certainties in terms of forthcoming investments which will have skills and jobs implications across the area. Some key examples are as follows with more schemes and resultant jobs and skills needs described in the accompanying Construction and Industry Board (CITB) demand led report:

Development / investment	Further information
Public Health England relocation to Harlow	Jobs to include Scientists, engineers, researchers, Scientific
(Essex) from 2019	support workers, finance, HR, IT analyst and marketing roles.
	These will include graduate and post graduate roles, PHD
	studentships, entry level roles and apprenticeships. Recruitment
	is expected to take place from academia, industry and the NHS.
Bradwell Power Station (Essex) new build	Jobs would be in engineering, construction, planning
(pre-planning stage only)	
Amazon Fulfilment Centre location	1500 jobs including Control Systems Engineer, Senior Control
(Tilbury, Thurrock) – recently opened and	System Engineer, maintenance technician and health and safety
still recruiting (2017)	manager
Lower Thames Crossing (Essex, Southend,	Expected to generate up to 25,000 new jobs in construction and
Thurrock and Kent) (timings to be	engineering
confirmed)	Congrating a share of EQ 000 ishs which were projected for
Cross Rail Essex routes – to 2020	Generating a share of 50,000 jobs which were projected for London and the south east
Harlow Enterprise Zone (Essex)	2,500 jobs, growing to 5,000 over 25 years
Southend Airport Growth	Up to 7,000 new jobs to 2020
Stansted Airport (Essex) growth	Up to 10,000 new jobs to 2020
Port of Tilbury (Thurrock) growth	Up to 5,500 jobs at London distribution Park and Tilbury sites
London Gateway (Thurrock)	One of Europe's biggest logistics parks and growing
Wind farms (Greater Gabbard, Gunfleet	Maintenance (Engineering) skills likely to continue to be needed
Sands, London Array, East Sussex coast)	Wallterlance (Engineering) skills likely to continue to be needed
Better Queensway Development	£320 million regeneration in Southend over next 15-20 years
(Southend)	1320 million regeneration in 30atheria over next 13 20 years
Up to 300,000 new homes to 2030 across	Large numbers of jobs in construction and engineering. Sites
SELEP area	including:
	Ebsfleet Garden City (Kent)
	Otterpool Park Garden Town (Kent) houses and commercial
	land
	New garden town on Essex-Hertfordshire border
	Dunton Hills in Essex (to include new schools and shopping
	facilities)
Discovery Park (Sandwich, Kent)	Up to 3,000 new jobs
Elwick Place Development Ashford (Kent)	Development requiring construction and engineering jobs.
	Leisure and hospitality jobs to be created
Sittingbourne Town Centre regeneration	Development requiring construction and engineering jobs.
(Kent)	Hotels, cinemas and shops to create retail and hospitality jobs
London Entertainment resort (previously	Large scale entertainment resort would require construction
Paramount) – plans only	and engineering skills and once up and running, large numbers
	of hospitality jobs
Growth of Gatwick Airport	Continuing jobs for people living in East Sussex and Kent
Shallows Business Park (Hailsham, East	Over 500 new jobs
Sussex)	Development engine or lead for the deal to 1 1 200 000
North Bexhill Access Road	Development opening up land for the development of 38,000
	sqm of new employment space and the creation of over 2200
Lewes North Street Quarter	jobs £180m development on brownfield site to include public
Lewes North Street Quarter	spaces, off street parking, employment space and a healthcare
	hub
Devonshire Park (Eastbourne)	£44m project to deliver new welcome building, theatre and
בייטווסוווים ו מווע (במסנטסמוווב)	gardens
	0
Queensway Gateway Road	New road to reduce congestions on the Ridge and open up land
	along a corridor between Hastings and Bexhill for business
	investment and housing development

6. Shared ambition across the LEP

"SELEP represents a unique and powerful collaboration of public and private sector partners with a shared ambition and drive to bring about growth for the benefit of its individuals, communities and employers and to ensure that this provides opportunity for all in society."

Working with federated skills boards, the SELEP's Skills Advisory Group brings together colleges, universities, local authorities, training provider, employer and voluntary sector representatives. As a working group of the largest LEP nationally, it is the biggest of its kind nationally and represents an expert group which could prove as a useful sounding board to government for new initiatives and consultation on what is and isn't working on the ground. This group, the LEP Board and extensive LEP network of hundreds of partners have fed into and informed this strategy, which is the result of detailed research and consultation. There is therefore consensus across the LEP of issues to address, with headlines as follows:

- SELEP's education and productivity in a national and international context highlights the
 need to align education to growth and where the jobs in future will actually be. We will
 share our clear and consistent message to all stakeholders' schools, colleges, providers,
 universities in order to rise to the challenge of current shortages and future growth and
 ensure our communities can benefit from this.
- There is a consensus that apprenticeship numbers need to increase as an excellent way
 to respond to skills and sector shortages. As is outlined above, numbers need to
 increase significantly and align to growth.
- The scale of the skills challenge requires us to significantly increase adult participation and create the right conditions for upskilling and retraining. Models such as 'returnships' could be adopted to support people into growth sectors and respond to training needs.
- Across almost all responses to the SELEP skills consultation, the complex nature of the skills system was identified as a barrier. This is reflected in the UK government's industrial strategy. It is vital that this complexity is addressed and duplication, waste and overlap are removed. It is important to ensure also proportionate allocations of funding to SELEP. More local control of funding to ensure it is efficiently and appropriately utilised, would be beneficial.
- This is an ambitious area, with among the largest growth nationally projected. There is every opportunity for the SELEP area to lead the way and to champion new and innovative areas such as digital skills in health and virtual reality learning in new settings.

7. What we are already doing

Investing in facilities for growth through Skills Capital now and in the future, as is
outlined in our 'Celebrating Skills 'brochure¹. This includes facilities to respond to
technical and STEM shortages across a range of sectors including agriculture,
manufacturing, IT and digital and construction. We will continue to make the case for
industry led, inspirational facilities as a key part of our response to skills shortages.

http://www.southeastlep.com/images/uploads/resources/SELEP_brochure_%28ESF_and_Skills_Capital%29.pdf

- Influencing provision and support through the European Social Fund and government funding (such as the Work and Health Programme)
- Supporting a Careers Enterprise Adviser programme now linking nearly 200 schools with employers across the LEP area and growing
- Exploring opportunities to reach primary schools, such as the 'Inspiring Governance' programme
- Raising the profile and importance of apprenticeships through, for example, videos² and infographics and planned work with the National Careers Service
- Fostering stronger links with LEP Growth Hubs to ensure local employers can access support and any skills feedback is shared
- Trailing innovative new approaches such as Tutor CPD through local Skills Boards and exploring a DWP and National Careers Service pilot to support older workers
- Piloting an online portal to simplify things 'Opportunity South East', with the opportunity to roll out across the LEP (https://my.opportunitiessoutheast.co.uk/)
- Local federated skills boards also deliver a range of locally specific initiatives such as Open Doors in East Sussex, a care sector recruitment drive in Essex and a 'Made in Kent' campaign in Kent and Medway.

8. A shared skills vision and priorities for SELEP

SELEP's vision for skills:

To help deliver a flourishing and inclusive economy across the biggest LEP in the country by equipping employers, adults and young people with the skills, conditions and aptitudes required for significant growth today and tomorrow.

SELEP's skills principles:

To achieve our vision, we will continue to use evidence, consultation and partnership to understand, respond and deliver across our geography of Kent, Medway, Essex, Southend, Thurrock and East Sussex. We will continue to develop innovative responses to delivery and barriers and would like to work with government to deliver more and test new approaches.

SELEP's priorities:

As educators, local authorities, employers, voluntary sector, employers and providers we agree our priorities are to -

- Increase apprenticeships and industry relevant qualifications for all ages, particularly in priority sectors and at higher and degree level
- Simplify the landscape for employers, stakeholders and individuals
- Build an inclusive economy and reduce polarisation
- Raise awareness of jobs and growth across SELEP and the area's size, scale, national and international significance
- Foster the spirit of pride, innovation and enthusiasm across SELEP to bring about change

-

² https://www.youtube.com/channel/UCkA5bGNj1ss8Xm4OjM1Va6g

9. Emerging actions – a commitment to deliver

There is a strong shared commitment to deliver against the findings and conclusions in this strategy. With much excellent work happening at federated area level, partners have agreed that it is appropriate to agree on four or five areas for meaningful impact across the SELEP area. In order for these to be successful, all partners also need to articulate the vision, priorities and actions to their networks which will help to ensure a consistent message. Some emerging ideas for action are:

AREA FOR ACTION	WHAT WE ARE ALREADY DOING	WHAT WE WILL DO
	 ITY, JOBS AND EMPLOYER LED TR Promoting apprenticeships at 	Take an LA proposal for utilisation of
Increase apprenticeships and industry relevant qualifications for all ages, particularly in priority sectors and at higher and degree level	LEP at federated level through videos and infographics and on our websites Working with our existing programmes and initiatives (i.e. skills capital, ESF, Careers Enterprise, ASK) to promote apprenticeships and industry need Putting the right facilities in place through capital funding Linking in with the ESFA Apprenticeship Ambassador networks Developing LEP wide evidence of skills and employment need to help providers respond to growth Working with CEIAG and Careers Enterprise colleagues to ensure schools are aware of the range of options	LA apprenticeship levy for growth sectors to government Train Growth Hub colleagues on the levy and reforms through National Careers Service Funding secured Issue ESF calls for tender to support apprenticeship and industry relevant training growth such as brokerage and support with travel and kit Develop more materials, videos and promotion of the benefits of apprenticeships and bust the myths Simplify access for employers and individuals through 'Opportunity South East' portal Prepare employers for changes such as the introduction of T-levels. Get high profile SELEP companies and developments to sign a public commitment to apprenticeships Raise awareness of and support adult apprenticeships
Simplify the landscape for employers and individuals	 Creating materials to describe our skills capital and investments to have information in one place Working with partners such as Growth Hubs, NCS, JCP to share our information and facilitate joint work and introduction Feeding back to government the range of similar government funded initiatives causing confusion 	 Work with Thurrock Council to develop the 'Opportunity South East' portal to host all relevant information for individuals and employers Support roll out across Greater Essex and explore this as a LEP wide tool Build the case for greater local control and say on skills related budgets (careers, apprenticeships, adult budgets) Work with federated skills boards to ensure a consistent approach across the LEP area

Enable <u>all</u> in our society to access training and employment

- Understanding the barriers better, through engagement with partners (i.e. ESF workshop Sept 17).
- Understanding and reflecting our cohorts better by working with specialists (such as NEET teams, Prison service, mental health support)
- Support already available through a range of ESF programmes
- Capturing what's already there and best practice to avoid duplication (i.e. start-up support, helping offenders into logistics)
- Working with Work and Health Programmes and Adult Education Budget providers to ensure join up and response to ened

- Develop our ESF calls to support particular cohorts and utilising our understanding of the barriers for them
- Raise awareness of support already out there and bust the myths
- Use evidence to capture the challenges, numbers and support required for these cohorts to make the case for future funding
- Explore capital equipment and facilities for loan to prisons and other partners
- Create the right conditions of support for adults to upskill and retrain, go into growth sectors & gain employability skills
- Assist the progression from entry level jobs, to reduce in work poverty
- Address the shortage of leadership and management and digital skills
- Ensure that business start-up, innovation and entrepreneurship is supported across the LEP (ESF calls)
- Redress the gender balance in sectors such as construction and IT

RAISE AWARENESS OF GROWTH AND JOBS ACROSS SELEP & THE AREA'S SIZE, SCALE, NATIONAL AND INTERNATIONAL SIGNFICANCE

Raise the profile of our key sectors, skills needs and jobs of the future

- Using evidence and research to capture sectors in Strategy Evidence base and SELEP Economic Plan for a wide audience and stakeholders
- Ensure all partners are aware of these and can cascade and share across SELEP area
- Working with partners like NCS and JCP to share key sector focus
- Building a list of key developments for tangible evidence of jobs and growth

- Develop innovative methods for bringing these sectors and jobs to life (i.e. virtual reality, info-graphics, videos, YouTube)
- Hold sessions with key stakeholders to articulate the importance and job opportunities of these sectors (i.e. teacher CPD)
- Share evidence and strategy nationally to illustrate the importance of SELEP's area
- Continue to attract funding relevant to the size and growth potential of the SELEP area

FOSTER THE SPIRIT OF PRIDE AND ENTHUSIASM ACROSS SELEP TO BRING ABOUT CHANGE

Foster the spirit of pride, innovation and enthusiasm to bring about growth and change

- Working with a range of big employers and fast growing SMEs through existing networks and achieving engagement in education
- Liaising with other LEPs to ensure a joined up approach
- Develop a LEP / local skills Board / employer commitment to apprenticeships, work placements, internships and other for employers to sign up to and to encourage similar from other companies
- Work with local skills boards to raise awareness

10. Conclusions and next steps

(To be added to final version further to feedback on draft document, vision, priorities and actions and to include headlines from the LEP's Strategic Economic Plan).