

Local Enterprise Partnerships and Colleges

September 2012

Contents

	Paragraphs
Executive Summary	1 - 10
The Policy Context for Local Enterprise Partnerships:	11 - 29
The College perspective – Involvement in LEPs on Skills	30 - 54
Local Case Studies	55 - 109
The LEP perspective – Involvement with Colleges on Skills	110 - 123
Conclusions and Recommendations	124 - 136
Annex A – Draft Mappings of Skills Priorities	
Annex B – Good Practice Examples	

This report was drafted by Martin Hannaford of the Skills Funding Agency and edited by the Association of Colleges

Executive Summary

- 1 In March 2011 we published [‘The Involvement of Colleges in Local Enterprise Partnerships’](#) report which explored the changing role of Colleges in their local communities with a particular focus on gaining a better understanding of our members’ engagement with the new Local Enterprise Partnerships (LEPs). The relationship between Colleges and LEPs is an important component in getting the local offer right for employers and the community and driving both growth and investment in skills training.
- 2 A year has passed since we commissioned this research and there have been some significant developments in the intervening year including:
 - the approval of more LEP proposals
 - two rounds of Regional Growth Funding
 - designation of 24 Enterprise Zones
 - release of LEP Capacity Funding (First Round) and LEP Start Up Funding
 - the first round of the Growth and Innovation Fund and commencement of round two
 - Growing Places Funding being released via LEPs
 - publication of ‘Unlocking growth in cities’
 - the announcement of eight City Deals with the LEPs in the City Regions covering Newcastle, Liverpool, Manchester, Leeds, Sheffield, Nottingham, Birmingham and Bristol
- 3 AoC has therefore revisited this policy area to assess how relationships have developed and whether progress is being made. In this second report, we sought to:
 - assess the extent of College engagement with LEPs in supporting and developing local skills thinking and priorities
 - update on the current position of College/LEP engagement
 - further define the contribution that Colleges can make to the development of skills policy and local priorities
 - arrive at recommendations on how to strengthen College engagement with LEPs
- 4 The research identifies that the level and extent of engagement is still very patchy. There are some emerging pockets of good practice. Just over half of the Colleges that responded to the survey reported that their relationship with the LEP had improved over the last year. There are positive examples of LEPs prioritising and promoting Apprenticeships and some encouraging collaboration linked to securing funding for skills activity. However, Colleges are continuing to encounter barriers that make it harder for them to engage constructively with LEPs. These barriers occur in more established LEPs as well as new ones.

5 The specific issues reported by Colleges are:

- A lack of representation at LEP Board level. There has been positive progress in some LEP areas but this is not universal. Where Colleges sit on LEP Boards they have been successful in influencing and driving the skills agenda and where there is an effectively constructed LEP sub-group with College involvement, there is also progress. However, in other areas, there is misunderstanding and drift.
- A lack of understanding of the breadth of the College offer and the role that further education (FE) plays in economic growth, particularly in terms of engagement with employers and community. This prevents the development of an informed collaborative approach to the promotion of skills and securing more employer involvement. Almost two thirds of Colleges that responded to the survey have experienced barriers to effective engagement with the LEP.
- An unwillingness of LEPs to engage strategically with local Colleges or indeed involve the FE sector directly in the skills activity being considered or undertaken by the LEP. Only 11% of Colleges that responded to the survey indicated that they had 'full engagement' with their respective LEP.
- The increasingly politicised environment around both localism and skills, and the argument about who is in charge is making 'day to day' skills business difficult.
- A focus in some areas on inward investment deals and immediate job creation which has meant less attention on local skills development. Although the approach is understandable it demonstrates a lack of understanding of the lead in time that may be required for Colleges to 'shift' and develop provision. This approach has frustrated the ability of the sector to strategically plan and prepare responses to demand in a systematic way.
- A lack of understanding of the current skills arrangements for influencing FE provision and skills policy developments that will have a direct impact on any skills thinking and/or planning at a local level.
- The LEP secretariat function is in some instances becoming bureaucratic and impeding the ability of FE and other partners to engage.

6 There was a strong sense from the case studies and survey feedback that the recognition and status being afforded to Universities by LEPs needs to be extended to Colleges to allow them to make a full and positive contribution to the economic growth agenda. The focus of LEPs on higher education has given the impression that they are mainly interested in higher level skills and are not genuinely interested in the broader skills needs of the economy and local people. This is particularly unhelpful given the innovative collaborative activity taking place between further and higher education through, for example University Technical Colleges.

Recommendations

- 7 The AoC finds itself in a position, one year on from the initial report, reiterating the recommendations from that report, namely, *'that Colleges need to be recognised by LEP partners as a strategic partner, with a remit and ethos that goes significantly beyond simply being a training provider. Colleges are significant assets to local economies and should be viewed as strategic partners and co-creators committed to supporting economic success.'*
- 8 In addition we recommend that the role of LEPs is reviewed locally to take account of the evolving expectations of stakeholders and partners to maximise the contribution that skills can make to economic growth and the added value of the LEP. Colleges are well positioned to inform this discussion and to help shape the local solutions. Colleges have different views about the role of LEPs, but some common expectations are that LEPs should:
- Provide strong and credible leadership informed by expertise from key skills partners – including engagement with Colleges, training organisations and provider networks.
 - Produce a clear and comprehensive local skills vision and strategy supported by a robust and commonly agreed evidence base including analysis of the labour market and future demand.
 - Facilitate the relationship and dialogue between Colleges and other education and training organisations with demand side stakeholders and partners.
 - Identify and promote local/sub regional skills needs and the responsiveness of the system through analysis and consultation.
 - Drive up demand and investment in skills.
 - Think about and recognise the need to work outside LEP boundaries.
 - Support providers and partners to respond to skills needs.
 - Attract funding through successful bidding – acting as a catalyst to skills focused activities.
10. We set out in more detail in our Appendix the ways in which Colleges deliver skills activities that respond to employer and individual demand and contribute to economic growth. In some cases these are being undertaken completely independently of or in spite of LEP activity. This is a missed opportunity and it is one that we will attempt to fix in the next 12 months.

The Policy Context for Local Enterprise Partnerships

- 11 The Government's intention is that LEPs are led by local authorities and businesses across natural economic areas. LEPs are expected to provide the vision, knowledge and strategic leadership to drive sustainable private sector growth and job creation in their area. The combination of strong business leadership with groups of local authorities, whose planning, regulatory and public roles are critical to growth, should enable LEPs to bring an integrated approach to local economies.
- 12 The 2010 Local Growth White Paper set out the diverse roles LEPs can play in response to local priorities, such as ensuring that planning and infrastructure investment support business needs and working with Government to support enterprise, innovation, skills development, global trade and inward investment.
- 13 Since the first report there have been some significant related policy developments including:
- the approval of more LEP proposals
 - two rounds of Regional Growth Funding
 - designation of 24 Enterprise Zones
 - release of LEP Capacity Funding (First Round) and LEP Start Up Funding
 - the first round of the Growth and Innovation Fund and commencement of round two
 - Growing Places Funding being released via LEPs
 - Then Employer Ownership Pilot
 - new flexibilities in Skills Funding Agency rules represented by the Innovation Code
 - City Deals

Local Enterprise Partnerships and skills

- 14 The Local Growth White Paper set out a number of potential roles for LEPs, including a number which are relevant to the skills agenda:
- working with local employers, Jobcentre Plus and training providers to help local workless people into jobs;
 - supporting high-growth businesses;
 - co-ordinating proposals or bidding directly for the Regional Growth Fund.
- 15 The White Paper also encourages LEPs to develop effective working relationships with the further and higher education sector and to engage directly with networks of Colleges, training providers and universities to consider how the LEP can help "generate the demand needed to support local economic development" and to confirm the offer that Colleges and providers will respond to demand. This role may include helping to build employer ambition through spreading good practice.
- 16 Colleges and training providers are therefore encouraged to work directly with local partners, including LEPs and local authorities, to agree the sector's contribution to economic needs. Local relationships are expected to develop a common goal to transform the local economy, rather than LEPs having formal powers or control over colleges. BIS consider that granting LEPs statutory skills

strategy setting powers or other forms of control would be incompatible with the the approach set out in its Skills Strategy. Funding relationships remain with the Skills Funding Agency.

- 17 At present, the emerging LEP networks have set out varied levels of interest and ambition in relation to the skills agenda. Some have skills as an overall priority, some have focused on particular skills levels or sectors and a number do not consider skills as one of their top priorities.

The economic case for skills

- 18 Skills should be a particularly important priority for LEPs given their links with economic growth. Skills, along with innovation, enterprise, competition and investment are accepted as the drivers of productivity. Productivity improvement is increasingly driven by relevant skills as international competition in part depends on organisations having the skills to enable them to compete in global markets. Skills also have a role in driving innovation and investment and improving leadership and management capability; many commentators therefore identify them as the most important element of productivity.
- 19 Leitch (2006) noted the lower average skill levels in the UK and claimed this accounted for about one fifth (or more) of the productivity gap with Germany and France. UKCES (2009) maintained that a 4% rise in the value added per worker is equivalent to an additional £40 billion on UK GDP (or around 40% of all income tax revenue).
- 21 Skills are also important from an individual perspective. The evidence suggests that, in general, the higher the qualification level, the better the wage gain with, for example, Apprenticeships demonstrating strong wage gains. BIS (2011) assessed the economic value of the FE system at £75 billion Net Present Value taking into account wage gains and a higher probability of staying in employment. This confirmed the analysis in the Leitch report.
- 22 Non-economic benefits should not be forgotten, recognising the role that skills can play in helping address health and crime issues as well as improving life satisfaction.

Role of Colleges and providers in relation to LEPs

- 23 The role of Colleges and providers in relation to LEPs is set against the commitments in ‘Skills for Sustainable Growth’ to provide greater freedom to Colleges and providers through:
- Reducing the number of bodies in the skills landscape and streamlining those that remain;
 - Simplifying systems and procedures including the funding system; and
 - Removing regulation and introducing freedoms and flexibilities for the sector.
- 24 In exchange for these freedoms and flexibilities, Colleges and providers must offer increased transparency about delivery and performance by:
- Developing self-organised networks where the relationship between providers and their direct customers is paramount;
 - Engaging directly with local partners (LEPs, local authorities, Jobcentre Plus etc) by consulting them on their business plans; and
 - Publishing information on their plans and performance.

- 25 In this context, it should be critical that effective joint working between Colleges and training providers and LEPs is established. Providers should be able to demonstrate that they have sought the views and input of key stakeholders, particularly LEPs, in developing their business plans.
- 26 The ways in which Colleges can engage with LEPs include the following:
- Gather and interpret intelligence on local priorities, opportunities and developments and help shape the plans for that local area, based on the needs of the local residents and opportunities for employment
 - Prepare a local business plan that can be discussed with local economic partners/LEP that identifies planned provision and investment in response to priorities in a locality/LEP area;
 - Establish methods of clear accountability to their customers including transparency about the quality and value of different learning opportunities
 - Regularly share data on delivery to local partners so that this information can be used for future local planning in an open and transparent way
 - Feedback on the views of learners and employers to help understand needs and to identify any areas for development or improvement in provision
 - Form self-organised networks to engage more easily with LEPs to agree skills priorities and how these can best be delivered
 - Engage with other key local partners including local authorities, Chambers of Commerce and Jobcentre Plus to join up planning and delivery
 - Work collaboratively to ensure skills progression opportunities and progression to higher level skills;
 - Develop the roles and responsibilities of governing bodies with regard to increased local accountability, transparency and responsiveness
 - Collaborate with partners, including local authorities and LEPs to respond to both economic events such as large scale redundancies and major inward investment opportunities
 - Involve LEPs in new developments such as the plans for further education loans
 - Carry out 360 degree or other feedback mechanisms to identify partners' views on local providers and to identify possible improvements or changes needed.
- 27 Where local or national partners feel the sector is not responding they will be expected to challenge the leadership of the sector, including College governors and principals, and to raise issues with representative bodies, who are expected to take a strong peer role in driving up improvement. Where a dispute or difference of opinion arises between the LEP and a local College, the LEP and college should seek to resolve the issue together, with the option of further consultation and collaboration with other providers or sector bodies. The Skills Funding Agency's role (see below) is to work with the sector and LEPs to assist in the development of their new responsibilities and will be alert to any issues and problems, becoming involved by exception and proportional to need.

28 LEPs will require a range of skills related information and data to help them identify local priorities and develop, through a dialogue with the provider network, provision that responds to local needs and is high quality. This will include:

- Data and information through FE Public Information (formerly Framework for Excellence) about the curriculum, quality and value of different learning opportunities
- Reports from the Data Service to help LEPs understand the shape and performance of local provision
- The Statistical First Release
- Information from the National Careers Service on local labour market needs
- Ofsted reports on providers which may in time have a greater emphasis on assessing the provider's responsiveness to the local economy and its priorities.

29 The Role of the Skills Funding Agency in relation to LEPs is to inform, support and to be involved where there are crises or exceptional opportunities. Working with other parts of the Agency, Relationship Teams and NAS will, for example:

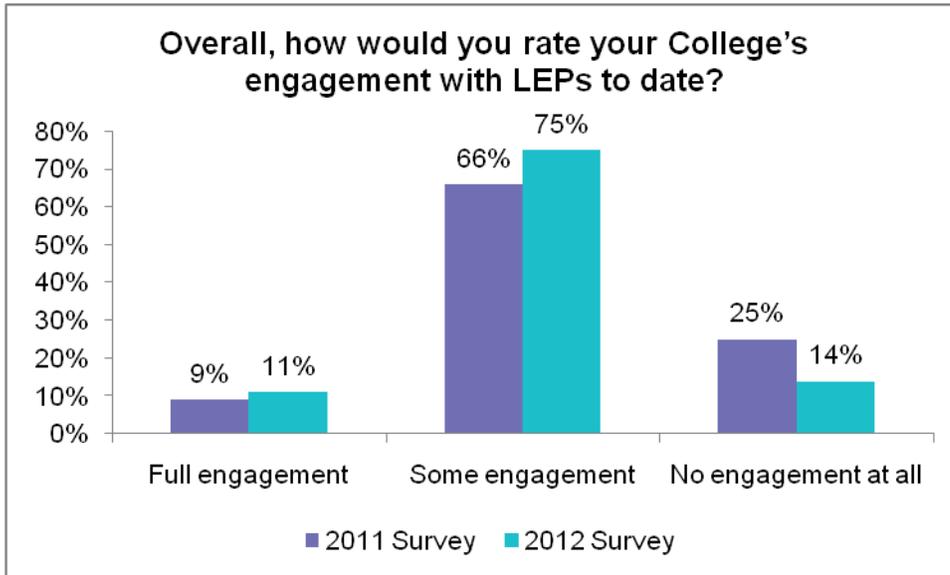
- Brief and advise LEPs, to help them understand the skills system, for example, how publicly funded provision works and how Colleges and providers are selected, funded, quality assured and regulated
- Provide information about Colleges and providers with significant delivery in a locality to enable joint working on skills and employment priorities and success measures
- Gather and provide intelligence and data about existing provision to help LEPs assess the impact and outcomes of provision, and provide support to develop future delivery arrangements/priorities emerging from that intelligence
- Interpret and share information on an ongoing basis on policy changes and key Government priorities and plans (e.g. new funding system and implications for eligibility)
- Support LEPs in ensuring local responsiveness to skills needs, using the new levers of influence and information rather than targets and funding methodologies
- Encourage Colleges, providers and LEPs to work together, helping LEPs recognise the importance of the FE system and nudging Colleges and providers to engage as part of their local accountability
- Support Colleges in the establishment of self-organised FE College and provider networks where there is no local leadership/impetus to do so
- Intervene where partners consider that providers are failing to meet local needs or have significant issues and concerns about skills provision
- Be active members of Employment and Skills Groups which are likely to be subgroups of LEP Boards
- Promote and facilitate the exchange of experience and best practice across the country
- Monitor performance and feedback good practice to BIS, DCLG etc.
- Work with the sector through the AoC, the Association of Employment and Learning Providers (AELP) and 157 Group, supported by the Learning and Skills Improvement Service (LSIS) to encourage the development of networks and to identify and disseminate existing good practice

The College perspective – Involvement in LEPs on Skills

30 The AoC commissioned a survey of all Colleges in England to seek their views of LEPs and their engagement to date. The survey replicated the one commissioned in 2011 but included additional questions to explore how relationships had developed and how policy developments may have impacted on the nature and extent of those relationships. The survey was undertaken in Spring 2012 with 72 Colleges responding.

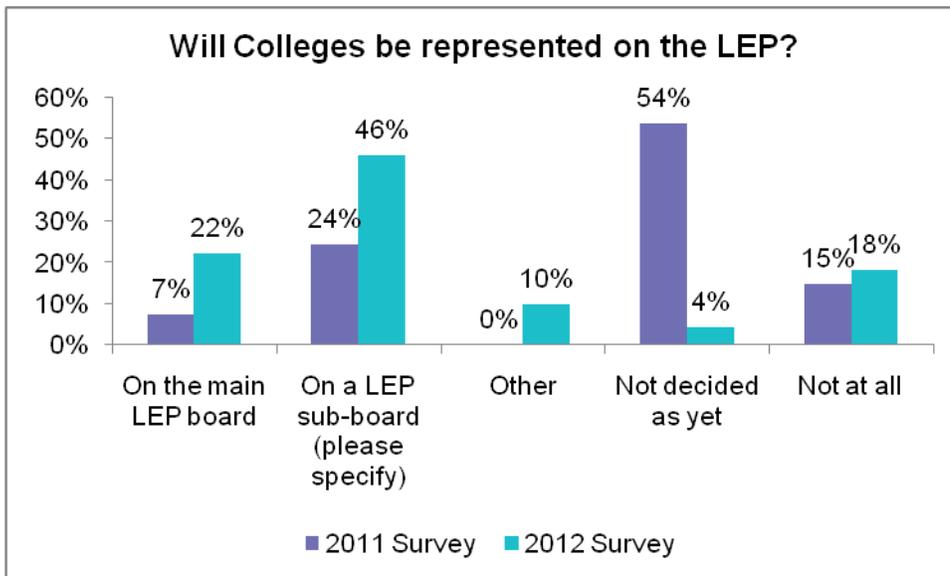
Headline Findings

- 31 Regionally, the highest response percentage was from North East Colleges (45%) followed by the South West and Yorkshire and Humber (36%) compared to London with only 4% of Colleges responding. Of the Colleges that responded:
- Three quarters of Colleges indicated that they had had some engagement with the LEP with only 11% indicating full engagement and the remainder having had no engagement.
 - Nearly half are represented on skills/employment sub boards with 22% securing representation on the main LEP Board; 82% of this representation is at principal or governor level.
 - Around half of respondents indicated that they were involved in the development of LEP proposals in their area with around three quarters being involved through local events regarding the establishment of a LEP and just under a third being signatories to the proposal or providing letters of support. Fewer were involved in the identification of priorities (just over a third) with fewer still contributing to the drafting of the proposal and submitting supporting evidence – around a fifth.
 - 96% envisage their LEP playing a role in skills similarly 96% see themselves as having a strategic role in their local economies that extends beyond being a provider of training and education.
 - Three quarters believe that their LEP has some level of understanding of current skills arrangements in terms of the process for influencing FE provision with only 3% believing there is a full understanding and 13% with no understanding.
 - Only 16% did not identify engagement with the LEP as a priority.
 - Over 35% have the complication of having to deal with more than one LEP.
- 32 When comparing responses to the initial report and the updated research it is interesting to note that:
- Responses to the survey question asking Colleges to rate their engagement with LEPs indicated an increase reporting 'full engagement' from 9% to 11%.
 - A decrease in those Colleges reporting 'no engagement at all' (down from 25% to 14%).



33 It is also interesting to note that:

- College representation on the main LEP Board has increased from 7% to 22% and although a positive development it still means that less than one quarter are represented.
- Colleges reporting that they were not represented at all decreased from 18% to 15%



34 It is important to note that significantly more LEPs had been approved by the time the second report was commissioned.

Barriers to effective College/LEP engagement

- 35 Almost two thirds of respondents have experienced barriers to effective engagement with the LEP. Issues cited and comments included:

'There is no FE representation at all on the [X] LEP. The only representation from education is in the form of an HE rep on the Board, the Vice-Chancellor of [Y]. This is wholly unsatisfactory given our role in skills development and training and the level of engagement with employers that FE colleges have as well as the strategic role we play in our communities'

'There is no FE representation on the LEP Board and the developing Employment and Skills Board (ESB) seems to be critical of colleges inability to address what it calls 'market failure' in Skills. The LEP and ESB are dominated by local authority and employer representatives who do not appear to want to engage with FE'

'They do not appear to understand the impact we can have on the skills agenda'

'A lack of communication, consultation and involvement and/or ways of how the College can get involved'

- 36 In some LEP areas there is a view that employer representation is not geographically or sectorally representative and also does not reflect the pattern or distribution of businesses in the area in terms of business size. A linked issue is that activity has been focused on the larger cities/towns in a given LEP area with the more rural and smaller towns losing their 'voice'.

Collaborative Activity, Working Arrangements and Key Drivers

- 37 Almost three quarters of respondents have identified opportunities for collaborative working or quick wins on skills, mainly focused on agreement of Apprenticeships as a priority and related promotional activity, taking advantage of bidding opportunities, and on collaborative sector based activity. Comments on collaborative activity included:

'a more business friendly articulation of the skills offer in the area with a particular focus upon improving communication with employers around apprenticeships and work placements; Enterprise Education is critical if we are to grow the business start-up and success rate and education providers can work together to develop this offer better'

'Development of a LEP apprenticeship promise plus a initiative to assist those not in Education, Employment and Training (NEETs)'

'First draft of Low Carbon skills prospectus for the region aimed at Business.'

'Establishing an Apprenticeship Training Agency (ATA) with preferred status'

- 38 Around half of respondents indicated that there were mechanisms in place to underpin effective working arrangements on skills priorities and skills issues. Comments on these mechanisms were both positive and negative and included:

'There has frankly not been any attempt by the LEP/s to engage with my college. Again, we would want this not to be the case as we do play an important part in driving up the skills of

our sub-regional workforce and could and should help shape the LEP/s skills strategy based upon our expertise and understanding of local employers' skills needs.'

'The LEP will engage with stakeholder groups through the current systems and processes surrounding the Employment and Skills Boards for each area.'

'No effective structure established as yet'

- 39 Colleges identified a number of key drivers and causes for their engagement with LEPs to date, including wanting to ensure that the LEP is aware of: the breadth and scope of the FE offer; their provision matches demand; they are involved in the broader strategic development of their patch and ensuring that skills remain a key priority. Specific comments included:

'Need to ensure skills agenda remains high, need to engage better with local employers to match skills Need to join up provider and business across the area need for collective approach to address issues such as unemployment, business growth etc'

'The College has a place on the skills sub-board. This is critical to the College as it enables its involvement at a sub-regional strategic level and facilitates partnership between other providers, including HEIs, other public sector bodies and the private sector. It has particular relevance due to the developments within the green technologies sector in the sub-region.'

'Platform for establishing our skills offer, identifying gaps and raising awareness. Showcase strength of regional skills supply chain in support of inward business investment.'

'X College engages with the local LEP to ensure we are producing the skills required for business now and the future. We as a college also have a responsibility to help inform and shape the future of our local community and businesses'

'Lower uptake of Apprenticeships and adult skills provision during the last two years, particularly in the construction sector. Engagement has been established to identify opportunities and understand the wider economic priorities in the region. There is university involvement at Board level which could result in the LEP not fully understanding the role that FE Colleges can play in the skills agenda.'

- 40 Almost 80% see Apprenticeships as a priority and a number of LEPs have given it dedicated attention:

'LEP has fully supported the 100 in 100 campaign and apprenticeships was a key agenda item at its annual conference'

'as part of the target of 100k new jobs in the area in the next 20 years Apprenticeships play a key role - but the information and accessibility to them needs to be greatly improved.'

'They have fallen into line with government policy and believe that establishing more Apprenticeships is important and have backed the ATA as one mechanism to encourage this.'

- 41 But it is worth noting that in some areas the level of understanding and genuine commitment is being questioned by some Colleges:

'Articulated as a priority, but by people who lack the insight as to what is entailed within a framework or that an apprenticeship requires a job. There has been a massive drive to promote apprenticeships from the providers, but this needs extending through investment and employment strategies to foster growth from the private sector. This requires a sustained

campaign.'

'It says it does, but I am unaware of any LEP instigated actions in line with this.'

Relationships

- 42 Just over half indicated that their relationship with the LEP had improved over the last year. There were a number of comments from those colleges working with relatively newly formed LEPs for whom this question was not wholly appropriate, however, observations from colleges that have had a longer relationship to comment on included:

'Nothing much has happened since the formation of the LEP. We get regular newsletters from the chairman, but the focus of its activities seem somewhat removed from us in terms of topic and geography.'

'the relationship has improved during the last three months and formal engagement has now taken place with officers of the 4 LEPs and other key stakeholders in the area the LEP covers.'

'It has taken a year to realise how we can help.'

- 43 Only 7% indicated that there had been a shift in provision as a result of engagement with LEPs but shifts have occurred as a result of 'unilateral' College activity. Examples of these types of activity are detailed in the case study section of this report.

Labour Market Information and the Identification of Skills Needs

- 44 LEP articulation of skills demand appears in the main to be at an early stage. The approach varies greatly with some colleges being asked to play a more active in contributing knowledge and expertise to the process whilst others are waiting for demand side analysis to be presented. Interestingly 63% indicated that they are not involved in any local attempts to understand and articulate skills demand. Where it is being undertaken the level and scope of the analysis of demand varies from limited sectorally specific research (sometimes being commissioned) to the production of more detailed skills needs statements across all sectors, levels and ages. Comments on involvement in the process included:

'We are involved but there is very little capacity in the LEPs to do much.'

'This work is being led by the LAs, and is shared with us for comment / additional input'

'We have been but it is not very comprehensive, we are now developing a more sophisticated approach.'

- 45 70% indicated that there were no mechanisms in place to underpin effective working arrangements on **skills data and intelligence issues**. Comments indicate a very mixed picture but there is a clear recognition of the significance of a robust commonly agreed evidence base to inform both identification of challenges and planning. Some existing structures appear to be fulfilling this function but a number of responses indicate that although anticipated, there are not yet arrangements in place to satisfactorily address this key function. However, some positive progress is being made:

'BIS resources have been secured to produce regional LMI to inform planning - as a £250K research call which will feed into statements of priority which the LEPs would subsequently use to set priorities and influence FE/HE planning.'

'There are plans to improve LMI so that skills demand can be more precisely identified in

advance and planned responses can be agreed. This is only a recent proposal which is welcomed by the college. However, the LEP is still being established and this work is yet to begin.'

- 46 Clearly the advent of the City Skills Fund and the Enterprise Zone Skills Fund will have a positive impact for those areas able to access this support.

Skills Priorities and Focus

- 47 Only a quarter of Colleges indicated that they believed that their LEP/LEPs were focusing on the full skills agenda (all levels and ages), with around a quarter focusing on sectors and 14% on higher level skills against an 18% focus on employability. A significant number of respondents were either unclear or unsure of the skills focus of their LEP and identified issues around communication. Comments included:

'Emphasis on demand led/employer led approaches echoes national priorities, but statements are made by LEP Board Members that assume a full disconnect, or assume Colleges are not responsive because of political rhetoric which has no basis in fact'
'Concentrate on priority sectors. Issue is that some sectors may grow significantly but are a minor employer sector. Are not focusing on major employment sectors'
'The LEPs have identified skills priorities and levels and also employability skills as a need'

Skills Initiatives and Localism

- 48 70% felt that their LEP had some understanding of evolving skills policy but indications are that this understanding does not extend to operational/practical implications, comments included:

'LEPs are informed by local authority economic development teams who are not necessarily engaged in the skills agenda.'

- 49 Although it is early days for the Enterprise Zones it is worth noting some of the initial comments. Please also note that these comments were received prior to the announcement Enterprise Skills Fund which will clearly help to focus and stimulate collaborative working.

'The Enterprise Zone is acting as a catalyst for skills development'
'They are struggling with the skills dimension of this opportunity'

- 50 The allocation of Regional Growth Funding (RGF) money appears to have had a positive impact on skills activity but the pattern of allocation has meant that some areas have not benefited from RGF.

'The Regional Growth Fund (RGF) seems to have given the LEP a sense of purpose and there are now several initiatives which are moving forward'
'Not yet – although with millions of pounds now allocated I'm hopeful that there will be some College involvement in this.'
'If your college is located in a rural or semi-rural environment most of these RGF initiatives are

not applicable as they seem to be targeted primarily more at urban areas.'

- 51 There were very few comments on the Growth Innovation Funding (GIF) which suggests that this may merit further investigation.
- 52 City deal responses related to Unlocking Growth in Cities were obviously limited although some Colleges took the opportunity to point out that they could not have been involved given the restricted nature of the initiative.
- 53 City Skills and Enterprise Zone Skills Funds had not been launched at the time the survey was commissioned.

The recent 'City Deals' initiatives is being hurriedly agreed with Government and the X City Region which will give more powers to LEPs and the ESB. Locally this is seen as a 'done deal' but I am apprehensive that this could potentially mean that Adult Skills budgets are controlled by LEPs and the linked ESB. There is potential for conflict between the LEP, elected Councillors and Organisations like College responding directly to students and employers.
'Engagement with City Council focussing on access, support and action on skills through infrastructure requirements to deliver comprehensive citizen city wide services.'

- 54 Through the Survey questionnaire Colleges were afforded the opportunity to complete a free text field for 'any other comments.'

"There is a clear link between LEPs and universities; however, LEPs' engagement with Colleges and the broader skills agenda has not taken place. The contribution that colleges can make is not understood or valued.'
'We are now coming to the table a year too late...'
'Our LEP has been formed over the last year. Over that time, there has been almost no communication about how it will work. The only info I have got is who the board members are and the areas/projects they have individually taken on board - that came on an A4 piece of paper. Local employers are equally in the dark as are local enterprise agencies. I would like to see specific objectives, proposed method of achieving those objectives, more communication with stakeholders, better engagement with my College and invitations to engage with the LEP and how my college can engage. It is all extremely fuzzy at the moment and most stakeholders are completely in the dark'
'It is clear that our local LEP is not able to reach out to other providers in the area. We have been trying to engage with the LEP but to little avail to date.'
'LEP would like research for job outcomes to have access to SFA monies which is very worrying because they see the 2.5% top slice as far too small. They think it should be nearer 25% no real understanding of the implications for Colleges/providers in current climate'
'I think LEPs have not made any real attempt to engage with our college since their inception beyond one invitation to a stakeholder event held last October...This is a missed opportunity, as we have hundreds of employers who look to us to meet their skills development needs and we deliver high-quality training to thousands of employees within the sub-regional workforce. Reducing funding for Workplace NVQs at a time when this country is searching for a growth strategy is very unhelpful to employers who ask the College for them. The College and 'X' understand the skills issues that currently face local employers and the LEP should positively engage with us to help drive up the skills needed by employers so that the latter can become

more competitive and successful and improve economic and social prosperity.'

'LEP doing what it can with its limited resource to make an impact in the area. They will be looking for resource from businesses and FE sector to take their ideas forwards'

'The LEP is very employer led with some Council representation. FE is now involved as well as HE. I am much more involved in its development than 12 months ago'

'We would like to be more involved with the LEP and have been invited to attend an initial meeting. However, it would seem that the LEP is looking towards the university at this point rather than FE colleges as key partners.'

'It was never clear that the X LEP could have a great deal of impact or influence. It lacked funding and, therefore, reach a grip. It has had some success in securing funds and has, understandably, focussed on big ticket items, e.g. the enterprise zone and funding bids. This might be the limit of what it can achieve at the moment, but it is not making any discernible impact in training and skills. Our contact is with the local Business Board and that is where we will have much more impact. I think the AoC needs to explore the differences between LEPs. Certainly, attempting to operate across a large rural area is very different from operating in a city region. We had very little RDA input under the previous arrangements'.

'It is very important from a LEP perspective that the skills agenda starts from school age and pre 16 experience is critical including literacy and numeracy, proper IAG and work experience (also noting govt enthusiasm for UTCs and overcapacity in new educational forms such as academies and free schools etc). Important to have board level FE representation to articulate the "below HE" level issues/opportunities for local/regional focus on employment at 18 as well as post HE'

'Has gained momentum in the last 3 months.'

Locality Case Studies

- 55 The four place based case studies were revisited to provide further insight into progress that has been made over the course of the last year on College engagement with LEPs and economic development. The four localities were:
- Staffordshire and Stoke-on-Trent
 - Greater Lincolnshire
 - West of England
 - Solent (Southampton, Portsmouth, Isle of Wight and environs)
- 56 To ensure consistency in each case the same key college personnel were contacted to participate in the case study update. The context setting section for each case study has been taken from the initial report.

Staffordshire and Stoke-on-Trent

The Stoke on Trent and Staffordshire LEP has a complex economic geography, characterised by a range of distinctive market catchments, the largest being the city of Stoke on Trent, and its positioning between two of UK's major economic hubs - Manchester and Birmingham.

The partners setting up the LEP acknowledge the major economic challenges faced by the county. Over the past decade the area has experienced a net 17,000 job loss. This is reflected in employment rates that are significantly below the national average in all major urban conurbations with the exception of the county town of Stafford, and there is a high reliance on public sector employment. Stoke on Trent has the most serious economic weaknesses, with 21.9% of the population on out of work benefits^[1]. However, the county has some major assets, namely excellent access to Britain's strategic roads network, and a thriving manufacturing sector which accounts for 14.5% of jobs and nearly a fifth of economic output^[2].

- 57 For the purposes of this case study we are focusing on the Stoke-on-Trent and Staffordshire LEP. The FE sector has had concerns regarding strategic representation on the LEP and how this will impact on the ability of the sector to engage with the LEP. Recent changes have led to the Principal of Stoke on Trent College representing the FE sector as an observer on the Board with the proposal that this position will alternate with Board membership currently held by the two Vice Chancellors representing their respective Universities. The increased engagement at Board level will help to address a key factor that has prevented Colleges from making a fuller contribution to evolving thinking around skills needs skills priorities.
- 58 Until recently, the sector has found that problems with engagement have been exacerbated due to the 'strategic positioning' activities of key stakeholders and partners and associated tensions related to localism policy, the Local Authority agenda and broader skills and economic policy developments. Any strategic dialogue that has taken place for individual Colleges is informal and as

^[1] ONS Crown Copyright Reserved [from Nomis on 10 May 2012]

^[2] Staffordshire Local Economic Assessment 2010 Consultation Draft, Staffordshire County Council
[3] A Burton and South Derbyshire College Governor sits on the LEP Board

a result of the pro-activity of principals making a point of knowing the key players involved at LEP level.

- 59 The Principal of Stafford College states that 'the Staffordshire colleges are fully committed to working closely with LEP partners to maximise the contribution skills can make to the local economy'. However, given that there are six LEPs bordering the Stoke-on-Trent and Staffordshire LEP there continues to be a resourcing and capacity issue with a 'finite senior management resource to engage with local stakeholders'. Work is still ongoing 'to target efforts effectively, to reach agreement on the right spatial level to consider the strategic contribution skills can make to growth aspirations both within Staffordshire and also across the West Midlands.'
- 60 The Principal of South Staffordshire College maintains his belief that LEPs have the potential to tackle challenges around skills needs if they work with the FE colleges covering the county: 'The Staffordshire Colleges have a strong track record not only in equipping young people with the skills they need to secure employment, but also working with employers to improve the performance and productivity of their business through skills development'.
- 61 Concerns have been raised by colleges regarding 'employer churn' in terms of LEP board membership. This too has acted as a barrier to effective engagement. The lack of consistency of membership has contributed to a sense of instability and a shorter term approach to skills related issues.
- 62 The LEP has taken a pragmatic approach to its role focusing its efforts on securing inward investment (offering prospective employers 'the red carpet' treatment) and creating jobs with consideration of skills being less of an immediate imperative. FE is keen to ensure that strategic medium to long term planning is developed that is critical to ensuring that the appropriate responses from the provision side can be put in place.
- 63 The Principal of Stoke on Trent College is FE representative on the Enterprise and Skills Group. The group has an employer chair and has a number of employer representatives but until recently there has been a lack of employer input into the group. The group has seen an increase in non-employer representation from organisations. The sector has more recently been engaged in assisting in determining skills priorities and articulating the assessment of skills needs linked to a proposal around increased flexibilities.
- 64 Colleges continued to address broader economic growth opportunities in their respective areas and demonstrated their ability to be flexible and responsive to their local employers and communities. They continue to demonstrate to employers that they understand employer issues (productivity, recruitment, retention etc) and are focused on 'driving repeat business – it's about a relationship not a deal'. Any recent 'shifts' in provision that have occurred have been because of responding to employers and the wider DWP employment agenda.
- 65 A prime example of this is Burton and South Derbyshire College's long standing relationship with the Toyota UK which employs circa 3,500 workers across Toyota's UK sites at Burnaston (HQ) just across the Staffordshire border in Derbyshire and in Deeside (north Wales). The College has delivered over 7,500 qualifications to employees on both sites over the last two years. The College and Toyota have an ongoing joint collaboration in the form of the dual branded Apprenticeship Development Centre for young Engineering Technician Apprentices based on site at Burnaston. Most recently, the two organisations have partnered on the development of a manufacturing oriented apprenticeship programme supporting the recruitment of 1,500 new workers over the next couple of years who will work on the production of the new hatchback vehicle announced at Prime Minister David Cameron's visit to the factory in November 2011.

- 66 The College is also a key partner in the development of St George's Park at Rangemore in East Staffordshire, in the midst of the National Forest. The complex, which will be the official home to the UK National Football Centre and the twenty four England squads run by the FA including the England first team, will be a centre for football development, sports medicine and also house a range of hotels and leisure services. The first of many apprentices at the complex will start work during the summer prior to the opening of St Georges Park in August 2012.
- 67 The LEP has initiated the Stoke and Staffordshire Business Helpline, this has been led by the North Staffordshire Chamber of Commerce. Colleges had to be pro-active to be involved in this initiative which seeks to offer business 'a single point of contact for business advice'.
- 68 Some key areas where there is a growing expectation that LEPs could add value include:
- Facilitation of a dialogue between employers and providers at a local level
 - Promoting the benefits of skills – based on a clear understanding of FE
 - Co-ordination of certain facets of skills intervention (economic shocks etc)
 - Clear communication around skills aspirations and collective skills priorities
 - Challenging on skills related issues at a local, LEP and national level where appropriate
 - Ensuring that skills is part of the broader discussions around economic growth and a recognition of the contribution that FE can make.

Greater Lincolnshire Case Study

Lincolnshire is one of the largest and most sparsely populated areas of England with a population density just 36% of the England average^[1] and an average of only five businesses per km² compared to 17 nationally^[2]. The economy is predominately rural in nature, and interspersed with market towns and settlements.

- 69 The first report identified a desire by the colleges to become proactively and strategically involved in the LEP and to support the delivery of its skills ambitions, however, one year on some of the initial enthusiasm has dissipated.
- 70 Concerns remain regarding representation and how that impacts on meaningful strategic engagement. FE is not represented on the LEP Board. The Vice Chancellor of the University of Lincoln sits on the LEP Board and covers education and skills. There is concern that this arrangement does not allow the FE sector to be adequately represented and that this lack of strategic engagement has contributed to some, if not all, of issues impacting on meaningful LEP and FE sector engagement identified in this case study. These issues include:
- Limited understanding of the mix and balance of college provision particularly activities relating to adult employability – a key issue identified by the previous Principal of Boston College in the first report
 - Lack of recognition of the role of local Colleges in supporting economic growth particularly level and extent of employer engagement activity

^[1] Prosperity through growth- the prospectus for a LEP for Greater Lincolnshire, 3rd September 2010.

^[2] Lincolnshire- a Local Economic Assessment, 2011 Lincolnshire County Council

- LEP has little/limited understanding of current skills arrangements and evolving skills policy.

- 71 Despite there being two College Principals on the local Employment and Skills Board (Principal of Lincoln College and the Principal of Grimsby Institute of Further & Higher Education) there are ongoing issues regarding communication with the LEP and localised skills specific activities and the inclusivity of this approach.
- 72 Colleges in the area continue to engage in 'locality management' through effective stakeholder relationships at a more localised level than that of the LEP (Jobcentre Plus, District Council etc). This allows them to be locally responsive deploying local knowledge and expertise to serve their local communities.
- 73 Grantham College believes that it is delivering 'LEP-like' activities in its day to day business in responding to employers, individuals and its broader local community. This is happening completely independently of any skills activity that the LEP may be engaged in.
- 74 For example Grantham College is working closely with the local district and parish councils on sustainable construction/eco housing techniques to raise their awareness both in terms of supporting planning applications as well as the application of these principles to Council owned properties.
- 75 Similarly and independently of the LEP, Grantham College continue to develop innovative approaches to skills issues identified through employer engagement for example they developed a block release approach on Apprenticeships while working with Anglian Water with apprentices accommodated on site. This not only provided a solution to the employer but also maximised the use of the college premises and contributed to the local supply chains. The relationship started in September 2009 and in September 2012 there will be 4 cohorts of apprentices coming through the college. As they are resident in the college's accommodation, they use local facilities such as leisure and retail and contribute to the local economy. Working closely with Anglian Water at a regional level, the college has designed a four year multi-skilling apprentice training package – this is a full year 'off the job' training and 3 years block release. This benefits our local smaller engineering companies who can infill employees as required and at the very least benefit from the enhanced facilities that have been made possible through the relationship with Anglian Water. The close relationship with local engineering firms has led to the refinement of the BTEC National Diploma programme so employees from different organisations all study core units together but then they split off for specialist units agreed in terms of content with their employee. Due the SME base in this area, this allows the college to offer viable provision based on taking just 1 or 2 apprentices per year from each employer whilst meeting their individual needs.
- 76 Despite the commitment in the LEP proposal to skills in its broadest sense and the wider patch in a geographical sense there continues to be a feeling that the reality is that the LEP is concerned with higher level skills, a limited number of key sectors and a Lincoln-centric approach.
- 77 There is a desire for the LEP to more explicitly understand FE expectations, these include:
- Supporting access to employment
 - Infrastructure developments to support economic growth
 - Workforce skills development – addresses lower skills and facilitating a dialogue between employers and colleges

- 78 Kingsway consulting commented specifically on the Humber LEP on behalf of North Lindsey College.
- 79 The Humber is the largest trading estuary in the UK and the fourth largest in Europe, with a chemical and process sector worth £6bn a year and international expertise in logistics. However, unemployment is high in most of the main urban centres and wages are low. Unlike most of our competitor port clusters we have a poor track record of working together to promote what we can offer.
- 80 As an inevitable consequence of the high cost of crossing the Humber Bridge, there are largely separate 'Travel To Work Areas' on each bank of the Humber. Relatively few people commute across the bridge to Hull, the sub-regional capital, because below a certain income threshold it is unaffordable to do so.
- 81 However, business sees the Humber as a single market and a single zone of opportunity. There are strong commercial links between the two banks and shared potential for growth, particularly in the emerging renewable energy sector and linked sectors of ports and logistics.
- 82 The Humber LEP is at an early stage of development having only had its Board recognised in December 2011. At present FE is not represented on the LEP Board, but it is anticipated North Lindsey College (including Kingsway Consulting Ltd) will contribute and engage with LEP Members and partners across the region.
- 83 The establishment of the Tata Steel Taskforce to support a major redundancy has already helped partners and stakeholders to both develop thinking around skills and work collaboratively on skills related issues. Stakeholders are now better positioned to address the broader skills issues including skills needs which will be a key focus of the LEP. As a result, the infrastructure and shared knowledge is in place to exploit funding opportunities through collaborative bidding.
- 84 At the January 2012 Humber LEP Board meeting Lord Haskins of Skidby (Chair) stated that 'skills and training needed to be addressed by the LEP in the near future, he also commented that the Board 'should consider setting up a skills task and finish group'.
- 85 North Lincolnshire County Council has secured £10m from the Regional Growth Fund and has welcomed Colleges to the development of thinking around the broader skills agenda in relation to this funding.

West of England

The West of England is a functional economic area home to the cities of Bristol and Bath and the coastal town of Weston-super-Mare. The area has a significant aerospace cluster, and has the largest concentration of creative industries outside London, with designated science city status.

- 86 The LEP proposal submitted to Government included unanimous support from the 4 universities and five further education colleges serving the area. In their letter of support, the Western Principals Group stated that the colleges were keen to make a full contribution to the LEP delivery plan, and envisaged that through their direct involvement in the LEP and demonstrate accountability to the wider employer community and the opportunity to work on the long term sectoral and spatial priorities of the West of England.
- 87 The Principal at City of Bristol College explains how the Colleges are adopting a proactive stance reflecting the role of FE colleges as strategic players in the sub-region: "The granting of greater

autonomy and self-determination for the FE sector combined with the establishment of Local Enterprise Partnerships gives us a great opportunity to hard-wire the work of colleges with the economy and community. LEPs provide the fora to consider skills as an enabler to all aspects of economic growth and regeneration.'

88 The custodian of the work of the LEP in terms of the skills and employment agenda is its Skills Sub-Group. Chaired by the Principal of City of Bristol College it has one further FE member representing the FE college consortium. The Group has agreed four key tasks which set the LEP skills and employment agenda for the first two years:

1. Shaping and Directing the FE offer to employers.
2. Maintaining Market intelligence
3. Improving employability
4. Supporting business-provider collaboration

89 There has been significant activity in each area as follows:

- Shaping and Directing the FE offer to employers: joint working groups have been established and now operate very successfully in the low carbon, creative industries and tourism sectors
- Maintaining Market intelligence: the consortium is working on the pooling of economic hard and soft data through shared use of analytical software and a joint approach to interaction ('buddying' system) between the consortium and the LEP sector groups – which represent the employer community
- Improving employability; joint action is now in place for the promotion of apprenticeships with a target of 5,000 starts across the LEP area in 2012; increased numbers of work experience placements through better business engagement; and exchange of good practice in employability through a series of joint college workshops
- Supporting business-provider collaboration: a successful Regional Growth Fund bid "green jobs, green skills" has been followed by a Consortium/university successful bid for 580 new higher apprenticeship places in LEP priority sectors. The outcome of a bid to UKCES from a business/FE consortium partnership for £1m from the Innovation Growth Fund is still awaited

90 The Consortium has signed a formal agreement with the LEP Board to ensure the alignment of its provision with these key tasks and with the jobs growth strategy of the LEP. In addition to the £300,000 of ESF funding which the colleges secured in 2009 to support the work of the Board, the Consortium has committed a further £80,000 from its own resources to support the skills work of the LEP into 2012-13.

91 As part of the City Deal the LEP and FE consortium are now working on the establishment of a more formal and detailed compact. The Compact, which is due to be agreed in July 2012, will deliver clear and specific skills and training based on identified current and future demand through:

- a) A confirmation that the LEP will act as the body which enables the FE consortium to ensure that its provision meets the needs of business and the wider local economy
- b) A joint statement of objectives in terms of supporting jobs growth through specific actions to deliver the skills required in the workforce. The actions would include specific targets and outcomes in relation to key sectors and locations
- c) On the LEP side an assessment of skills needs across its key sectors and locations subject to routine annual review
- d) On the Consortium side a corresponding assessment of skills provision across all five colleges by level, location and sector

- e) The key elements of a collaborative system which maintains the quality, relevance and impact of FE skills provision.

92 The Principal and Chief Executive of Weston College states that 'the strength of the Principals Network in the West of England has been a major catalyst to the success that has been achieved in the West of England.

Solent Case Study

The Solent is a functional economic area anchored around the two cities of Portsmouth and Southampton, the M27 corridor, Solent waterway and the Isle of Wight. The area has core strengths in advanced manufacturing, marine and defence. Partners in the area have a strong track record of working together to drive the sub-regional economy forward through the 'Partnership for Urban South Hampshire' (PUSH) which was formed in 2003 and achieved Multi-Area Agreement status in 2008.

The area is highly urban in nature, with city centres, suburbs and settlements forming an interconnected functional economic area with transport flows and services focused on major economic hubs and the movement between them. This is reflected in the FE sector too, with ten general FE and land-based Colleges serving the locality, many in close proximity to each other.

- 93 The initial report into College/LEP engagement in 2011 provided a very positive and aspirational picture that focused on the ability of local Colleges in 'providing strategic leadership in their localities, initiating and facilitating discussions on the future vision for the area'. A year on and Colleges are concerned that despite lobbying, Further Education remains unrepresented on the main LEP Board thereby impeding the ability of FE to make a full contribution to the strategic development of skills planning and prioritisation in the LEP area.
- 94 The Principal and Chief Executive of Highbury College, Portsmouth represents FE on the The Partnership for Urban South Hampshire (PUSH) Employment and Skills Board and contributes the FE perspective and presents skills related papers when appropriate. HE, however, is represented on the LEP Board by a University Vice Chancellor who volunteered to represent FE. The Colleges do not feel that this arrangement is working well. As a result Colleges do not feel that they are able to play the strategic role that they had originally envisaged.
- 95 Colleges feel that LEP communication has been intermittent and that there is little or no understanding of LEP ambition around skills or any idea of what might be being undertaken in order to articulate need. Colleges are not involved in determining skills priorities or in wider strategic discussions around skills and only receive a relatively superficial email update that lacks sufficient detail to be of any meaningful use.
- 96 As well as lack of College representation and poor communication Colleges have identified the following issues:
- Although large key employers are involved in the LEP, Colleges feel that they are not necessarily representative of the employer mix in the LEP area.
 - The employer representatives are not necessarily knowledgeable enough about the broader elements of the local economy and key some key employment sectors.
 - The LEP Board is not aware of the level of employer engagement undertaken by local Colleges and the sectoral knowledge and expertise that they already possess.

- The skills needs for a significant proportion of local employers and individuals will be met by FE and yet FE is not involved in shaping LEP skills activities.
- Tensions and strategic positioning by key local partners making it increasingly difficult to operate collaboratively.
- A need for data below a national but beyond the local level.
- A lack of understanding or recognition of the role that FE plays in delivering skills and that FE needs to be involved, invest time and gear up to deliver the provision that is needed - decision making and shaping the offer takes time.

97 Colleges are contributing to the broader economic development of their respective local areas as part of their core remit. They are utilising the freedoms and flexibilities afforded them to ensure that they are meeting the economic needs of employers and individuals in their communities.

98 Both Highbury College and City College Southampton are involved in the local networks that make a difference and are employer/business led. Highbury College is heavily engaged with the skills dimension of the regeneration of Portsmouth and its strategy for economic growth and prosperity. Similarly, City College Southampton is working closely with Southampton Connect and Business Solent. It is through these networks that the Colleges are able to understand and respond to the needs of employers and individuals, bringing the weight of their experience and resources to address economic growth.

Portsmouth

99 The local Business Leaders Group for Portsmouth is a public/private partnership focusing on the delivery of the Regeneration Strategy of Portsmouth, Shaping the Future of Portsmouth, a strategy for economic growth and prosperity. The Group has five workstreams focusing on Development, Regeneration, Education & Skills, Business & Enterprise and City Brand. The Principal and Chief Executive of Highbury College chairs the City Brand workstream of the Business Leaders Group and is a member of the Education & Skills work stream chaired by the Managing Director of Warings. The Group is involved in what might be termed 'LEP-like' activities but it has no formal link to the LEP and acts independently of it.

- Supporting business and growth in the City
- Enhancing the competitiveness of the City: Transport, Workforce, Key sites and infrastructure, City Image and City living
- Implementing and Monitoring the Strategy

100 The Principal and Chief Executive of Highbury College, Portsmouth continues to assert that the 'Colleges in the area have a strong track record in providing strategic leadership in their localities, initiating and facilitating discussions on the future vision for the area. It is vital that colleges are represented on the LEP Board so we can continue this work and make a full contribution to shaping and contributing to the future of the Solent area.'

101 Highbury College engages with its local employers and has 10 employer-led 'Expert Advisory Boards' for priority sectors that seek to ensure that the employer voice is at the heart of College planning. Highbury College provides specialist training for the aerospace sector, with a long standing relationship with EADS Astrium.

Southampton

- 102 The Principal and Chief Executive of City College Southampton represents FE on Southampton Connect which has identified the four key challenges that include 'Economic Development' and 'Educational Attainment and Skills'. Key elements to these challenges include:
- Stimulating higher levels of **business start up**.
 - Increasing rates of **job growth**, particularly in the private sector.
 - Stimulating additional **inward investment**.
 - Encouraging higher levels of **employment** and **economic activity**.
 - Supporting local **schools and colleges** to improve and be excellent.
 - Increasing **educational attainment and skills**.
 - Increasing the proportion of **young people** who are in **education, employment or training**.
 - Improving life chances for **children in care** and care leavers.
- 103 City College Southampton have business development officers that engage with employers and seek to promote the value of skills, raise skills ambition and aspiration as well as overall investment in skills. The College promote and delivered skills to employees whose employers have had to make redundancies.
- 104 Southampton City College's Marine Skills Centre provides industry standard bespoke training solutions and facilities, and as such plays a key role in the development of the Solent marine cluster and the UK's marine industry. The college regularly reviews its course offer in consultation with industry. The Marine Skills Centre is at the forefront of making sure employees, apprentices and future workers have the skills levels to compete in this highly-competitive global industry. The centre's specialist range of bespoke training solutions and facilities is unequalled in the region and plays a key role in the development of the UK's marine industry.
- 105 The Marine Skills Centre operates from a separate site on the River the Itchen. The centre delivers marine curriculum in boat building (the only provider of boat building apprenticeships in the region), marine engineering, marine design and has a specialist internationally recognised centre for delivery of Glass Reinforced Plastic technology training. Composite courses are currently delivered as part of the Regional Resource Centre. The RRC also delivers courses in CAD and Solid Works to industry. This includes putting on courses for Lloyds register
- 106 City College is a Founder Provider in the National Skills Academy for Composites. As a founder member we see our role as supporting the Academy with a range of services that assist in developing opportunities for the provision of learning programmes and the identification of curriculum content. Our involvement with composite users will help identify user training needs and as the use of new technologies in terms of both materials and processes emerge, we will be well positioned to provide the Academy with developmental strategies to meet the needs of the industry. This will see us as the lead training organisation in the region for Marine Industry skills.
- 107 The Principal and Chief Executive of City College Southampton states that 'the Solent Colleges operate across the full skills spectrum. The economy not only needs world-class skills training for its growth sectors such as aerospace and marine, but it also needs concerted action to tackle low employment rates and lack of skills and experience in those aged under 24. In recent years FE colleges have made considerable progress on both fronts, and we look forward to continuing to work with the ESB and the LEP to develop even closer partnerships with employers to ensure their skills needs are met and establish further joint approaches to increase employment opportunities for local residents.'

- 108 PUSH has worked to improve the performance of the Solent economy including regeneration, employment and skills levels and quality of life. The Colleges are not entirely certain of the role of PUSH and its status now that the LEP has been established particularly given the freedoms and flexibilities that have been afforded FE including increased expectations on local provider networks.

Themes and emerging issues

- 109 The case studies illustrate a very mixed picture in terms of both engagement and skills related activity being undertaken on the ground. However, there are some clear messages that echo the responses to the Survey:
- Board level representation has a direct impact on the ability of the sector to exert strategic influence
 - A collective FE sector approach, a single voice with clarity of both messages and offer has greater impact
 - Colleges continue to deliver to employers, individuals and their local communities to positively impact on economic growth and individual aspiration including supporting people into work and those NEET individuals in their patch
 - Colleges are proactively engaged with employers in developing innovative approaches to meet employer demand

The LEP perspective – Involvement with Colleges on Skills

110 The results from the survey of LEPs need to be viewed as indicative since the level of response was low. We cannot, however, assume that this low return rate is a result of a lack of LEP interest as the process/communication route may have had an impact. The Survey was promoted through the British Chamber of Commerce as part of their role as facilitator of the national LEP Network. An invitation to participate was relayed to LEPs via the LEP Network's January newsletter, website news feed and twitter. It was also promoted by BIS Local teams who sent an invitation to participate and covering note to all LEP chairs via the BIS Local Network. Some anecdotal reasons for the low return rate include:

- LEP chair did not feel that they were the right person to respond
- LEP capacity issues
- Seen as a communication for the sub group dealing with skills and employment
- Referred to a policy officer in the Local Authority
- The survey was too long
- Skills thinking in the LEP not sufficiently developed to give an appropriately detailed response

111 However, it is worth noting the responses received against this background context. All respondents indicated that Colleges or College networks had been involved in the development of their LEP proposal through a variety of activities including:

- Attending local events regarding the establishment of a LEP
- Submitting evidence to inform the LEP proposal
- Helping identify priorities to feature in LEP proposal
- Contributing to the drafting of the LEP proposal
- Being a signatory or providing a letter of support for the LEP proposal

112 As LEPs have developed some have indicated an ongoing close working relationship with the Colleges or College Networks:

'4 colleges in our area have asked for places on the skills and employability group of the LEP. 2 have been involved in the promotion of an Apprenticeship Training Agency to encourage the uptake of apprentices. They have all offered their support in practical ways like offering venues and working on sub-groups'.

'I'd like to see colleges more actively involved with LEPs (and I am the only LEP chair who has been Principal of 2 FE colleges and understands the FE system'.

'Working to replace current University VC who is on LEP Board with a college Principal'.

'One college represents the three colleges *the patch*; colleges selected their own representative on the LEP Board'

113 One LEP reported that 'through formal recognition as part of the LEP Board, and through on-going dialogue and involvement in collaborative activity' the relationship between the LEP and the College improved over the last year.

114 Some opportunities for collaborative working/quick wins have been identified including:

‘developing the economic legacy from the 2012 Olympic and Paralympic Games; support for specific sectors, including engineering and the creative industries sector; and development of an inward investment ‘offer’.’

‘support for increasing the take-up of apprentices. ATA promotion has resulted in SMEs coming forward and using more traditional routes for new apprentices - over 50 enquiries have come through to one college’.

‘embedding enterprise into schools, FE and HE’.

115 Responses suggested that engagement with the local College or College network was seen as a priority and that they envisage that play a strategic role and supporting the determination of skills priorities in the local economy - going beyond being a provider of training and education. All identified Apprenticeships as a priority.

116 LEPs cited the drivers and causes for their desire to engage with Colleges or College networks as:

‘Recognition that colleges have a crucial role to play in preparing the workforce for future prosperity, and serve as potential attractors to the *area*. Skill issues recognised as one of the four main objectives of the LEP’.

‘Our LEP is an ‘inclusive partnership of the willing’ and our colleges have been very interested in being involved in a number of projects’.

117 Activity being undertaken to understand and articulate skills demand varies greatly:

‘Research carried out across the whole of the LEP on skills needs as businesses said it was their biggest barrier and most important priority’

‘Through Employment and Skills Board and revision of the Employment and Skills Strategy’

118 LEPs indicated that their skills focus was ‘full – all levels, all ages’ with one exception that indicated their *‘initial priority on the skills agenda in 2012/13 is for an increase in apprentices, support an entrepreneurial culture across the LEP and find ways of matching the skills of the unemployed to jobs in our areas’*.

119 LEPs reported a varied understanding of evolving skills policy and how that might impact on local skills activity – from ‘no understanding’ to ‘full understanding’. Clearly where there was ‘full understanding’ the LEP was better positioned to capitalise on their relationship with local Colleges.

Draft Mapping of Skills Priorities and key information for LEP Areas

120 It is important to note that the detail in this section has been drawn from a number of sources including websites, Skills Funding Agency Relationship Teams, BIS Local Teams and therefore reflects the latest known position. It is therefore important to recognise that some information is indicative and/or final positions are not yet clear. LEPs were not burdened with a direct request to provide this data/information.

- All 39 LEPs have identified a strategic commitment to skills

- Colleges are represented on 13 out of 39 LEP Boards, this compares to 32 HE institutions securing representation.
- Over half of LEPs had some kind of support for/engagement in the development of the initial LEP proposal from FE Colleges with HE involvement in almost all the proposals.

Themes and emerging issues

- 121 The approach to 'skills' varies significantly from one LEP to another with some only wishing to focus in on very specific aspects of the skills agenda for example a sectoral focus, some seeking to commission research to determine skills demand and others keen to embrace the full skills agenda. As a result progress toward understanding/articulating skills demand is patchy with some LEPs focusing on inward investment and job creation as an immediate priority.
- 122 In some areas LEPs are finding it difficult to engage with a 'broad network' of providers that represent the sector and understanding the scope and breadth of the FE offer.
- 123 Where engagement is working well LEPs have recognised the potential benefits of collaboration given the significant funding that is deployed by the Colleges, the number of employers that Colleges engage with and the number of learners that pass through the Colleges on their patch..

Conclusions and Recommendations

Conclusions

- 124 This section summarises the key conclusions of the research, revisits the 'Opportunities for collaborative working' and 'Barriers to effective engagement' sections of the original report, identifies additional opportunities and barriers and makes a series of recommendations.
- 125 The dust had only just settled on the first phase of LEP approvals when the AoC commissioned its first report into College and LEP engagement and as a result much of the content of the report was based on aspiration and expectation. Both Colleges and the LEPs that had been approved at that point were exploring how they might work together in practice and how skills issues could be addressed at a local level against a backdrop of change in terms of skills and economic policy. Since the report some LEPs have firmed up their thinking around skills whilst others still appear to be struggling, particularly with the processes of clearly articulating skills demand in a way that will allow Colleges to shift provision accordingly.
- 126 There is limited evidence to suggest that FE and LEP engagement is sufficiently developed for us to assume that 'skills' are being dealt with at a local level in the way that Government had envisaged. Whilst recognising that progress is being made in a limited number of LEP areas there is perhaps a need to ensure a common understanding of the mechanisms upon which successfully matching skills demand and skills supply has been based. There is clearly a need to improve the 'conditions' for more meaningful engagement that will in turn improve the potential to deliver the shifts in provision needed to drive economic growth. Reviewing the level of maturity and sophistication required from these relationships and the capacity within the system must be a priority.
- 127 Can the LEP model as the Government vehicle to champion and drive the skills agenda deliver the desired outcomes as it stands? There are still a number of issues and challenges that need to be addressed/overcome:
- Continued patchy engagement between Colleges and LEPs.
 - Continuing lack of understanding in some areas regarding the contribution that FE can make to the economic growth agenda, including a limited understanding and/or recognition of employer engagement activity undertaken by FE and the expertise held within the sector.
 - Lack of understanding of the breadth and scope of the FE offer/curriculum and the level of funding being deployed to skills related activities in a given locality.
 - LEPs lack detailed understanding of current skills arrangements for influencing FE provision and skills policy developments that will have a direct impact on any skills thinking and/or planning at a local level.

Opportunities for collaborative working

- 128 The 'opportunities for collaborative working' identified in the initial report do not appear to have been realised in a number of LEP areas and continue to represent opportunities that should be capitalised upon namely:

- joint working on labour market intelligence,
- raising employer ambition and investment in skills,
- working together to define and deliver transformational outcomes,
- aligning respective local leadership roles and
- the alignment of local services to business and joining up the ‘employer offer’.

129 Some have a degree of urgency or are time limited and risk being missed opportunities if partners fail to capitalise on them as a matter of urgency.

130 Additional opportunities identified include:

- Capitalising on specific funding opportunities (e.g. Enterprise Zone Skills Fund, City Skills Fund) to embed collaborative/partnership arrangements, ensure common understanding of skills issues and priorities and develop strategies and plans to address key issues and priorities.
- Adopting innovative approaches to supporting LEP structures and providing resources to drive activities and actions. This includes where the LEP secretariat function sits and how that might best serve the promotion of ‘skills’ in its broadest sense

Barriers to effective engagement

131 It is somewhat disappointing to realise that a number of the barriers identified in the first report (see below) persist and continue to impede progress - these have been identified in the main body of the report.

- Patchy engagement between Colleges and the evolving LEPs.
- In some areas a misunderstanding of the nature and extent of contribution FE can make to economic growth, combined with lack of understanding around how colleges determine their curriculum and engage with employers.
- Insufficient recognition of existing programmes and services provided by colleges to meet the skills needs of the locality.

132 Additional barriers have arisen that have impacted on the evolving relationship between Colleges and LEPs, including:

- The increasingly politicised nature of the both the ‘local’ and the ‘skills’ environments.
- Proliferation of skills initiatives and other initiatives that have a skills dimension that impacts upon ‘pure’ skills activities.
- The necessity for some providers to have multiple LEP relationships now that there is full LEP coverage and the resultant capacity issues.

Recommendations

- 133 LEPs should consider/reconsider the role of Colleges in driving their skills aspirations and maximise the opportunities that an engaged College network can bring.
- 134 There is a need for key stakeholders to consider how skills for economic growth can be effectively delivered and the potential role and added value of the LEP and key partners in this process. FE is well positioned to have a view and expertise to inform this discussion and to help shape the local solutions that are implicit in getting the skills 'conditions' right to drive economic growth. FE expectations of LEPs will differ from one LEP area to another and are predicated on a number of interdependent variables, however, the following were identified from the case studies and survey feedback:
- Facilitating the relationship and dialogue between the FE sector and key demand side stakeholders, employers and partners including employers not previously involved in skills and training dialogue.
 - Identifying and promoting local/sub regional skills needs and the responsiveness of the system through analysis and consultation. This should include sectors, target groups, geographies etc and should highlight opportunities, threats and priorities
 - Driving up demand and investment in skills.
 - Thinking about and recognising the need to work outside LEP boundaries whilst still advocating on behalf of the patch at a national level,
 - Supporting providers and partners to respond to skills needs.
 - Attracting funding through successful bidding – acting as a catalyst to skills focused activities.
- 135 In addition to addressing the barriers and capitalising on the opportunities highlighted in this report Colleges and LEPs need to jointly consider the following points and issues in order to maximise the potential impact of further education on the skills ambition of their areas:
- Strong and credible leadership informed by expertise from key skills partners – including engagement with Colleges, training organisations and provider networks.
 - Active engagement with the FE sector, partners and employers on skills issues and the ability to influence/change the shape of provision.
 - A clear understanding and recognition of what Colleges and training organisations offer e.g. the breadth of the curriculum offer, levels of funding deployed, employer engagement activity, etc – strategic partners and employers.
 - A clear and comprehensive local skills vision and strategy supported by a robust and commonly agreed evidence base including analysis of the labour market and future demand.

- Local metrics of success with local partners to demonstrate impact.
- Clear buy in from local employers and stakeholders.
- Ability to attract funding through successful bidding to act as a catalyst to skills focused activities.
- Better use of data and intelligence – there is a strong appetite for data and intelligence; support is needed, especially on economic-based analysis and interpretation of data and the consideration of supply and demand issues.

136 AoC, BIS and National Agencies should consider:

- Actions that can be undertaken at a national level that will improve the ability of key partners to collaborate locally, consideration of the resources required to achieve the desired economic growth outcomes and the requisite data/intelligence.
- Questions are being raised about what should happen at local level where LEPs have not identified skills as an urgent priority or where they have identified only a relatively small part of the skills agenda for attention (e.g. graduate skills, STEM, NEET).

Draft Mapping of Skills Priorities and key information for LEP Areas

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
<p>1. Birmingham and Solihull with East Staffordshire, Lichfield, Tamworth, Bromsgrove, Redditch, Cannock and Wyre Forest.</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	<ul style="list-style-type: none"> ● To develop a shared understanding of current and future economic needs ● To take a joint employer and provider led approach to planning courses, qualification, employability skills and the wider schools curriculum ● To engage with and influence young people through schools (before choosing their options) colleges and universities ● To provide the right information, advice and guidance to people of all ages that effectively responds to changes within business and the economy ● To clearly articulate the core employability skills required to enter the workforce and support providers in embedding these skills and an understanding of the workplace in the learning experience ● To focus skills development on apprenticeships and higher level skills particularly higher level apprenticeships and the pathways to level 4 and above
<p>2. The Black Country</p>	<p>Yes</p>	<p>No</p>	<p>Yes</p>	<p>No</p>	<p>Yes</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>		<p>Priorities include a focus on:</p> <ul style="list-style-type: none"> ● softer skill set of motivation, personableness and flexibility resulting in improved understanding of the work place and employability ● responding to the needs of businesses through negotiating packages of business friendly and time flexible skills, investment and support with colleges, business and government skills agencies ● the 19-25 age group to translate the Black Country good performance on Level 2/3 skills into higher 'degree' level attainment as steered by business and our Apprenticeship Plus programmes. ● tackling 'no skills' groups in the 25 to 49 age group which will form the core of the Black Country labour supply offer for the next 20 years. ● enhancing the capacity in schools, colleges and university to deliver specialist teaching and lectures linked to business needs through the deployment of business leaders as visiting lecturers and 'workplace'

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
											<p>teacher placements.</p> <ul style="list-style-type: none"> enhancing mentoring facilities for pupils, students, workers and potential workers to raise aspirations, attainment and careers awareness. applying the successful lessons from the Black Country Challenge 'business partnering approach' to school age attainment to adult skills. enhancing corporate social responsibility and business engagement in school and college governing bodies
3. Buckinghamshire Thames Valley	Yes	No	Yes	No	Yes	X	X	X	X	X	<p>Very early days – last LEP to be approved. Initial priorities could include:</p> <ul style="list-style-type: none"> Employability skills IAG for YP and parents Apprenticeships and work experience Promotion of Social and Personal Care Joined up provider offer and promotion of that offer Retaining Bucks graduates
4. Cheshire and Warrington Local Enterprise Partnership	Yes	Yes	Yes	Yes	Yes	X	X	X	X		<ul style="list-style-type: none"> Seeks to ensure that the conditions attached to the funding of provision makes 'demand-led courses the norm' Seeks to improve responsiveness of Apprenticeship frameworks and qualifications to employer needs
5. Coast to Capital (Brighton & Hove, Croydon, West Sussex & Gatwick)	Yes	Partial	Partial	Yes	No		X	X	X	X	<ul style="list-style-type: none"> Seeks to establish an Enterprise and Export academy jointly by further and higher education FE and HE have jointly nominated the Principal of Central Sussex as their LEP representative
6. Cornwall and Isles of Scilly Enterprise Partnership	Yes	Yes	Yes	No	Yes	X					<ul style="list-style-type: none"> Local consultation placed 'co-ordination of skills development' as top priority out of 12 possible options. LEP strategy due in Spring 12 for consultation
7. Coventry and Warwickshire Local Enterprise Partnership	Yes	No*	Yes	No	Yes	X		X	X	X	<ul style="list-style-type: none"> Develop a mechanism with which to match current vacancies/skills requirements with those looking for work/change of jobs Develop a process or mechanism to bring together businesses, training providers and local authorities to share information about future detailed skill requirements to ensure skill provision is truly demand led Increase the uptake of Apprenticeships within businesses in Coventry & Warwickshire Retain a greater proportion of graduates from CW Universities Increase "business content & focus" of education within the local area, increasing aspirations, improving work-readiness and creating the next generation of entrepreneurs Better equip the longer-term unemployed in the area with the skills, experiences and aptitude for employment

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
											* FE sector is engaged via the Skills & Employability Group FE Rep is the Vice Chair.
8. Cumbria	Yes	Yes	Yes	Yes	No	X	X	X	X	X	<ul style="list-style-type: none"> • Still to translate employment and skills priorities from the initial bid plan into strategy – priorities currently unclear. • Planning a Skills Expert Group as a cross-cutting task and finish group to address skills needs identified by (key sector) Expert Groups.
9. Derby, Derbyshire, Nottingham, Nottinghamshire LEP	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> • Seeks to bridge the gap between school and adult IAG • Plans a local skills statement • Core Cities Skills Fund to be used to develop skills plan • Strengthening of links between LEP and ESBs. • Strong consideration being given currently to how the LEP and the Notts EZ align.
10. Dorset	Yes	Yes	Yes	Yes	Yes	X	X	X	X	X	<ul style="list-style-type: none"> • Delivery Plan written by ESB 18 months ago and to be updated once LEP Business Plan is established
11. Enterprise M3	Yes	Yes	Yes	Yes	Yes	X		X	X	X	<ul style="list-style-type: none"> • Accelerate development, using government funding and then re-invest in infrastructure and improvements. • Expedite an increase in workforce skills needed for business Assist business in accessing finance and Government funded business support • Foster a culture of entrepreneurship • Lobby for regulatory changes to create a business-friendly environment.
12. Gloucestershire	Yes	No	Yes	Yes	Yes	X	X	X	X	X	<p>The LEP has four key priorities one of which is:</p> <ul style="list-style-type: none"> • Connecting education and skills with the needs of business and the local economy – ensuring the ready supply of talent, and attracting and retaining young people; <p>The LEP objectives on education and skills are to:</p> <ul style="list-style-type: none"> • Retain the position of having one of the lowest UK rates of 16-19 year olds who are Not in Employment, Education or Training (NEET). • Increase the number of employers who recognise and implement workforce and succession planning measures in their Business Plans • Contribute to the 'Narrowing the Gap' agenda by reducing worklessness and supporting people to progress into sustainable employment <p>Each of the nine employer led sector groups has identified skills as a key priority</p>
13. Greater Cambridge and Greater Peterborough	Yes	Yes	Yes	No	Yes	X	X	X		X	<ul style="list-style-type: none"> • Business involvement in school careers curriculum • Extending statutory IAG age to 12-19 with an emphasis on business led careers advice

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
											<ul style="list-style-type: none"> Addressing the problem of 'readiness for work' amongst young people at 12-19 Aligning publicly funded skills provision with business demand
14. Heart of the South West	Yes	Yes	Partial	Yes	Yes	X	X	X	X	X	<ul style="list-style-type: none"> The board has just concluded a large consultation exercise with skills and learning a clear strand of the emerging thinking.
15. Hertfordshire	Yes	Yes	Yes	No	Yes	*	*	*	*	*	The LEP has a Skills and Employment Board as one of its 4 key strands. This board has an FE principal as a member. This board is currently shaping up priorities* although the majority listed are expected to feature.
16. Humber	Yes	Yes	Yes	No	No	X	X	X		X	<ul style="list-style-type: none"> FE Colleges represented on Humber Compass (Skills & Employment Board) Skills priorities have been articulated
17. Kent, Essex, East Sussex	Yes	Yes	Yes	Yes	Yes	X	X	X	X	X	<ul style="list-style-type: none"> Skills sub group now in place, chaired by FE Principal 2 x EZ Skills EOIs have been submitted and approved by the Agency. Skills as an 'issue' has definitely risen up the LEP agenda since its formation A FT LEP Director has been appointed.
18. Lancashire	Yes			No	Yes			X			<ul style="list-style-type: none"> Detailed proposals still awaited although a 'Skills Development Champion' has been appointed The LEP will concentrate on skills demand rather than the supply side Working with FE/HE sector is mentioned in the Way Forward document but not clear if it has endorsement of FE/HE
19. Leeds City Region	Yes	No	Yes	No	Yes	X	X	X			<ul style="list-style-type: none"> Proposes action to increase employer investment in skills Skills priorities have been articulated Has established 'Provider Network' of FE providers Signed concordat between LEP and Network members
20. Leicester and Leicestershire	Yes	Yes	Yes	Yes	Yes	X	X	X			<ul style="list-style-type: none"> Whilst the bid references the full range of skills provision, no detailed proposals are included. Priority sectors identified for growth and inward investment –successful Enterprise Zone bid fronted by the LEP

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
21. Lincolnshire	Yes	Yes	Yes	No	Yes			X		X	<ul style="list-style-type: none"> Plans a 'sizeable vocational training scheme'.
22. Liverpool City Region	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> Seeking to radically simplify and flex up delivery of learning and skills for local people & business; Key focus on creating new businesses, promoting enterprise, job creation increasing productivity and delivering a step change in economic performance of the LCR; LCR has an Employment and Skills Strategy that drives local activity via the Employment and Skills Board LEP terms of reference defers employment and skills matters to the ESB.
23. London	Yes			No	No						<ul style="list-style-type: none"> Not confirmed yet but In March 2011 the government announced a new generation of Enterprise Zones. The Royal Docks has been approved as London's first Enterprise Zone and the Government has also announced that it will consider creating a new Enterprise Zone at Battersea. This will serve to identify some of the priorities. It should also be noted that London is Core Skills City and will receive funding approx 500k to produce a detailed skills plan, which thus will require a summary of the skills priorities needed. If you need further detail on this, happy to share generic information until London makes its submission on 7/3
24. Greater Manchester	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> New Skills and Employment Partnership will discharge functions of LEP with respect to skills - FE does not have a seat on the LEP but is represented on the Partnership Board Manchester is a Core City and negotiating with government a series of 'asks' for the whole LEP area GM is also a pilot area for whole place community budgets
25. The Marches – Shropshire and Herefordshire	Yes	Yes	No	No	No	X	X	X	X	X	<p>The priorities focus upon removing the key barriers stifling rural business growth across the Marches, they include:</p> <ul style="list-style-type: none"> Access to finance for business start up, growth and diversification Achieve super fast broadband coverage across the area Establish an Enterprise Zone (s) where strategic growth is essential <p>The Marches LEP has an Enterprise Zone focusing on Hereford, the Rother was Business Park which will focus on defence and knowledge sectors. Keen to increase the number of apprenticeships in local businesses</p> <p>Employment and Skills Strategy which will be informed by the Shropshire Employment and Skills Plan and information from the Hereford Economic Development Partnership.</p>

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
											LEP seeks to increase private investment in training
26. New Anglia	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<p>CORE and EZ agreed by the department for Great Yarmouth and Lowestoft - currently writing a Skills Plan for that specific area.</p> <p>A wider Skills Plan is also planned.</p> <p>Sector priorities include:</p> <ul style="list-style-type: none"> • Tourism • Business Support • Energy (Offshore, Biomass and Nuclear [With the advent of Sizewell C])
27. Northamptonshire	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> • Raising the profile of apprenticeships amongst young people • Work experience - helping to match the supply of labour to the availability of employment and reduce overall unemployment. - matching new county investment with initiatives that will provide pre-employment training for the unemployed. • Supporting community and voluntary organisations, to help the hardest to reach and support them back into employment. • Work with Young Enterprise and the education and work services providers to promote enterprise and entrepreneurship and to improve the employability of the county's young people
28. North Eastern	Yes			Yes	Yes						<ul style="list-style-type: none"> • LEP still in development and priorities still not fully articulated.
29. Oxfordshire	Yes	Yes	Yes	Yes	Yes	X	X	X	X		<ul style="list-style-type: none"> • better understanding of skills needs and priorities across Oxfordshire • strengthened links between business and providers of learning • improved skills and business support provision to employers • stronger links with county and regional employment and skills bodies • raised aspirations and economic wellbeing
30. Sheffield City Region	Yes	Partial	Yes	No	Yes	X	X	X	X		<ul style="list-style-type: none"> • Seeking for place-based commissioning • Seeking to extend Advanced Manufacturing Apprenticeship programme to other sectors • Skills priorities have been articulated • FE Principal represents sector within emerging skills structures

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
31. Solent	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> The LEP now has an enterprise zone within and a £100,000 from the EZ Skills Fund to develop and execute a skills plan for the Zone. The Zone is on the Gosport peninsula and is aimed at regenerating an old airfield and a marine area.
32. South East Midlands	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> Wishes to introduce further financial incentives to encourage businesses to take apprentices
33. Stoke and Staffordshire	Yes	Yes	Yes	Yes observer	Yes	X	X	X	X	X	<ul style="list-style-type: none"> FE & HE Representation on Enterprise & Skills Sub-Group Developing greater numbers of private sector jobs within the knowledge based sector with growth potential. Support move away from public sector jobs Facilitation of diversification into growth sectors including advanced manufacturing/low carbon Development of workforce skills to meet emerging economy Development of a more enterprising culture at school and beyond Ensuring that young people and adults are equipped with basic employability skills Increase the numbers and sectoral diversity of Apprenticeships (specifically STEM – related sectors) Ensuring that training providers have the capacity to meet current and future skill demands.
34. Swindon & Wiltshire	Yes	Yes	Yes	No	No	X	16+	X	X	X	<ul style="list-style-type: none"> Advanced engineering and Manufacturing Tourism Food & Drink/Land-based industry Life Sciences Financial and other Services Logistics Low Carbon and Renewable Energy FE & HE Representation on Enterprise & Skills Sub-Group Driving up the skill levels of our workforce. Tackling youth unemployment.
35. Tees Valley	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> FE represented on the Employment and Skills Group. Principals input on business plan.
36. Thames Valley Berkshire	Yes	No	No	*	**	X	X	X	X	X	<ul style="list-style-type: none"> Apprenticeships 14-19 'Blueprint for Education' Maximising Funding Opportunities
37. West of England	Yes	Yes	Yes	Yes	Yes	X	X	X			<ul style="list-style-type: none"> Increase Apprenticeships Improving match between provision and need in key sectors Increasing employability Improving higher level skills

LEP Area	Strategic commitment to skills?	FE support for/ engagement in proposal?	HE support for/ engagement in proposal?	FE seat on LEP?	HE seat on LEP?	Apprenticeships	14-19	Workforce development	Worklessness	Enterprise and entrepreneurship skills	Skills Priorities
38. Worcestershire	Yes	Yes	Yes	No	Yes	X	X	X	X	X	<ul style="list-style-type: none"> • New Employment and Skills Group is in place with a number of task and finish groups in March to develop the Employment and Skills Plan for the LEP. • First Worcestershire LEP Conference in February to engage local employers and stakeholders. • Key priority is to deliver the strategic employment sites and related infrastructure (services, highways access utilities etc) needed to secure sustainable economic growth and a low carbon economy. • LEP aims to ensure the right support for business start up, business growth, business retention – focussing on meeting the needs of our strategic businesses, ‘high growth’ SMEs and the social enterprise sector. • To deliver the right infrastructure for business, including improved high speed broadband availability, improving access from the M5 to the Malvern Hills Science Park and QinetiQ, improving the by-pass leading to the Hereford and Bromyard roads to Herefordshire and creating better access for our strategic businesses and their supply chains in the north of the county to the motorway network through improvements to east-west links and the A449. • To invest in the skills of our workforce ensuring that provision is responsive to business needs, and relevant to future growth and business opportunities.
39. York & North Yorkshire	Yes	No	No	No	Yes	X	X	X		X	<ul style="list-style-type: none"> • Yet to develop their approach to ‘skills’ although priority sectors have been identified • Business start up and micro business enterprise is immediate priority. • Employer-led task and finish approach to issues; group structures will be minimal.

LEPs were not burden with a request to provide this data so this therefore reflects the latest known position recognising that some information is indicative and/or final positions are not yet clear - it has been compiled from a variety of sources and may not represent the latest developments

Good practice Examples

1. Leeds City Region Skills Partnership Agreement

In April 2011 representatives from Further Education Colleges, Higher Education Institutions and private and voluntary sector skills providers formed the [Leeds City Region Skills Network](#), a group that works with the Leeds City Region Employment and Skills Board (ESB) to anticipate and meet the needs of employers and the city region economy. Together they have produced the [Leeds City Region Skills Partnership Agreement](#)**Error! Hyperlink reference not valid.** which details the partnership's key aims, objectives and responsibilities moving forward. The Agreement was signed on the 14th November 2011 by representatives from the Leeds City Region LEP, the Leeds City Region ESB and the Leeds City Region Skills Network and demonstrates a genuine commitment to working together to stimulate the growth of jobs and investment in the Leeds City Region economy.

Leeds City Region Skills Network

Members of the Leeds City Region Skills Network

Skills Network Chair: Michele Sutton OBE, Chair of West Yorkshire Consortium of Colleges (WYCC) & Principal of Bradford College.

15 Further Education Colleges: Askham Bryan College, Barnsley College, Bradford College, Calderdale College, Craven College, Kirklees College, Leeds City College, Leeds College of Art, Leeds College of Building, Harrogate College, Northern College, Selby College, Shipley College, Wakefield College and York College.

8 Higher Education Institutions: University of Bradford, University of Huddersfield, University of Leeds, Leeds College of Music, Leeds Metropolitan University, Leeds Trinity & All Saints, The University of York and York St John University.

Over 1,000 Voluntary & Community Sector Organisations, 60 Private Training Providers and 6 Employability Providers

“The purpose of the Skills Network is to promote collaborative working between training providers and employers to stimulate the growth of jobs and investment in the Leeds City Region.” Michele Sutton, Chair of the Skills Network

Leeds City Region (LCR) Principles for a Partnership Agreement between LCR Employment & Skills Board (part of the LEP) and LCR Skills Network (a network of FE/HE/skills providers)

Joint Skills Partnership Agreement

A. Introduction

This agreement is a key element of the Local Enterprise Partnership's ambition to stimulate the growth of jobs and investment in the Leeds City Region economy.

Our Employment and Skills Board (ESB) and skills providers, including FE colleges, universities and training organisations, will work together to anticipate and meet the skills needs of employers and the city region economy.

We share the government's view that skills are a vital contributor to employment, productivity and economic growth. Skills providers, including local HE and FE colleges, are key assets to our economy. They play a crucial role in engaging individuals and employers in a progressive routeway for educating and up-skilling the current and future workforce.

Our shared objective is to increase the value, relevance and effectiveness of the joint investment by individuals, employers and government in their future skills development building on the ESB strategy published in 2010.

The agreement reflects a genuine partnership between colleges, universities and providers working in consortium and the Local Enterprise Partnership, in which they are represented on the ESB.

This agreement builds a strategic Leeds City Region dimension to the existing local skills networks and will not seek to interfere with these active relationships.

Colleges and providers will continue to have thriving direct relationships with their customers, learners and employers. This agreement will not seek to interfere with these active relationships. Rather, it will serve to enhance the market for skills investment by enabling the collective views of local authorities and employers, particularly in key business sectors, to be better articulated and addressed, thus growing in the City Region a more responsive skills base to drive future economic growth.

B. Aims

- **To drive up skills and employment** levels in Leeds City Region particularly in those sectors critical to the growth of the economy.
- **To increase employer and individuals' engagement** and investment in skills.
- **To support individuals to gain sustainable employment by improving employability**, basic skills (especially maths, English and ESOL) and enterprising attitudes.
- **To strengthen joint working between employers, the LEP/ESB, skills networks, colleges and other skills providers** to improve the effectiveness of skills investment.

C. Responsibilities

- **LEP's Employment & Skills Board**
- **Employer Intelligence:** bring together intelligence from Leeds City Region businesses, colleges, universities, providers and public authorities on the current and future skills issues and employment opportunities, including both 'hard' labour market analysis alongside 'soft' intelligence direct from employers and sector groups including Sector Skills Councils (SSCs).
- **Business Engagement:** articulate the business case for skills investment amongst employers, championing the argument for increased competitiveness via people development.
- **Advocacy:** influencing sources of public funds for skills to prioritise the needs of LCR business sectors and learners, when investing in mainstream education or skills delivery and/or in supplementary European or regional growth funds.
- **Links to Local Partnerships:** forge strong links with local employment and skills boards and other partnerships in individual districts to ensure that local priorities inform and align with city region ones, avoiding duplication of effort and adding value to cross-city region issues.

- **Influence on Education:** use our connections to the 14-19 provision to champion improved relevance of learning, better informed careers guidance, increased take up of STEM skills, promotion of apprenticeships and a closer working relationship between schools, colleges and businesses.

-

D. LCR Skills Network (of Colleges, Universities and Skills Providers)

- **Skills Network:** build a network of skills providers willing to co-operate where appropriate across the city region to offer the optimum range of skills provision and progression routes to meet the needs of individuals and employers.
- **Responsiveness:** enable clear, prompt and responsive channels for employers/ sectors to engage with providers (individually or working together), to discuss their skills priorities and determine how best they can be met.
- **Skills for Employment:** work together to enable all learners to be equipped with the basic literacy, numeracy, communication and other employability skills required by employers and foster the qualities of enterprise, work ethic, motivation and aspiration so vital to success.
- **Future Investment:** inform and respond to current and future economic demand by investing in course development to keep pace with latest technologies, changing skill requirements, new investments and new market opportunities, linked to the economic priorities identified with the LEP.
- **Intelligence:** gather and share intelligence from employers in order to refine common understanding of current and future needs and respond more effectively to these.
- **Local Relationships:** work closely with employers, local authorities and other partners including local employment and skills boards and existing skills networks and JCP to address local skill needs, whilst co-operating at the city-region level to address wider needs or opportunities affecting the city-region labour market.

Joint Responsibilities

- **Dialogue:** regular, proactive engagement between the LEP, via its ESB, in establishing open and constructive dialogue with the LCR Skills Network.
- **Forward Planning:** joint arrangements to exchange intelligence and discuss economic priorities timed to influence and shape annual planning cycles for colleges and providers, feeding forward into curriculum development.
- **Responding to Opportunities or Challenges:** co-operation in response to short-term threats to the economy e.g. major redundancies or opportunities for growth such as inward investments/ business expansion projects, to provide joined up support on employment and skills.
- **Shaping and Investing in Mainstream Provision:** commitment to engage providers and employers in shaping and co-funding mainstream adult skills provision, as well as 14-19 feeder routes wherever possible, to better support the changing economic needs of the City Region.
- **Attracting New Investment for Skills:** joint action to secure extra resources, whether public or private, to strengthen the City Region's investment in priority skills.

Gloucestershire LEP, 'GFirst'

The LEP Board, which was established in June 2011, is supported by nine key and emerging industry Sector Groups.

Rather than have a sub-group specifically responsible for skills and employment, each sector group has included skills in their individual business plans. The Engineering and Manufacturing Sector group was the first to consider the skills requirements and identified the lack of higher level skills as a barrier to economic growth.

Subsequently the LEP has worked with the Sector Skills Council, SEMTA, Gloucestershire University and College to identify more specifically the skills needs of the sector. A survey has been produced and mailed out to manufacturing and engineering companies both in Gloucestershire and the West of England with the help of the Chamber of Commerce, Institute of Directors, Federation of Small Businesses and other Trade Associations, requesting specific information on skills needs and any perceived barriers.

In addition, the LEP has facilitated a partnership between a local manufacturing company, SEMTA, Gloucestershire College and the University of West of England to develop and trial a Higher Apprenticeship Framework in Advanced Engineering, which was presented to both employers and students during Apprenticeship Week in 2012.

The culmination of this work, including the survey results, will be presented at a conference entitled 'Supporting Manufacturing Skills' on 24 April 2012, hosted and sponsored by the LEP and SEMTA. The aim of the conference was to offer local manufacturing companies the opportunity to:

- Understand the future employment and skills issues facing the sector and explore ways to address these challenges.
- Hear how the engineering and manufacturing sector are working with the LEP to help create the environment to provide sustainable business growth and participate in open forum debates to advise and inform the LEP Board on future activity
- See the types of business support which currently exist, with representatives from supporting organisations taking part offering apprentice programmes, exporting advice, skills training and business improvement.

The next LEP sector group to consider their skills needs will be the Retail Group.

