Local Skills Improvement Plan (LSIP)

Essex, Southend and Thurrock

Annex B: Information on the methodologies and processes used to develop the Essex LSIP

This is a supporting report to the Essex LSIP. Annex A includes information on the local strategic context.





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All images used within this report are of local educational facilities (supplied with permission for use by the Federation of Essex Colleges) and Essex engagement events.



1. Introduction

Within this annex report to support the main Essex LSIP report, the processes and methodologies used to establish the priorities will be set out.

As this will outline, the process for determining and agreeing the priorities began in late 2022 and there has been a wealth of work undertaken from that time until the publication of the LSIP report.

Supporting information to the main LSIP report also includes the data pack (annex C), which will be updated regularly and packaged up in accessible and up to date ways to ensure that local colleges and providers have access to real time labour market information on the local economy. To introduce the information, there are some key aspects of the process, which this report will cover first:

1.1. Explain how the "strategic priorities" for the LSIP were identified and the process for determining them with local partners including how any disagreements were resolved.

As this report will set out, the priorities were agreed through a combination of employer engagement events, a provider and employer survey, published data and evidence and existing local reports and strategies. Engaging with different sectors and employers of different sizes also ensured

a holistic reflection of the local business voice. As the priorities were established over several months, they were regularly shared and discussed with local partners and with providers to ensure any barriers had been addressed. Where there were disagreements regarding what had been included, these were discussed at workshops and the priorities adapted accordingly to ensure they reflected the local perspective. They have been kept deliberately high level to enable a degree of flexibility and innovation in addressing them. The proposed regular data and labour market information will also assist colleges and providers to refine and adapt them as needed.

1.2. Describe the process of engagement with employers including working with other ERBs and the number and range/type of activities undertaken.

Sections 2 and 5 of this report outline this more fully and notably collaboration has taken place with the Federation of Small Businesses in engaging local businesses for the LSIP. Business engagement has been strong, with 11 roundtable events across Essex, 441 responses to the employer survey and 4480 hits on the LSIP Chamber of Commerce website pages. Furthermore, there were over 6500 direct recipients (via email) to the regular LSIP newsletter and strong engagement on social media.

The South East Local Enterprise Partnership (SELEP) covers two other LSIP areas – Kent and Medway, and Sussex. Both were trailblazers and collaboration has been strong, with best practice sharing. The three LSIP leads are all now members of the LEP's Skills Advisory Panel, which has further ensured join up and has been welcomed by local stakeholders and businesses. Engagement has also taken place with other areas, including the Leicester and Leicestershire LSIP and learning from their roadmap and approach to data and labour market information.

1.3. Explain why there is confidence that the findings are representative of employers (including numbers of employers engaged to ensure a sufficient breadth and depth).

The employer engagement events have taken place in different locations across Essex, with different sectors and varying sizes of employers. The business survey also shows a good coverage of Essex geographically and in terms of business type and size. With over 430 businesses responding, this represents a robust statistical sample.

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1. Introduction (continued)

This is combined with feedback the Chambers of Commerce are receiving from members and learnings from key partners, such as the Federation of Small Businesses (FEDEC) (regarding issues coming to the fore from their membership). Testing this information with sector reports and other stakeholders working regularly with employers such as LEPs and local authorities, has ensured confidence in the findings. Importantly, the data and evidence and particularly real-time information such as vacancies has further ensured the findings are presenting an accurate picture. It will be important to regularly review and test this through further engagement, data and evidence.

1.4. Provide details of the data sources and reports etc. that have been used to inform the development of the LSIP and how this data and analysis has been used to add value and credibility to the articulation of employer skills needs in the area.

The data report provided will explore this in more detail and includes the data sources utilised. A collaborative approach has been taken to data gathering, with the LEP and local authority also supporting this (and committed to continuing to do so). This includes the Department for Education (DFE) Data Cube which sets out provision locally and which subject areas are being

taken up. The Lightcast (previously EMSI) data tool has been utilised by the LEP which gives insights into vacancies, skills sought by employers locally and growth projections. A lot of DfE and Office for National Statistics (ONS) information has also been utilised and produced as locally as possible, to give maximum insights into local areas.

Alongside these data sources, local knowledge on aspects such as major infrastructure projects and housing growth have also been vital. These provide insights into skills and jobs that will be required in the future and which won't be shown on published data sets at the moment.

1.5. Describe the process of engagement with providers in the development of the "priorities for change" in the LSIP including the details of the providers engaged (i.e. range of provider types including FE and Sixth Form colleges, ITPs, HEIs).

As section 2 will set out, providers have been engaged since the start of the process for developing the LSIP and with colleges hosting many of the employer engagement events. A workshop hosted by the EPN as part of the engagement had over 100 attendees and sessions were held with colleges and providers to discuss the priorities so that they could be adapted and refined. Additionally, as per the table in section 2, LSIP Findings

and Resolution working groups were held with colleges and providers and a colleges' roundtable was held at the start of the process in January 2023.

1.6. Describe the process for engaging with wider delivery partners in developing solutions and the roadmap, including details of the delivery partners engaged (e.g. CEIAG providers, Jobcentre Plus, MCA/GLA, LEP).

Partners such as the LEP and local authorities have supported the LSIP development from the beginning and formed part of the Project Team developing the work. Engagement with all local stakeholders has been strong and with a shared understanding and consensus of what a positive opportunity the LSIP represents. The LSIP Board includes members from Job Centre Plus, the local Careers Hub, LEP and local authorities so all are well engaged and committed to sharing resource.





2. Stakeholder engagement and headlines from roundtables

Below is a summary of the main engagement that has taken place since November 2022 in the development of the LSIP report and priorities. This also helps to illustrate the joined-up approach with colleges who hosted many of the events, and the SELEP Skills Advisory Panel which facilitated joint working between the Essex, Kent & Medway and Sussex LSIPs. Many of these were promoted on the Essex Chambers of Commerce Events Page.

In addition to these events, engagement has also taken place via the regular LSIP newsletter, distributed by Essex Chambers of Commerce and key stakeholders (such as the LEP who featured information regularly in their newsletter). The newsletter is available on the Essex Chambers of Commerce website here.

Some of the key headlines fed back at the engagement events included soft skills, careers advice and the issues around tutor shortages. All have been reflected in the priorities. The main aspects of feedback are outlined below together with the engagement events which took place.

Engagement to date has included:

- 11 roundtables with employers.
- 2 roundtables with colleges and providers.
- 441 responses to the employer survey and LSIP enquiry form.
- 565 hits to the LSIP announcement on the Essex Chambers website.
- 4480 hits on the Essex Chambers LSIP web pages.
- 907 hits on the LSIP event web pages.
- 2772 hits on the LSIP survey and enquiry form web pages.
- 6507 + direct recipients (via email) of the LSIP newsletter and 235 hits to the newsletter on the website.
- 1029 LinkedIn impressions of Essex LSIP posts and up to 12.5% engagement.
- 566 Twitter impressions of Essex LSIP posts.
- 329 Facebook impressions of Essex LSIP posts.

Some of the key priorities and messages through the survey and roundtables included the following:

- 48% of Essex employers who responded to the survey said they find it difficult to recruit staff, with a lack of applicants and technical skills being cited as the main issues. Of those employers, 70% said they had recruited staff in the past year and 65% were planning to in the coming year.
- 89% of Essex employers said they currently offer training to their staff.
- The main factors for not engaging with training were relevance, availability and cost. To improve the skills supply to their businesses, employers said they want to see more modular, bespoke and online training.
- 61% of Essex employers who responded to the survey said that they would be prepared to support colleges and training providers, with company visits and work placements being the most popular offer to the education sector.
- 58% of Essex employers who responded to our survey said they were not looking to invest in training at this time.



2. Stakeholder engagement and headlines from roundtables (continued)

Soft skills:

- Overwhelmingly, employers fed back that a lack of soft skills and work ready behaviours is their number one issue, with too little emphasis being placed upon these key skills by the education system. In the workplace, they often do not understand what is expected of them.
- Employers said that many candidates lack basic communication skills when dealing with other people and working in a team such as speaking, listening and appropriate body language.
 Additionally, they commented on a lack of creative thinking and problem solving with many young people.
- From research, it appears that leadership and management skills are also lacking in many people, particularly those who are making the transition to first line management and supervisory jobs.
- Many businesses said that they could provide the technical skills they need if they could find staff with the correct soft skills and work ready behaviours.

Green skills:

- Employers are acutely aware of the need to transition to a low carbon economy and see an immediate need for the new and existing labour force to be given an understanding of carbon literacy and green skills across all sectors of the economy.
- Within Essex there is a lack of courses and funded opportunities to develop skills in Retrofit and Net Zero, and many employers are unaware of what is available.



Digital skills:

- From our research, it is apparent that baseline digital skills have become a near-universal requirement for employment and are insufficiently developed across the workforce.
 Generic digital skills such as Microsoft Office and other productivity software tools are commonly required in jobs across all skills levels and are often fundamental to entering the labour market.
- Specific skills lacking in the Digital Sector include Digital Science, Data Analysis, Coding, Software Development, Cyber Security, Artificial Intelligence & Virtual Reality. Employers also spoke about a need for more skills in Digital Media and Social Media Marketing.





2. Stakeholder engagement and headlines from roundtables (continued)

Date	Engagement activity
30/11/22	 Aviation Sector employers round table event Stansted Airport College
01/12/22	 Essex Chambers of Commerce evening employer event Essex County Cricket Club, Chelmsford
11/01/23	Southend Council Skills Leadership GroupVirtual
17/01/23	 Logistics Sector employers round table event South Essex College, Thurrock Campus
17/01/23	SELEP Skills Advisory Panel Virtual
19/01/23	FEDEC Colleges round table eventBraxted Park
24/01/23	Maldon District Council - Big Business Network Braxted Park
24/01/23	• ECC Business Intermediaries Forum • Virtual
25/01/23	EPN Independent Training Providers round table eventBasildon
27/01/23	DigiTech Employers round table eventUSP College, Canvey Island Campus
02/02/23	 Health, Social Care and MedTech Employers round table event Colchester Institute, Colchester Campus
08/02/23	 Professional Services Employers round table event Colchester 6th Form

Date	Engagement activity
09/02/23	Creative and Cultural Employers round table event Chelmsford College
10/02/23	 FSB Ministerial round table with Rt Hon Robert Halfon MP Minister of State (Minister for Skills, Apprenticeships and Higher Education) Harlow College
22/02/23	Essex Chambers of Commerce employer networking event Virtual
23/02/23	 Advanced Manufacturing and Engineering Employers roundtable event Harlow College
27/02/23	FSB Small Business Employers round table event Virtual
28/02/23	Backing Thurrock Skills GroupVirtual
28/02/23	Community and Voluntary Sector Employers round table event Thurrock ACL
01/03/23	 Construction and the Built Environment Employers round table event NCC Epping Campus
02/03/23	Maldon District Council - Big Business Network Plume Academy, Maldon
03/03/23	 AgriTech and FoodTech Employers round table event Writtle University College, Chelmsford

Date	Engagement activity
03/03/23	Chelmsford College Stakeholders Scrutiny Committee Chelmsford College
14/03/23	LSIP Findings and Resolutions Working Group eventHylands House
15/03/23	LSIP Findings and Resolutions Working Group eventVirtual
20/03/23	 Essex Chambers of Commerce Ministerial round table with Rt Hon Priti Patel House of Commons
22/03/23	 Southend Council Skills Leadership Group – Skills Plan event Virtual
30/03/23	 Essex County Council Inclusive Employer Network Launch Firstsite Centre, Colchester
19/04/23	Southend Council Skills Leadership GroupVirtual
25/04/23	ASHE Careers Advisors training eventHamptons, Chelmsford
27/04/23	• ENS Employer Network event • Colchester
04/05/23	SELEP Skills Advisory PanelVirtual



3. LSIP Board and membership

For full transparency, the <u>LSIP Board</u> <u>membership</u> is included on the Essex Chamber of Commerce website. This illustrates the strong partnership reflected in the main LSIP report, with members including LEP, local authority and Job Centre Plus representation.

Supporting documents and information:

- Essex LSIP Board Terms of Reference View here
- Essex LSIP Conflict of Interest Policy View here
- Essex LSIP Register of Interests <u>View here</u>

4. Evidence of LSIP Board approval of draft report

The draft LSIP report and annexes were circulated to the LSIP Board members on Monday 15th May 2023. At this meeting, the Board approved the report and annexes, with comments and feedback incorporated, as reflected in the meeting minutes.







5. Engagement and work underway with other ERBs

As is outlined in the main LSIP report, there is strong engagement with the Kent & Medway and Sussex Chambers of Commerce, particularly given that both are also in the SELEP geography.

The three LSIP leads meet regularly and the trailblazer experience in Kent and Sussex has been useful for Essex Chamber of Commerce in the development of the Essex LSIP. Regular best practice and information sharing is taking place via the SELEP Skills Advisory Panel and which ensures wider employer engagement and the identification of common themes. Engagement has also taken place with other ERBs and notably with Leicester and Leicestershire LSIP to learn from their approach as a trailblazer.

Within the SELEP area, the three LSIPs are already collaborating with the LEP to tackle the issue of tutor shortages, which has emerged as a priority across the geography. This also ensures maximum impact and use of resources.

Collaboration underway on tutor shortages was referenced in the main LSIP report, with further detail provided here:

Context and rationale - SELEP has several established forums where partners debate, share practice, innovate and take action to drive economic growth, which is focused on coastal development, housing, clean growth, rural affairs, creative and cultural, as well as the region's Universities, Major Projects Group (MPG), Skills Advisory Panel and Skills Working Group.

The MPG was formed in 2020, representing senior leaders of major proposed infrastructure in the pipeline over the next 5-15 years, and through early discussions skills and employment was the highest risk and an area where collaboration could be very beneficial.

In 2021, SELEP, in partnership with the MPG, commissioned MACE to produce a report on the skills and employment requirements of major projects. Report cited that £30bn of potential investment would create demand for over 117,000 roles between 2025-2028 and over 67,000 between 2029-2038.

These roles were wide ranging but included higher concentrations of engineers, multiple construction trades, project managers, architects, manufacturers and logistics. Whilst these statistics were not

an exact science and would clearly shift as projects progress; they showed that the scale of demand in major infrastructure development is vast and requires labour and skill sets in areas where there are already significant shortages.

Findings were discussed and debated across the MPG, Major Projects Skills Group (MPSG), SAP and SWG about how to meet these labour market needs, on top of the challenges of meeting high 'business as usual' needs.

The MPSG led on the formation of an action plan, based on the 6 recommendations in the report, to drive individual and collective activity. The issue that was considered most critical, as its the 'bottle neck', and that impacted on the ability to achieve other aims was that of tutor shortages.

Alongside the three Chambers of Commerce, as all three LSIPs have highlighted this issue, a variety of local and national conversations have taken place and it was agreed that some further collaborative work was needed to develop solutions that could be taken forward to piloting.



5. Engagement and work underway with other ERBs (continued)

Challenge - Significant challenges in tutor recruitment and retention already exist within Further Education. These additional demands only present pressure on an already struggling sector, by creating a higher demand for skilled construction and engineering labour within the south, where those industries are already facing acute skills shortage and wage inflation.

To understand the problem locally in more detail, SELEP surveyed FE organisations. The main findings were:

- 130 vacancies in construction in the past 12 months. Average of 13 per organisation.
- 57 vacancies in engineering. Average of almost 6 per organisation.
- Electrical, engineering, carpentry and plumbing are cited as the hardest to recruit to.
- Level 3 is the most common level of qualification sought, but some seek up to Masters.
- Salary is clearly the biggest barrier to recruitment – others include perception, lack of candidates, inadequate skill sets, workload and industry demand.
- Many of these barriers are mirrored in retention issues – salary, workload, industry poaching and culture.

- Many organisations had not tried alternative models. Of those who had, more had tried collaborating across organisations with some success and some with HE regarding graduate recruitment, but considered it less successful.
- Fewer had attempted employees being loaned from industry or sharing staff across campuses/ organisations using virtual teaching.

This is clearly not just important for the southeast. It is a national challenge which not only presents a threat to the delivery of key infrastructure, but to the Government's ambitious and necessary reforms to technical education across England.

The challenge has been widely covered - a survey by Unison showed that over half of the 800 responses report shortages of lecturers and an AoC survey stated:

'There is now estimated to be more than 6,000 job vacancies in England's colleges – the most there has been in over two decades – with high levels of persistent vacancies in priority areas such as construction, engineering, health and social care and science and maths'. Whilst recruitment agency Morgan Hunt reported recently that 'FE vacancy levels were 32% higher in 2021 than they were in 2020'.

Much research on what is already available nationally is captured in the recent 'Developing Industry-Expert Teaching for Higher Skills' report, by the Lifelong Education Commission in Partnership with the Chartered Institution for Further Education. Whilst this is aimed more at the challenges for delivering higher levels of education (post-18 L4&5), it collates findings from various sources about the challenge, what is currently taking place and how effective it might be and offers recommendations for Government.







5. Engagement and work underway with other ERBs (continued)

Solutions - SELEP and the three LSIPs of Essex, Kent and Sussex held workshops in June, aimed at developing sustainable solutions that can be piloted (either through LSIF routes or others) but could then be embedded into the system.

The workshops included presentations about existing ideas and activity, from in and outside the area, and looked to build on these and to garner interest in progressing all, or particular aspects. Further information on the workshops and presentations is on the SELEP website at https://www.south-east-solutions-based-research/

The main solutions being considered are:

- Accelerating the use of immersive classrooms and virtual learning to better enable the sharing of expertise across providers, be that live teaching and/or content capture, and by SME tutors and industry employees.
- Linked to the above, deploying staff differently e.g. using learning facilitators/ coaches.

- Utilising employer/employee expertise to teach specialist content and whether there are particular angles to this e.g. targeting 50+, virtual versus in person/live versus content capture. Plus if this is to be applied systematically, what incentives, if any, are needed.
- Targeting graduate recruitment as part of the solution and what approaches might work.
- Influencing and enhancing how ITT supports the recruitment process e.g. could there be more initial bite size programmes that 'ease' people into the role, especially the non-pedagogical aspects on classroom management, pastoral care etc.
- Enhancing and sustaining access to technical CPD to aid retention and support the currency of the curriculum.

Following the workshops, the aim is to build cases for progressing areas of activity, including funding identification and whether there are any asks of Government or other partners. This will form part of the Essex approach to delivering against this priority identified in the Essex LSIP.











