



THURSDAY, 6 OCTOBER 2022

A SKILLS PLAN FOR SURREY

Purpose of report: To seek Community, Environment and Highways Select Committee's comments on the Skills Plan for Surrey in advance of Cabinet considering it at their meeting on 25 October 2022.

Introduction:

1. The Skills Plan for Surrey is being produced with a focus on the role that skills development has in securing economic and inclusion outcomes, aligned particularly with the County Councils strategic focus on '*Growing a sustainable economy from which everyone can benefit*' and underlying principle of '*no-one left behind*'.
2. Within 'Surrey's Economic Future' the Economic Strategy approved by Cabinet in December 2020, Priority 1, '*Growing our leading edge*' recognises the strong business base that Surrey has and the importance of removing barriers to sustaining and growing that base - access to a skilled workforce is central to achieving that ambition. Priority 3 centres on '*Maximising opportunities within a balanced economy*'. This priority recognises that everyone in Surrey should be able to benefit from the economic success of the county - access to skills has a key role in supporting residents to take up the economic opportunities presented. The 'Skills Plan for Surrey' builds out from these priorities and sets out Surrey's skills and recruitment related objectives; it is also supported by an Action Plan.
3. Within the Skills and Post-16 Education Act 2022 Government set out its intent that every area would have a Local Skills Improvement Plan (LSIP) agreed with Government by Summer 2023. Within that approach, Surrey is part of a geography which includes central and north Hampshire. The primary purpose of the LSIPs is to put the voice of employers at the front of the development of skills provision, using an evidence led approach to make sure that the Plan is capable of underpinning future funding decisions and directly influencing future provision. In bringing forward this Skills Plan for Surrey, we are able to influence the development of the LSIP, ensuring that a coherent and well-defined Surrey perspective is at the forefront.

Strategic Context

4. This Skills Plan for Surrey builds from the following substantive pieces of research set out below.
 - COVID-19 Economic Impact Assessment (June 2020)
 - University of Surrey Cluster Research (November 2020)
 - Surrey Economic Commission Findings (September 2020)
 - Surrey's Economic Future to 2030 (December 2020)
 - Surrey's demand for jobs research (Shared Intelligence 2021 and Metro Dynamics 2022)
 - Surrey's provision mapping (Metrodynamics 2022)
 - Surrey County Council's (SCC) No One Left behind Employment and Skills Research (2022 ongoing)

These desk-based reports have been enhanced by a series of bi-lateral, group and partnership discussions, all of which positioned the voice of business at the front of making comprehensive and coherent improvements to how the skills system operates in the county.

5. Within the current local and national skills systems, activity generally takes place on an institution by institution basis; whilst colleges, universities and businesses connect with each other, there has been no coherent Surrey-wide perspective on what good practice is being delivered and where opportunities to operate at scale and make improvements might be implemented. This situation has been further exacerbated by the fact that Surrey is served by two different Local Enterprise Partnerships (LEPs), so, when government departments (including the Department for Education) have been contracting key programmes of work via LEPs, the whole-Surrey perspective has been absent, and the interests of Surrey businesses and residents have not been holistically represented.
6. The UK skills system as a whole is complex and largely fragmented ('England's Skills Puzzle' - [englandsskillspuzzle-piecingtogetherfurthereducationtrainingandemployment.pdf](#))
7. Over many years, businesses have said it is not fit for purpose, that they find it difficult to engage with and that it is not flexible enough to respond to modern day business demands. In Surrey, through the Surrey Business Leadership Forum and strategic business relationships established through SCC, we have been told that businesses across every sector and at every skill level are facing significant

recruitment challenges. However, most importantly perhaps, they have indicated a strong desire to be part of the solution and have offered to get directly involved; this offer presents an invaluable opportunity which must be seized, and this is a key feature of the Surrey Skills Plan.

8. The Skills Plan for Surrey should recognise the broad range of businesses that Surrey has; in order to respond appropriately the Plan will need to be flexible and regularly reviewed. It is quite likely that it will be the smaller businesses that need targeted support to grow, for example through the provision of business needs analysis support.
9. Not only do employers find it hard to navigate the system but people who face barriers to employment equally find that it is hard to both enter and progress through the system which is primarily set up for a linear academic pathway into a recognised career. Through the work being led on 'No One Left behind' in SCC the Strategy recognises the importance of ensuring opportunities are available to all with actions to address this objective being developed through the Action Plan.
10. Within the skills system there is a multiplicity of stakeholders and delivery agents. From primary schools through to the prospect of in-work progression and the retention of imminent retirees there are opportunities to promote new careers of the future and to educate and train people to continue to learn and build their experiences through a lifetime of learning. Work already undertaken has highlighted the importance of improving the interface between education and business and this is likely to be needed at Year 7 (or earlier) and Years 11 / 12. There is a real need for schools to better understand the non-academic options for the students for whom that is a better option. With forthcoming changes to the law on this, schools will be required to provide meaningful encounters in the workplace from January 2023 and the delivery plan being developed from this Skills Plan should recognise this opportunity.
11. In Surrey we have a number of valued colleges and independent learning providers as well as four respected universities: University of Surrey, Royal Holloway University, University of the Creative Arts and University of Law. Furthermore, whilst not a frontline skills provider within this landscape, there are numerous ways in which SCC as a county-wide strategic leader is able to drive systemic improvements, **Figure 1** below sets out examples of what this role might include.
12. Given the broad spectrum of stakeholders, additional partnership vehicles have been embedded to ensure that suitable influence, constructive challenge and inquiry are embedded within the process of approving and delivering on the Skills Plan. The One Surrey Growth Board holds overall partnership accountability with the Surrey Skills Leadership Forum and the Business Leaders Forum both

holding equal interest; engagement and consultation is being undertaken in parallel between SCC's formal approval processes and these wider partnerships.



Figure 1: Role for Surrey County Council

A Skills Plan for Surrey

Approach to the Skills Plan for Surrey

13. **Annex A** sets out the underpinning content for the Plan and includes headline objectives, rationale for intervention and emerging actions, framed across the immediate (one year), and medium term (one - three years) The Plan on which we are consulting is underpinned by extensive research and local stakeholder knowledge, setting out a roadmap for what needs to be done to see improved outcomes for both businesses and residents. The process of consultation and engagement with people is deliberately iterative and progressive, in this way it is built from a strong evidence base, layering on local knowledge, insights and experiences.
14. It is important to note the importance of shared ambition and added value from joint delivery that is central to the intent of the Plan. The Plan is not a representation of all existing activity that is currently supporting skills development in Surrey (although some mapping of existing work has formed part of the research phase ensuring a deeper understanding of the provision landscape) but is instead a recognition of where combined approaches can deliver new and improved outcomes. It requires each stakeholder to build from individual operational drivers towards mutually beneficial complementary action as part of a coherent strategic plan. This, in turn will not only deliver singular benefits to each organisation but will also secure enhanced, multiple outcomes across Surrey.

15. The fundamental difference between previous skills plans and this one is the forensic focus on the needs of employers as the driver for changes to the skills system. This intent mirrors that of Government policy so the structure of the Skills Plan for Surrey document itself, follows that of Government's requirements. Surrey's employer perspective underpins the objectives of the Plan and their offer to co-deliver on solutions is recognised throughout the draft action plan.
16. Within the development of the Skills Plan, employer needs have been separated into current and emerging skills needs, an assessment of the whole skills system's ability to respond to those needs (through a lifetime of learning approach) and a consideration of where the workforce to meet these needs might come from, illustrated in **Figure 2** below.
17. Through the work undertaken to date the vision and following four objectives have been established:

The Vision is for: ***A dynamic, demand-led skills system which hones Surrey's leading edge, recognises the needs of all businesses, and maximises inclusion, in this way powering the wider economic success of the whole of the UK.*** We will focus on

- I. Accelerate business growth and help growing businesses scale up, by making our skills system more responsive to employer needs - both immediate needs and those opportunities presented in the medium-longer term.
- II. Enhance collaboration between our businesses, schools, anchor institutions and skills providers working together on skills needs, alignment of provision, work placements and innovation.
- III. Support more people to access sustainable jobs, through a lifetime of learning which includes improved careers education and information, clear progression pathways and promotion of apprenticeships at all levels.
- IV. As one example of a sectoral focus, strengthen the pipeline of green skills to meet employer demand, recognising the needs of both Small, Medium Enterprises (SMEs) and larger businesses

We will also spread the benefits of Surrey's high-performing skills system to the rest of the UK by piloting local innovative solutions to national skills challenges.

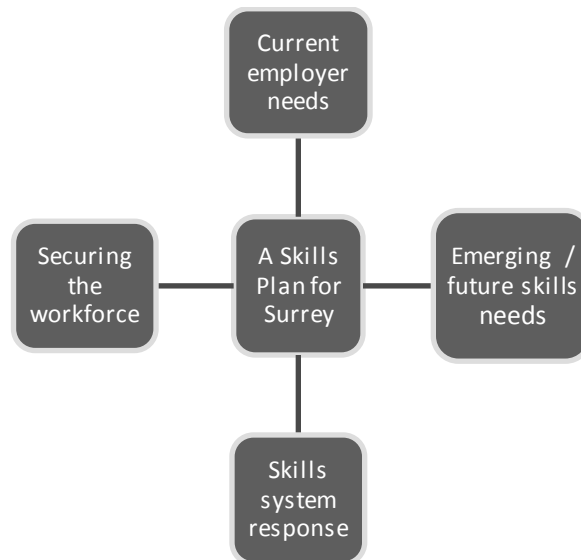


Figure 2: Structure of A Skills Plan for Surrey

18. The Plan recognises both immediate SME skills needs alongside a focus on sectors of growth (prioritising against criteria such as: numbers employed, Government priorities, county-wide priorities, fast growing sectors and funding availability - especially for innovation). The Plan uses a Skills Demand Framework to provide a way of making evidence-based decisions about the priority actions needed to support improvements within the local skills system. Within this framework we recognise the importance of a focus on SME businesses providing interventions which will support their businesses to grow.
19. Whilst it is important to set out the vision for improvements to the system and to be clear on the joint objectives which will deliver long term outcomes, the most important impact from the Skills Plan for Surrey is to deliver real change on the ground, the Plan therefore includes a distinct focus on the establishment of a Delivery Plan. **Annex 1** sets out the framework for the development of this Action Plan and over the coming weeks it will be developed further to motivate and galvanise partners to seek creative solutions and be jointly accountable for making the changes. As part of the drive to design and deliver innovative actions a Skills Summit is planned for 10th November where agencies with a role to play will be presented with a call to action.

Conclusions:

20. The Skills Plan for Surrey is ambitious in scope and purpose and represents a step change in the role that SCC has in driving skills improvements linked to economic and inclusion outcomes. Nonetheless SCC cannot deliver on the objectives of the Plan alone and will need to take an out-ward facing, enabling and catalytic role to achieve best outcomes for the county.

21. Surrey has made significant progress in relation to developing a vision and identifying actions for change within a complex national landscape. As wider external Government policy, funding and devolution activity

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| Recommendations: |
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22. Communities Environment and Highways Select Committee are asked to consider and comment on the approach being proposed, the objectives of the Skills Plan for Surrey and the development to date of the priority actions.

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Annexes

Annex A : A Skills Plan for Surrey

Sources/background papers

- 'Surrey's Economic Future to 2030 - [Economic Strategy](#) Pages 39 – 66 of the 151221 Cabinet papers
- COVID-19 Economic Impact Assessment (ARUP June 2020)
- [University of Surrey Cluster Research](#) (November 2020)
- Surrey Economic Commission Findings (Lord Philip Hammond September 2020)
- Surrey's demand for jobs research (Shared Intelligence 2021 and Metro Dynamics 2022)
- Surrey's provision mapping (Metrodynamics 2022)
- SCC's No One Left behind Employment and Skills Research (2022 ongoing)
- Growth Board Papers are available at [Invest in Surrey](#)

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