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Local Skills Improvement Plan

Leicester and Leicestershire



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



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1. Introduction

The Leicester and Leicestershire Local Skills Improvement Plan (LSIP) has been created to ensure the **people needs of the Leicester and Leicestershire economy** can best be responded to by the local educational landscape. One of 38 across England, the work has been employer-led, facilitated by East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire), working with business, educational and public sector partners across the city and county. This activity has been funded by the Department for Education.

The Leicester and Leicestershire LSIP has the overarching goal:

To be recognised as the best place in the country for developing people with the skills needed for businesses to thrive, the economy to grow and individuals to succeed

At its heart, the LSIP aims to support the development of a local skills landscape that can enable the delivery of economic growth, and in doing so support business success and the lives of those that live, work and study in Leicester and Leicestershire. To do this, the LSIP outlines priority areas for focus and makes recommendations for actions that can be taken to achieve success against those priorities.

Importantly, the LSIP also outlines a Roadmap and Governance structure by which those actions can be delivered – identifying those parties that should be leading and supporting individual activities. The process of production has been one of **collaboration**, and it is intended that this collaboration continues through this Roadmap as recommendations are enacted and built upon across Leicester and Leicestershire.

The evidence underpinning this work has been collated as part of the **Collective Skills Intelligence Observatory (CISO)** – one site that automates, collates and curates primary and secondary data relating to the people supply and demand needs of the local area. In addition to showcasing the evidence, the CISO has been developed to be used as a live tool to help educators, businesses and citizens better understand the skills landscape in Leicester and Leicestershire, helping people to make better informed decisions in support of the LSIP's goal.

The CISO, which also includes details of the Trailblazer and interim report, should be viewed alongside this document and can be accessed here:

[Insight Unlocked | Collective Intelligence Skills Observatory \(insight-unlocked.co.uk\)](https://insight-unlocked.co.uk).

This activity has been developed under the guidance of a representative steering group, working in partnership with different stakeholders across Leicester and Leicestershire. This includes businesses, Further Education Colleges, Sixth Form Colleges, Schools, Universities, Independent Training Providers, local authorities, Job Centre Plus, the Careers and Enterprise Company, along with other relevant stakeholder representative bodies.

2. Strategic Context and Priorities

2.1 Strategic Context

The Leicester and Leicestershire Local Skills Improvement Plan covers a geography comprising 44,660 VAT registered businesses and with a working age population of 684,000. With a GVA of over £23bn, it is the largest economy in the East Midlands. It also has one of the highest proportions of small businesses in the country – over 98% of businesses in Leicester and Leicestershire employ fewer than 50 people.

The area represents a two-tier local authority area, largely rural with an urban core and several market towns. It is home to three universities, producing approximately 19,000 graduates per year, along with four Further Education colleges with approximately 19,000 post-16 enrolments per year. There is a relatively low density of Independent Training Providers headquartered in the City and County.

Figure 1 details the key sites within the LSIP geography pertinent to this Plan.



1.08 million people live in the Leicester and Leicestershire, with a working age population of 684,000. There is great cultural diversity across the city, with Leicester recognised as being one of the most ethnically diverse cities in the country. At the end of 2022 there was an economic inactivity rate of 22.1%, compared to a national level of 21.6%. 15.5% of households were deemed workless compared to 14% nationally. As of February 2023, the area had an unemployment rate of 3.2%, lower than the national level of 3.7%, although these figures mask significant variations across the different districts, boroughs and wards, with the highest levels of worklessness and unemployment found in wards within the City.

Leicester and Leicestershire has a strong manufacturing base, with 13.3% of its workforce in manufacturing businesses compared to 8% nationally. The area also employs 6% of its workforce in the Transportation and Storage sector, compared to 4.9% nationally. The preponderance of these sectors translates into almost one in five people working in Process, Plant and Machine Operatives and in Elementary Occupations, greater than the national figure of 15.1%. Looking at attainment levels, 38% of the population were qualified at NVQ4 and above (43.6% nationally), and 59.7% at NVQ3 and above (61.5% nationally). This pattern contributes to the area having a significant number of labour-intensive occupations, which are often lower paid, with the average gross weekly pay in 2022 being £607.9, compared to a £642.2 national average. In contrast, only 46.9% of the workforce are classed as working within Managerial and Professional roles, compared to 51.6% nationally.

However, these primary sectors are transforming quickly through automation, technological advances and complex supply-chain management. Reflecting this, there are two Enterprise Zones specialising in science and technology and an Institute of Technology in the region:

> Loughborough and Leicester Science and Innovation Enterprise Zone: this operate across three sites – Charnwood Campus,

focusing on bio-medical and pharmaceutical sectors (the UK's first Life Sciences Opportunity Zone); Space Park in Leicester; Loughborough University Science and Enterprise Park (including low carbon and advanced manufacturing businesses).

- > MIRA Technology Park: a world leading automotive research and development park, the largest in Europe, and hosting MIRA Technology Institute, an on-site training centre for the automotive industry.
- > East Midlands Institute of Technology: a collaboration between Loughborough College, Loughborough University, Derby College, University of Derby and 6 blue-chip employers, focusing on skills in net-zero and sustainability, digital and green economies.

In addition to the above, Loughborough, situated in the north of the county, is recognised as a world-class centre of excellence for sport. Loughborough College works with 15 national governing bodies and, alongside Loughborough University, specialises in training some of the world's elite athletes. The sporting ecosystem produces £600m GVA and accounts for c.17,000 jobs in the local sector, which is expected to rise by 18% in Charnwood, along with adding £100m of growth in GVA by 2030.

The area is a UK centre for advancements in logistics. It is home to East Midlands Airport, the largest pure freight airport in the UK, and has major logistics parks, including Segro Logistics East Midlands Gateway Logistics Park and Magna Park South. Further boosting its lead role in logistics, there are several significant infrastructure projects which have started – or are likely to come on stream over the coming decade – including a focus on the A46 (the Trans-Midlands Trade Corridor) and the A5 (The Midlands Manufacturing Corridor), along with the proposed eastern extension of HS2.

The geography benefits from a number of developments that will impact the wider skills landscape. This includes recent success of the Freeport bid at East Midlands Airport in North West Leicestershire, which will create 60,000 new skilled jobs, bringing significant investment to drive innovation in alternative energy sources and green technologies.

Developments in the Leicester and Leicestershire geography also form part of the remit for the East Midlands Development Corporation, which was formed to take forward significant economic opportunities created as a result of the delivery of HS2 in the East Midlands. While the delivery dates for these developments span decades, initial activity is commencing in the immediate future, including developments associated with the Freeport, the electrification of the Midland Mainline and significant developments planned at Toton & Chetwynd over the border in Nottinghamshire. Also in Nottinghamshire, but likely to have an impact on the wider regional economy, the UK Government has recently confirmed the West Burton power station site as the home of the new STEP fusion energy programme, which will underpin an industry with the potential to be worth billions to the future UK economy.

Further context on the economic circumstances of Leicester and Leicestershire, the rationale underpinning this LSIP and existing partnerships and practice can be found in **Annex A**.

2.2 Strategic Priorities

The Leicester and Leicestershire LSIP has the overarching goal:

To be recognised as the best place in the country for developing people with the skills needed for businesses to thrive, the economy to grow and individuals to succeed

We will achieve our goal through collective collaboration between Colleges, business and other partners.

The plan builds upon Trailblazer activity completed in March 2022, which identified a series of actions. These now sit as outcomes under three Strategic Priority areas. Recommendations in this LSIP are aimed at delivering these outcomes, ensuring success under each of the Strategic Priority areas and ultimately achieving the LSIP's overarching goal. The actions also build upon the emerging priorities, identified in an interim report published in March 2023.

The Strategic Priority areas and associated outcomes are:

Strategic Priority 1: Partner with Further Education Colleges and others on the continued development of an education and skills offering that responds to the needs of business

Desired Outcomes

- > Curriculum design and delivery supported by providing local Knowledge, Skills and Behaviour requirements of businesses as evidenced by sector in the Leicester & Leicestershire CISO
- > A new Local Continuing Professional Development Framework for Leicester and Leicestershire educators developed in partnership with employers
- > Stronger educator enrichment activities, linked with wider place-building activity and funding streams

Strategic Priority 2: Growing businesses' understanding of the local skills offerings and delivery

Desired Outcomes

- > Needs of businesses reflected in well-communicated local educators' offerings

- > Businesses better informed and able to engage with Educators, with best practice developed and adopted

Strategic Priority 3: Ensuring local structures are fit for purpose to support collaborative working across businesses and educators

Desired Outcomes

- > An employer-led framework and structure that supports the delivery of the LSIP
- > A Future Skills Unit for Leicester and Leicestershire
- > Greater collaboration among education and training providers
- > A shared vision for the Leicester & Leicestershire economy is understood and backed

The following section looks at each Strategic Priority area in turn, giving a brief overview of the evidence before detailing the specific actions and changes required to achieve the outcomes. These outcomes and suggested actions were shared with the Further Education Colleges and other local stakeholders at the end of March, and their feedback has been taken into account in producing this section of the report. The final section presents a Roadmap for delivery of the Plan.

3. Achieving our Strategic Priorities

To understand how to deliver against the Strategic Priorities, Leicester and Leicestershire businesses have been engaged through a series of surveys and discussions. Other data sources have been collated and analysed and emerging priorities have been challenged and validated through further engagement with businesses, education providers and other stakeholders. In developing actions consideration has also been given to the external funding environment, alongside local and national policy developments that will impact stakeholders of the Local Skills Improvement Plan.

Full detail of our approach can be viewed in **Annex B**.

This section highlights **Key Evidence Points** relating to the desired outcomes under each of the Strategic Priorities. Based on that evidence, it then makes **Recommended Actions** to be taken to achieve those outcomes and deliver against the Strategic Priority.

The full data sets referenced in the evidence can be viewed on the Leicester and Leicestershire Collective Intelligence Skills Observatory, which can be accessed here: <https://www.insight-unlocked.co.uk/>. Where relevant, specific charts and datasets are linked to from this report.

3.1 Strategic Priority 1: Partner with Further Education Colleges and others on the continued development of an education and skills offering that responds to the needs of business

3.1.1 Outcomes

- > Curriculum design and delivery supported by providing local Knowledge, Skills and Behaviour requirements of businesses as evidenced by sector in the Leicester & Leicestershire CISO
- > A new Local Continuing Professional Development Framework for Leicester and Leicestershire educators developed in partnership with employers
- > Stronger educator enrichment activities, linked with wider place-building activity and funding streams

3.1.2 Key Evidence Points

3.1.2.1 Businesses view having the right Behaviours in their employees as being more important than having the right Skills and Knowledge. However, the most important Behaviours are more varied than Knowledge and Skill areas, which tend towards those that are more occupationally specific or relate to basic Literacy and Numeracy areas. Teamwork as a skill and behaviour is rated as being highly important across all sectors.

Business survey chart: Relative importance of KSBs

3.1.2.2 In addition to businesses valuing basic Literacy and Numeracy, information shared by DWP on the local labour market and on behalf of local employers show specific challenges regarding English language knowledge (and skills), particularly in the City. This is also reflected in the benefit claimant statistics locally.

3.1.2.3 Apprenticeships are deemed to be the most effective qualifications for delivering knowledge, skills and behaviours, followed by Professional Body Qualifications and Non-Accredited Courses.

Business survey chart: Importance of different qualifications

3.1.2.4 While there have been improvements over the last 12 months, businesses do not believe the current education sector in Leicester and Leicestershire fully understands their needs or is well equipped to deliver the people needed for their success right now. This belief is stronger when thinking about immediate needs and decreases slightly when considering needs over a time period up to 2 years.

Business survey chart: Confidence in ability to meet needs

3.1.2.5 However, businesses also tend not to plan too far ahead when considering their recruitment or training requirements, making it difficult for educators to plan adequate responses.

Business Survey Chart: Planning period when recruiting

3.1.2.6 There is a preference across all sectors for shorter courses or sessions. Sessions lasting half a day to a day are deemed the most popular, followed by short bite-sized courses of less than hour. Businesses on the whole are less comfortable

with longer courses, although there are some exceptions to this, mainly where past experience has been positive.

Business survey chart: Course duration and location

3.1.2.7 There is a lack of confidence and understanding among businesses when it comes to Green Skills and the relative importance these can and will play in their organisations. This is despite there being a growth in businesses reporting turnover derived from Green Goods and Services. Businesses have identified more support as being needed to understand the opportunities in this area.

3.1.2.8 Areas of operation where Green Skills are deemed to be most important for business success are in leadership and management positions, followed by estate management and supply-chain management.

Business survey chart: Green Skill requirements

3.1.2.9 There are also significant opportunities in the region for retrofit of older residential properties, however, current frameworks mean these projects are often being delivered by businesses sourcing out of area candidates with limited existing workforce capacity to meet this demand in the city and county.

3.1.2.10 The Green Energy economy is viewed as a real opportunity, with national policy supporting developments locally around centres such as the Mira Technology Park and the developing East Midlands Freeport, where concepts for a new Hydrogen Academy are already being produced.

3.1.2.11 Digital developments are happening at pace. Overall, advanced Knowledge and Skills in Social Media and Digital Marketing are considered to be the most important for local businesses, with Cloud Computing and Digital Design/ Visualisation also considered to be of importance, although there is significant variation between sectors.

Business survey chart: Digital Skill requirements

3.1.2.12 Businesses based in the outlying areas within Harborough District, including Lutterworth and Market Harborough, report being poorly served for skills provision. This is partly due to the lack of presence of Independent Training Providers, as well as a lack of Further Education Premises and affordable or timely transport options.

3.1.2.13 Leicester and Leicestershire is benefiting from investment in infrastructure projects of a national significance. This includes the East Midlands Gateway, Freeport, HS2 and other projects associated with the nascent East Midlands Development Corporation. Construction jobs are projected to grow by 6% over the next decade, with the main roles being electricians and electrical fitters, followed by plumbers and heating and ventilating engineers. However, there is significant fluctuation in construction roles, reflecting a mobile workforce and ebbs and flows in national infrastructure and policy planning decision. This uncertainty creates a risk that future opportunities will not be able to be serviced locally. The current main specialized skills being recruited in the sector are Machinery, Carpentry, Maintenance Engineering and Plumbing.

Lightcast API data: Industry Projection Dashboard

Lightcast API data: Job Advert Dashboard

3.1.2.14 Unlike construction, Manufacturing roles are projected to decrease by 4% over the coming decade, although this is driven by roles in Leicester City, which are projected to fall by 13% in that time period, and Oadby and Wigston, where roles are projected to fall by 14%. This is in contrast to North West Leicestershire, near the Freeport area, where Manufacturing roles are projected to increase by 5%. The most popular current roles in the sector remain lower value manufacturing, however, the more advanced manufacturing roles have a productivity of £64,000 – 44% higher than the average for the area – and are expected to increase in volume in the future.

Lightcast API data: Industry Projection Dashboard

Lightcast API data: Job Advert Dashboard

3.1.2.15 The Logistics sector is projected to have the highest growth in job numbers over the next decade at 18%. These are spread across the city and county (with the exception of Blaby that has a projected -2% decrease), with the majority being in North West Leicestershire, where growth is predicted to be 30% and Hinckley and Bosworth where growth is predicted to be 23%. The main roles currently being recruited are Warehouse Operatives, Forklift Drivers and Warehouse Administrators, followed by Van and Delivery Drivers. The most common skills being advertised are linked to warehousing activity. However, as with Manufacturing, technological advancements are expected to drive a growth in higher skilled, higher paid roles in the coming years.

Lightcast API data: Industry Projection Dashboard

Lightcast API data: Job Advert Dashboard

3.1.2.16 Sport & Health roles are projected to grow by 9% over the next decade, although this masks significant variation across the region, with roles in Charnwood predicted to grow by 18% and Melton by 21%, whereas jobs are projected to fall by 11% in Oadby and Wigston, albeit from a low base. The most common jobs currently being recruited are Sports Coaches and Fitness Instructors, with Sports Coaching the most common specialised skill.

[Lightcast API data: Industry Projection Dashboard](#)

[Lightcast API data: Job Advert Dashboard](#)

3.1.3 Recommended Actions

i) **Review curriculum design and delivery in line with the local Knowledge, Skills and Behaviour requirements of businesses as evidenced in the CISO**

A more effective and efficient process for developing and reviewing curriculum can be developed, involving a broader range of businesses. Exploration of the Knowledge, Skills and Behaviour requirements of businesses as presented in the CISO should inform this process and educators should be able to demonstrate how they have reflected this in their offerings. Schools should not only build their curricula around the national curriculum, but also ensure the transferable Knowledge, Skills and Behaviours that will be needed in the future locally are developed as far as possible through the school journey.

ii) **Improve availability and use of detailed Behaviours data**

Throughout the production of the LSIP a deeper understanding has been developed of the curriculum and decision-making processes of local educators. An opportunity exists to increase the availability and useability of information on the Behaviours employers seek. This information can only be maintained and kept up to date with continued Employer engagement.

iii) **Strengthen educator enrichment activities by linking these with wider place-building activity and funding streams**

Educators have identified difficulties in funding enrichment activities that develop the Behaviours sought by employers. Additional local funding sources are needed to support this activity, for example, where Behaviour development can be aligned to local place improvements or regeneration, alternative sources of funding to support this should be targeted. This will require educators to work closely with local authorities and business to ensure a collaborative approach is taken.

iv) **Create a new Local Continuing Professional Development Framework for Leicester and Leicestershire educators**

A collaborative local approach to Continuing Professional Development (CPD) and staff development between Further Education Colleges, other education providers and local businesses is key to being able to develop effective delivery models. In some cases it will be appropriate to bring professional and membership bodies into these arrangements. Technical and vocational CPD should be aligned to student enrichment activities, allowing both issues to be addressed without the need for time away from teaching duties.

All of the above should feed into a new Local CPD Framework for Further Education College and wider education sector staff, to complement programmes funded by central Government. The Framework should be supported by business, including through the introduction of requirements into local public sector procurement processes, and used as a vehicle to attract investment.

v) **Develop specific, SME-targeted programmes for Strategic Leadership and Green Growth among SMEs**

SME business leaders in Leicester and Leicestershire require further leadership development support geared towards strategies for growth and strategies for green growth. This should be delivered via short and flexible courses. It is appreciated that funding for such initiatives is limited, more flexible delivery models and locations would help to address this.

vi) **Create an easy access, short-course for Digital Skills in business, with a specific focus on digital marketing, social media, cloud computing and data analytics**

Businesses require further advanced Digital Skills to be developed, with a particular focus on Digital Marketing, Social Media use, Cloud Computing and Data Analytics. In the case of Advanced Coding and Programming, whilst the businesses surveyed may not have a specific stated need for advanced knowledge and skills in their businesses, they are reliant on suppliers with these skills, albeit at much lower volumes. Bootcamp Provision is currently available locally; however, a long-term solution is also required.

vii) **Coordinate a provider focus on the Green Energy economy**

Successful Strategic Development Fund projects have been delivered by the four Further Education Colleges to develop Green Skills in electrification and battery technology, construction, transport, and logistics. Continued focus in this area should consider hydrogen skills requirements aligned to the Freeport Hydrogen Skills Academy and growing needs in this sector, including hydrogen and battery technologies, automotive advances, retro-fit, solar and ground-heat.

viii) **Set up a provider group to respond to the development of infrastructure projects**

There are developments of national significance taking place in the county, however, the nature of these developments makes it difficult to anticipate future demand with anticipated peaks and troughs. Providers across FE and HE should respond to this by establishing a partnership to engage directly with these opportunities as they develop. This partnership should sit within a wider delivery framework outlined in the Roadmap for Change.

ix) **Increase provision of high-quality English Language training**

To address an imbalance in employment rates in the labour market, and the availability and suitability of labour in the city and surrounding areas, partners in Leicester and Leicestershire need to ensure sufficient high quality ESOL provision is available. There are also real challenges with advanced and technical English language skills, leading to under employment in some sectors, and missed

opportunities for other groups locally. It should be noted that the actions required to address this priority are also heavily reliant on effective structures being in place to ensure that suitable funding levels and efficiencies can be established.

x) **Improve availability of provision in Harborough District and the South of the County**

Solutions are required to improve the training support available to businesses and young people in these areas, requiring business owners and providers to better work together. Understanding the current supply data based on delivery postcode is a significant part of this work and will be taken forward by the CISO.

3.2 Strategic Priority 2: Growing businesses' understanding of the local skills offerings and delivery

3.2.1 Desired Outcomes

- > Needs of businesses reflected in well-communicated local educators' offerings
- > Businesses better informed and able to engage with educators, with best practice developed and adopted

3.2.2 Key Evidence Points

3.2.2.1 Businesses are most likely to use word-of-mouth networks when considering recruitment needs, followed by online or face-to-face recruitment platforms. Businesses are much less likely to approach education providers directly, with independent training providers faring poorly as places businesses would look for the right Knowledge, Skills or Behaviours.

[Business survey chart: Routes to recruiting knowledge needs](#)

[Business survey chart: Routes to recruiting skills needs](#)

[Business survey chart: Routes to recruiting behaviours](#)

3.2.2.2 Despite the above, businesses would feel more confident approaching Independent Training Providers for support than they would Further Education Colleges or Universities. In roundtable conversations businesses reported rarely or never visiting the website of providers as they believed the messaging and structuring of content was aimed at a student audience and not for them.

[Business survey chart: Confidence working with providers](#)

3.2.2.3 Financial commitment, followed by staff time commitment are the main considerations a business takes when considering engagement with a Further Education College or University on staff training. Location is also a factor but to a lesser degree.

[Business survey chart: main considerations when engaging providers](#)

3.2.2.4 Volume and breadth of candidates, followed by quality of candidates and existing relationships are the main reason businesses will use a provider for recruitment purposes. Prohibitive cost, low awareness and lack of convenience are the main barriers to working with a provider.

[Business survey chart: reasons for working with providers - Knowledge](#)

[Business survey chart: reasons for working with providers - Skills](#)

[Business survey chart: reasons for working with providers - Behaviours](#)

3.2.2.5 There is a significant variation in general understanding of different qualifications and training offerings, based on both sector and specific offering. Overall awareness was greatest for apprenticeships, with businesses in the construction sector scoring this particularly well. When considering awareness of Further Education provision, the awareness of T Levels scored the lowest of all types of provision and is reported to be only approximately half of that for apprenticeships. This is similar to research carried out with local parents by the Leicester and Leicestershire Careers Hub, with employers and parents generally not aware of the academic rigour or worth of the qualifications.

[Business survey chart: awareness of qualifications](#)

3.2.2.6 Higher Education offerings – including Knowledge Transfer Partnerships and PhD sponsorship opportunities are generally poorly understood – although there is a greater awareness of work placements.

[Business survey chart: awareness of qualifications](#)

3.2.2.7 All business sectors are most likely to plan three to 12 months ahead of time when considering investment in workforce training and development, with approximately only one in five planning 12 months or more ahead of time. A significant percentage of all businesses only plan investment at the time it is needed, making it challenging for training providers to plan ahead.

[Business survey chart: planning for recruitment](#)

3.2.2.8 There is a willingness from businesses to work more closely with providers, including the offering of student placement opportunities. The main barrier for this is staff time followed by concern over a lack of suitable tasks.

[Business survey chart: working with providers](#)

3.2.2.9 Engagement with the LLEP Young Peoples Advisory Board has provided further insight into the role job information and training plays in candidate attraction. To attract the best young talent to their sector, roles and business, young people reported wanting to know more about what roles really entail, the training, career prospects and progression routes available, the earnings potential by role and what it is like to work in any given business. Availability of this information from local businesses was seen as a barrier to engagement.

3.2.3 Recommended Actions

i) **Deliver a localised campaign to raise awareness and understanding of T-Levels**

Joint work is required to overcome the lack of awareness and understanding of T-Levels locally. This must include Further Education Colleges, Employer Representative Bodies and other Intermediaries. This must address issues of perception, as well as generate additional work experience placements across the county.

ii) **Invest in updating provider marketing strategies to specifically target a business audience**

Further Education Colleges, Universities and other Providers must do more to ensure their offer to businesses is better targeted, understandable, and more accessible than is currently the case, where presentation of courses is often driven by the needs of the learner, funder, or assessor. It is recommended that communication channels are modified to set out opportunities by sector, including workforce progression pathways.

iii) **Coordinate Employer Representative Bodies to produce a common set of tools and resources for businesses to better engage with Providers**

It is essential that employers fully understand the opportunities to engage with Educators and the different methods by which this can happen. Leicester and Leicestershire benefits from a strong cohort of existing Employer Representative Bodies (ERBs) as demonstrated through engagement with this LSIP. ERBs should be coordinated via the Local Skills Accountability Board to produce a common set of locally focused business-facing resources, tools and advice to improve understanding of the skills system and knowledge of best ways to engage. These should be aligned with the priorities within the Local Skills Accountability Framework.

With a tightening labour market, support should include a specific focus on engaging those furthest from the workforce, in particular individuals with Special Educational Needs and Disabilities (SEND). The existing Careers Hub SEND Community of Practice meeting will provide a useful forum for developing these resources.

iv) **Grow the Apprenticeship Ambassador Network locally, seeking partnership opportunities with other bodies, including those representing Independent Providers.**

The Apprenticeship Ambassador Network must be grown locally, with Apprentices made available to speak to other local businesses to inspire young people and help businesses understand the benefits of well-planned and delivered apprenticeships. A local and easily accessible Skills Showcase or Roadshow could be developed to showcase growth sectors, training solutions and workforce development opportunities. This would also provide a great opportunity to enthuse local school pupils to consider a wide range of vocational options alongside academic routes.

v) **Work with the Careers and Enterprise company to explore developing a better understanding of the work placement landscape and jointly pilot solutions to help businesses and providers to appropriate opportunities.**

As the Careers and Enterprise Company roll out their new strategy, the Local Skills Accountability Board should continue to work with the local and national teams. Activity to look at the volume of placements required in a locality by sector and occupation, and the number of placements needed by hours and type, will be of value. Work should evolve over time to ensure the joint working of providers with business is strengthened, especially in rural areas.

vi) **Coordinate resources and support to businesses to help them better engage with young people through the power of readily accessible and useable information.**

The Local Skills Accountability Board will work collaboratively with input from the Careers and Enterprise Company and other relevant stakeholders to provide support to the Sector Accountability Panels and ultimately local businesses, to help them tell their stories and attract talent. This could be shared white label templates or other resources, along with the provision of expertise in the development of such content and information.

3.3 Strategic Priority 3: Ensuring local structures are fit for purpose to support collaborative working across businesses and educators

3.3.1 Desired Outcomes

- > An employer-led framework and structure that supports the delivery of the LSIP
- > A Future Skills Unit for Leicester and Leicestershire
- > Greater collaboration among education and training providers
- > A shared vision for the Leicester & Leicestershire economy is understood and backed

3.3.2 Key Evidence Points

3.3.2.1 For Providers locally to fully respond to future skills demands investment will be required from businesses. Employers are willing to invest in the development of new and existing employees as long as the provision meets their needs. All sectors surveyed believe the employer should pay the majority of costs associated with training staff, with the proportion of cost associated with developing the existing workforce slightly higher than training new recruits.

[Business survey chart: willingness to invest](#)

3.3.2.2 There is a significant disparity in the views of businesses regarding how well Colleges and other skills providers develop the Knowledge, Skills and Behaviours of students. Those who do not currently work with Colleges report a perception that this is a barrier to engagement, however, as they are not engaged, they are not able to experience, influence or help change the reality.

[Business survey chart: confidence in provision](#)

3.3.2.3 Colleges and schools have demonstrated regular use of sector and occupational trend data when developing curriculum, however, behaviours data is not used as widely, mainly due to limitations up to now in how it is captured. Employers view this as a priority.

[Business survey chart: importance of behaviours](#)

3.3.2.4 In addition to the LSIP's four core sectors, the business engagement included a 'other' category, in order to take the approach of Knowledge, Skills and Behaviours and apply it to a wider cohort of businesses. Through our process of engagement partners have shared views on additional sector focuses to consider as the Local Skills Improvement Plan is embedded and taken forward across Leicester and Leicestershire. These include:

- > The Life Sciences and BioTech sector, which is deemed to be of specific strategic importance – with almost 1,000 businesses, 14,200 jobs and a GVA of £900m. The region is also home to the UK's first Life Sciences Opportunity Zone at Charnwood Campus, and the innovative 'Life Sciences and Talent and Skills Institute' – a partnership of business and educational partners to shape curricula for that sector.
- > The Care sector – an expansion of health, which does feature in the LSIP – which, while not as high in value per capita as other sectors, currently accounts for over 55,000 jobs and is forecast to grow as the area deals with an ageing population – particularly in the county.
- > The Creative and Cultural sector, which has a broader definition from the Department for Culture, Media and Sport, but currently has over 2,500 businesses in the area accounting for 21,300 jobs and a GVA of £700m. The sector also features strongly in Leicester City's plans for development of its Cultural Quarter and recent funding achieved through the Levelling Up funds. Other local towns are also in the process of developing cultural quarters which will support further job creation.

3.3.2.5 There are challenges in effectively using reliable data to understand the demand and supply mismatches in the area, with specific issues existing around ease of data availability, quality, accessibility, categorisation and associated documentation. These challenges can hinder data-led approaches to analysing and understanding skills supply- and demand-side issues to inform better decision making.

3.3.2.6 There is a low level of understanding among businesses of what a wider vision for Leicester and Leicestershire success looks like. Understanding of the work of the Local Enterprise Partnership (LEP) is limited to a smaller number of well-engaged businesses, with many others unable to prioritise this in their day-to-day activities. This results in missed opportunities for businesses to meaningfully shape the strategic policy decisions that impact upon their immediate operating environment. With LEP core funding ceasing at the end of March 2024, and the Skills Advisory Panel already coming to an end, there will be a gap in structures that exist to support the development of a collective vision.

3.3.3 Recommended Actions

i) **Create an employer-led Local Skills Accountability Framework and Board for Leicester and Leicestershire**

For Leicester and Leicestershire to realise the full potential impact of the LSIP, a new Local Skills Accountability Framework, overseen by a Local Skills Accountability Board, must be created. This needs to be employer-coordinated, led by an Employer Representative Body, with the aim of supporting and challenging Educators – and specifically FE Colleges – to establish and further develop their relationships with businesses. Recommendations within this LSIP can form the core of that Framework.

ii) **Create new Sector Accountability Panels to enable more structured relationships between Employers and Providers**

To support Colleges and others in responding to this LSIP new, inclusive, Sector Accountability Panels should be established, enabling employers to better contribute to College processes in the development of their sector specific training offer. This should include those sectors involved in the development of this LSIP, along with groups representing Green Skills and Digital. Once established, this should be expanded to also include Life Sciences and Biotech, Care and the Creative Industries sectors, with the model able to expand further over time.

iii) **Ensure a comprehensive vision for the Leicester and Leicestershire economy is understood and supported**

To support delivery of a long-term strategy for people development in Leicester and Leicestershire, a comprehensive vision for the type of economy we want to achieve must be agreed and understood by all relevant stakeholders. Better use of data must underpin this activity. Good work has already been done on this – the LLEP Economic Growth Strategy has previously set out Beacon and Growth Sectors – however with the end of Local Enterprise Partnership funding there is uncertainty over how and who will take this forward. All LSIP stakeholders need to commit to working collaboratively in developing a solution to fill this gap.

iv) **Expand the remit of Collective Intelligence Skills Observatory to become a Future Skills Unit for Leicester and Leicestershire**

Leicester and Leicestershire is currently benefiting from a surge in investment, including the creation of the new East Midlands Freeport in North West Leicestershire. New technologies and ways of working are also developing at a pace unmanageable by existing structures. To maximise the impact and value of the existing Collective Intelligence Skills Observatory, this should be expanded to become a new, agile Future Skills Unit, supporting stakeholders from across Leicester and Leicestershire to make better informed decisions when it comes to people and skills-delivery.

4. Roadmap for Change

4.1 Governance Structure

4.1.1 A New Structure

To fully implement the Leicester and Leicestershire Local Skills Improvement Plan, a new governance structure for overseeing related activity needs to be created. As part of the 2022 LSIP Trailblazer for Leicester and Leicestershire, it was proposed that a Local Skills Accountability Board (LSAB) be established. This work has been taken forward alongside the Leicester and Leicestershire Local Enterprise Partnership and was confirmed following the concluding meeting of the LEP’s Skills Advisory Panel in April 2023.

The actions identified in this report will form the Local Skills Accountability Framework, with individual recommendations becoming distinct workstreams within this Framework. The LSAB’s primary function will be to oversee the implementation of the Framework, with activities and projects delegated to the Sector Accountability Panels (SAPs) and Cross Cutting Working Groups as appropriate.

Each meeting of the LSAB will receive reports back against proposed activity with a more formal review taking place at the end of each financial year, to be published in June. This will be led by East Midlands Chamber as the lead Employer Representative Body, with the support of the membership of the LSAB. As a result of this process, should an update to the Local Skills Improvement Plan be required it will be published by the agreed routes following sign off by the LSAB.

To support this review, Business Survey information will be updated in the CISO on an ongoing basis, based on the work of the SAPs. This will be complemented by further information developed by the Future Skills Unit for Leicester and Leicestershire.

As activity progresses, and pending the outcome of the annual review process, the Board may also look to investigate other areas such as graduate retention or local progression routeways for priority sectors once up and running. Where appropriate, other historic projects such as the Digital Skills Partnership, currently being led by De Montfort University, will report into the LSAB alongside the new programme of work to ensure existing and complementary activity receives appropriate governance and oversight required.

Figure 2 demonstrates how this structure will work, with further detail on membership of individual groups detailed in 4.1.2, 4.1.3 and 4.1.4.

Leicester and Leicestershire LSIP Governance Structure

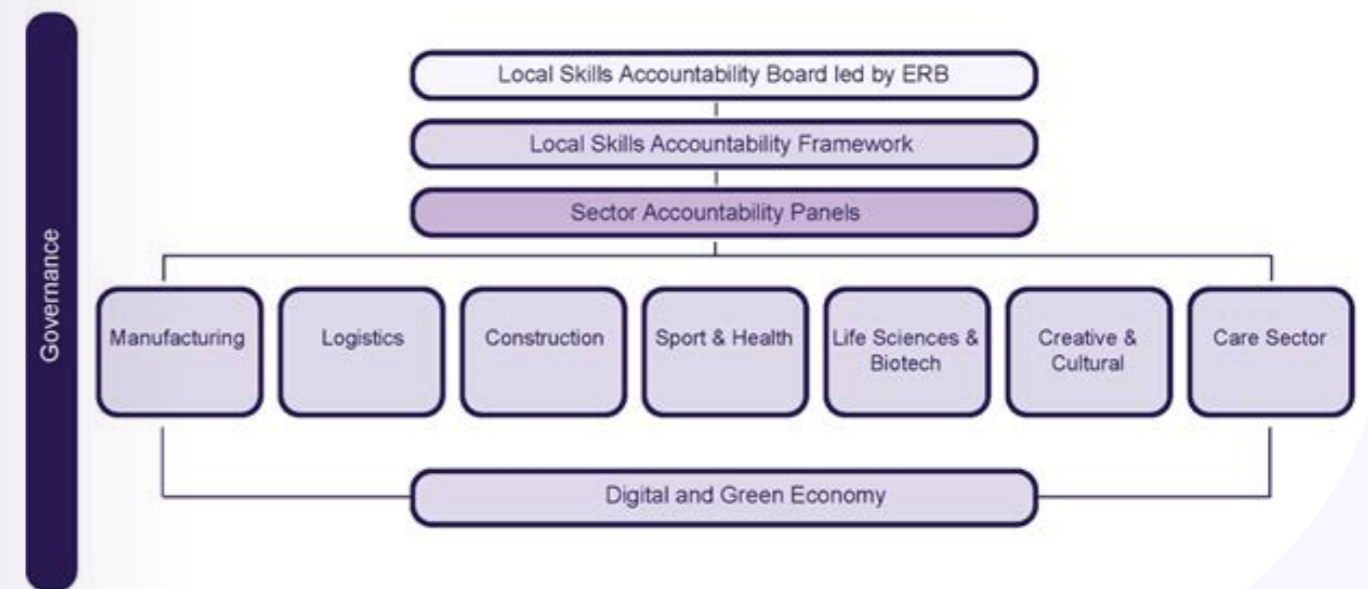


Figure 2: Leicester and Leicestershire LSIP Governance Structure

4.1.2 Structure and Membership of Local Skills Accountability Board

The membership of the LSIP Steering Group and the former LEP Skills Advisory Panel will be reviewed and invited to join either the Local Skills Accountability Board (LSAB), or one of the Skills Accountability Panels (SAPs), with the proposed membership set out below. Membership has been set at organisational level, with individual names to be agreed.

Representatives from organisations will be required not only to attend meetings, but to act as a conduit both to and from their wider

organisation, and in some cases, their wider sector. Meetings will be held quarterly, with the SAP meetings occurring between these meetings. The SAPs, Cross Cutting Working Groups and any associated Task and Finish Groups will meet quarterly as a minimum, however, could opt to meet more frequently depending on workload and new or changing priorities.

Terms of Reference, individuals representing organisations and ways of working for the LSAB will be agreed over Summer 2023 before the Full Board commences formal running in early Autumn 2023 following the sign off and publication of this LSIP.

Chair

East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire)

General Further Education Colleges

Leicester College
Loughborough College
North Warwickshire and South Leicestershire College
SMB Group

Sixth Form Colleges

Wyggeston and QEI College
Gateway College (16-19 Academy)
Melton Vale Sixth Form (16-19 Academy)

Universities

De Montfort University
Loughborough University
University of Leicester

Other ERBs

Federation of Small Business
Institute of Directors

Public Sector Stakeholders

Department for Work and Pensions
Leicester City Council
Leicestershire County Council (with responsibility to represent Districts)

Chairs of Sector Accountability Panels (SAP)

Chair Construction SAP
Chair Logistics SAP
Chair Sport and Health SAP
Chair Manufacturing SAP
Chair Care Sector SAP (by end 2023)
Chair Creative and Cultural SAP (by end 2023)
Chair Life Sciences and Biotech SAP (by end 2023)

Chairs of Cross Cutting Working Groups (CCWG)

Chair Green and Low Carbon CCWG
Chair Digital Growth CCWG

Secretariat

East Midlands Chamber

Observers

Department for Education
Association of Colleges
Association of Employment and Learning Providers
National Careers Service Prime Contractor
Leicester and Leicestershire Careers Hub
NCFE – representing awarding bodies

4.1.3 Structure and Membership of the Sector Accountability Panels

The Sector Accountability Panels will feed into the Local Skills Accountability Board via the Chairs and will drive continued engagement with businesses in each Priority Sector. They will continue to establish priorities for employers locally, with the CISO continually being updated. SAP Terms of Reference will be agreed with the Local Skills Accountability Board at the first meeting. It is proposed that structure and activity will include:

- > Business Volunteer Industry Chair
- > Support and secretariat provided by the relevant sector specific Employer Representative Body
- > Continued Business Research through the use of the Digital Application feeding into the CISO
- > Establishing Task and Finish activities to help review curriculum content, provide enrichment advice to Further Education Colleges and Providers at the appropriate time
- > Collate and share local business investment information of any significance with Further Education Colleges to support the development of appropriate local workforce on a regular basis
- > Identify opportunities to work closely with Further Education Colleges, bringing them closer to businesses for specific projects
- > Coordinate sector specific CPD activity with business, feeding into the new Local CPD Framework
- > Coordinate sector specific investment in training equipment and facilities where required locally. This could be through business investment, co-investment opportunities with other Government Departments, or DfE capital and revenue opportunities

Following feedback throughout the process from businesses engaged in the 'Other businesses' Business Panel, three additional SAPs will be established by the end of 2023. Further work will also be undertaken to identify the specific Knowledge, Skills and Behavioural needs of employers in these additional sectors.

The additional Panels will be in the following sectors, based on their importance with regard to growth, economic value or employment volumes:

- > Care
- > Life Sciences and BioTech
- > Creative and Cultural Industries

4.1.4 Cross Cutting Working Groups

The SAPs will also be supported by two Cross Cutting Working Groups, focussed on developing the Knowledge, Skills and Behaviours required to support growth in the Digital and Green economies. The Chairs of these Groups will be leading Employer Representative Bodies from the relevant sectors, with support provided by a suitable partner (this could be industry or academic). The groups will operate similar to the SAPs in terms of their purpose and Terms of Reference.

4.2 Schedule of activity

Figure 3 details a proposed schedule of activity for delivering against the recommendations within the LSIP, along with the lead responsibility. The schedule is detailed for the first two years, although it is recognised that activity related to LSIP delivery will continue beyond this point. Continued activity will be informed by annual reviews, which will be conducted at the start of each new financial year, to be published in the June of that year. A detailed LSIP Programme of Work and named individual leads will be agreed at the first meeting of the Local Skills Accountability Board in early Autumn 2023 and published accordingly.

Strategic Priority 1: Partner with Further Education Colleges and others on the continued development of an education and skills offering that responds to the needs of business																											
	Lead	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Annual Review	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Annual Review			
i) Review curriculum design and delivery in line with the local Knowledge, Skills and Behaviour requirements of businesses as evidenced in the CISO	Educators/ERB																										
ii) Improve availability and use of detailed Behaviours data	Educators/ERB																										
iii) Strengthen educator enrichment activities by linking these with wider place-building activity and funding streams	Educator/Local Authorities																										
iv) Create a new Local Continuing Professional Development Framework for Leicester and Leicestershire educators	Educators/ERB																										
v) Develop specific, SME-targeted programme for Strategic Leadership and Green Growth among SMEs	Educators																										
vi) Create an easy access, short-course for digital skills in business, with a specific focus on digital marketing, social media, cloud computing and data analytics	Educators																										
vii) Coordinate a provider focus on the green energy economy	Educators/Local Authorities																										
viii) Set up a provider group to respond to the development of infrastructure projects	Educators/Local Authorities																										
ix) Increase provision of high-quality English Language training	Educators/Local Authorities																										
x) Improve availability of provision in Harborough District and the South of the County	Educators/Local Authorities																										

Strategic Priority 2: Growing businesses' understanding of the local skills offerings and delivery																											
	Lead	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Annual Review	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Annual Review			
i) Deliver a localised campaign to raise awareness and understanding of T-Levels	Educators/ERB																										
ii) Invest in updating provider marketing strategies to specifically target a business audience	Educators																										
iii) Coordinate Employer Representative Bodies to produce a common set of tools and resources for businesses to better engage with Providers	ERB																										
iv) Grow the Apprenticeship Ambassador Network locally, seeking partnership opportunities with other bodies, including those representing Independent Providers.	ERB																										
v) Work with the Careers and Enterprise company to explore developing a better understanding of the work placement landscape and jointly pilot solutions to help businesses and providers to appropriate opportunities.	ERB																										
vi) Coordinate resources and support to businesses, to help them better engage with young people through the power of readily accessible and useable information.	ERB																										

Strategic Priority 3: Ensuring local structures are fit for purpose to support collaborative working across businesses and educators																											
	Lead	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Annual Review	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Annual Review			
i) Create an employer-led Local Skills Accountability Framework and Board for Leicester and Leicestershire	ERB																										
ii) Create new Sector Accountability Panels to enable more structured relationships between Employers and Providers	ERB																										
iii) Ensure a comprehensive vision for the Leicester and Leicestershire economy is understood and supported	ERB/Local Authorities																										
iv) Expand the remit of Collective Intelligence Skills Observatory to become a Future Skills Unit for Leicester and Leicestershire	ERB																										

Figure 3: Leicester and Leicestershire LSIP Programme of Work

5. Summary of Recommended Actions

Strategic Priority 1: Partner with Further Education Colleges and others on the continued development of an education and skills offering that responds to the needs of business

Desired Outcomes

- > Curriculum design and delivery supported by providing local Knowledge, Skills and Behaviour requirements of businesses as evidenced by sector in the Leicester & Leicestershire CISO
 - > A new Local Continuing Professional Development Framework for Leicester and Leicestershire educators developed in partnership with employers
 - > Stronger educator enrichment activities, linked with wider place-building activity and funding streams
-
- i) Review curriculum design and delivery in line with the local Knowledge, Skills and Behaviour requirements of businesses as evidenced in the CISO
 - ii) Improve availability and use of detailed Behaviours data
 - iii) Strengthen educator enrichment activities by linking these with wider place-building activity and funding streams
 - iv) Create a new Local Continuing Professional Development Framework for Leicester and Leicestershire educators
 - v) Develop specific, SME-targeted programmes for Strategic Leadership and Green Growth among SMEs
 - vi) Create an easy access, short-course for digital skills in business, with a specific focus on digital marketing, social media, cloud computing and data analytics
 - vii) Coordinate a provider focus on the green energy economy
 - viii) Set up a provider group to respond to the development of infrastructure projects
 - ix) Increase provision of high-quality English Language training
 - x) Improve availability of provision in Harborough District and the South of the County

Strategic Priority 2: Growing businesses' understanding of the local skills offerings and delivery

Desired Outcomes

- > Needs of businesses reflected in well-communicated local educators' offerings
 - > Businesses better informed and able to engage with educators, with best practice developed and adopted
-
- i) Deliver a localised campaign to raise awareness and understanding of T-Levels
 - ii) Invest in updating provider marketing strategies to specifically target a business audience
 - iii) Coordinate Employer Representative Bodies to produce a common set of tools and resources for businesses to better engage with Providers
 - iv) Grow the Apprenticeship Ambassador Network locally, seeking partnership opportunities with other bodies, including those representing Independent Providers.
 - v) Work with the Careers and Enterprise company to explore developing a better understanding of the work placement landscape and jointly pilot solutions to help businesses and providers to appropriate opportunities.
 - vi) Coordinate resources and support to businesses to help them better engage with young people through the power of readily accessible and useable information.

Strategic Priority 3: Ensuring local structures are fit for purpose to support collaborative working across businesses and educators

Desired Outcomes

- > An employer-led framework and structure that supports the delivery of the LSIP
 - > A Future Skills Unit for Leicester and Leicestershire
 - > Greater collaboration among education and training providers
 - > A shared vision for the Leicester & Leicestershire economy is understood and backed
-
- i) Create an employer-led Local Skills Accountability Framework and Board for Leicester and Leicestershire
 - ii) Create new Sector Accountability Panels to enable more structured relationships between Employers and Providers
 - iii) Ensure a comprehensive vision for the Leicester and Leicestershire economy is understood and supported
 - iv) Expand the remit of Collective Intelligence Skills Observatory to become a Future Skills Unit for Leicester and Leicestershire