

APPG on Further Education & Lifelong Learning

The Skills Act: Two years on roundtable

Meeting Minutes: Tuesday 21 May 2024, 4.00-5.30pm,

Room M, Portcullis House



Time	Item
4.05 – 4:13	Introductions & opening remarks from the Chair, Peter Aldous MP
4.14 – 4.19	Remarks from David Hughes CBE, CEO, Association of Colleges
4.20 – 5.25	Discussion with parliamentarians and attendees
5.25 – 5.28	Closing remarks from the Chair

Attendees

Parliamentarians	Participants	
Peter Aldous MP	David Hughes CBE, Association of Colleges (AoC), Chief Executive	Simon Parkinson – Workers' Educational Association, General Secretary and Chief Executive
Baroness Garden of Frognal	Emma Crane - Peers for the Planet, Head of Policy & Legislation	Mark Malcolmson - City Lit, Principal & Chief Executive
Stephen Farry MP	Jane Gratton - British Chambers of Commerce, Deputy Director Public Policy	Clare Russell - Runshaw College, Principal
Lord Aberdare	Corin Crane - Coventry and Warwickshire Chamber of Commerce, CEO	Laura Shepherd - Loughborough College, Director of Strategic Partnerships and External Relationships
Lord Watson of Invergowrie	Fiona Aldridge - West Midlands Combined Authority, Head of Insight - Employment, Skills, Health and Communities	

Introduction & Opening Remarks

Peter Aldous MP opened the meeting and asked participants to introduce themselves around the table. Peter then set the scene for the meeting, noting that since the Skills Act had passed two years ago, it was time to come together and take stock on how it is being implemented. Peter gave background to the Skills Act, noting that the Bill followed the 2021 White paper and sought to put into legislation some of the recommendations from the 2018 Augar review. Peter noted that the legislation introduced the concept of Local Skills Improvement Plans (LSIPs) and that he didn't think there was any party disagreement about the need for the Bill and that the discussion today would focus on how LSIPs were being rolled out, if the intended outcomes of the Bill are starting to take shape. and if there

were any unintended consequences? Peter then introduced David Hughes to give a few words about AoC's upcoming report on LSIPs.

Speaker 1 – David Hughes

The first speaker was David Hughes CBE, Chief Executive at the Association of Colleges. David began by saying that the Skills Act wasn't ambitious enough and that the biggest gap was no commitment to a national strategy. This meant, that it was very difficult for providers and employers to know what the priorities were, and that one was needed to dedicate scarce public resources and to help set the tone of LSIPs, otherwise they would operate in a vacuum.

David described that we currently have a product and program-led system, where there are bits of things happening, such as skills bootcamps, multiply and T levels, but that those bits do not make up a system. David said that the system is not employer-driven, as LSIPs are constrained to say that they can only deliver what is available in terms of courses with little flexibility to deliver the other things employers want.

Discussion summary

Participants and parliamentarians then had a discussion on whether the act was delivering on its ambitions, how LSIPs are working in practice and where the act could have gone further. This was a discussion under Chatham House rules, so while the key points discussed are included, no identifying information will be provided.

- Regarding LSIPs, participants were clear that some of them were still in their infancy, though they were heading in the right direction. It was also good to see many businesses engaging in the process for the first time and much stronger partnerships between chambers and providers were developing. Chambers were taking on a translator/interpreter type role to explain how courses and levels (such as level 3) work. It was important though, that these plans were action-focused and tangible. Another participant noted that LSIPs really brought providers together to try and address some of the challenges of the local labour markets.
- There were some common themes in the LSIPs that were coming out across digital skills, and green skills, but a provider noted that it was sometimes unclear which town/street came under which LSIP.
- The lack of a national strategy which David Hughes raised earlier in the meeting was brought up throughout, with multiple participants agreeing that the lack of one is an issue that needs to be addressed.
- The unevenness of devolution was discussed and their relationship with local authorities. However, participants did highlight that in a mayoral administration, there were very clear priorities to work towards.
- The act was in part delivering on its agenda with one participant providing a case study of what is happening in their region, where a number of colleges communicate as a single point and have a full range of provision, being genuine partners in the creation and delivery of the LSIP. Through their work, they have created 35 new short courses, with over 3000 students immediately

benefiting. They work with employers to look at their training needs analysis, their current skills gaps and encourage them to think about the longer term, but are not funded to do this work.

- Regarding net zero, participants were asked about the amendment that means LSIPs take into account environmental and sustainability goals and were asked if it's working. The answer was mixed, with a starting issue being that people didn't know what green skills were. Additionally, while there are objectives around low carbon, green skills etc, there was uncertainty about who was accountable for them, if they are measurable and if they will get done. Sustainable goals were also not always being embedded in every course, this though was funding related, because colleges were funded for the qualification, not the extra enrichment.
- Structural issues around funding through the LSIF and the SDF could be improved, with the short timelines making it difficult to spend in strategic ways, with a longer-term commitment to revenue and capital funding needed to meet strategic goals.
- On the LLE, there was concern that since was a loan, there would be less interest, as it is hard to ask adults with significant financial commitments to take on more debt. There was a real skills gap at levels 4 and 5, but this was only available at loan level. Another participant added that the LLE also ignores adults who want to retrain at level 2. Providers also noted in their experience that adults want the skill, more so than the qualification.
- Part of the issue with the LLE was that it was yet another 'product' within the system, and it was unknown how it would work with the apprenticeship levy.
- On asked where the act could have gone further, participants noted that the college business centre idea where SMEs who struggle could come and get advice, and learn new technology and innovation practices could have been transformational as was the need for both a national and industrial strategy.

Closing Remarks from the Chair

The Chair thanked all of the participants for their contributions and parliamentarians for their questions during the meeting, with other parliamentarians highlighting how invaluable this session was. He said that the group would write to Skills Minister Luke Hall to highlight what was discussed during the session, including the need for a national strategy which came through throughout the session.

The meeting closed at 5:28pm

Note: A general election was then called the following day, with parliament being prorogued and APPG's being dissolved, so no letter to Minister Luke Hall was sent.