



Funded by
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South Midlands

Local Skills Improvement Plan (LSIP)

June 2026



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1. Introduction and purpose

This Local Skills Improvement Plan has been approved by the Secretary of State in accordance with the requirements of section 1 of the Skills and Post-16 Education Act 2022, and the relevant published statutory guidance'

The primary focus of the LSIP is on the local and regional priorities and actions needed to better align the skills system with employer and local labour market needs.

The LSIP does not provide feedback or critique on national policies, it aims to continue to drive change through cultural shift and develop a stronger understanding of post-16 provision through the delivery of priorities and support by regional stakeholders. This is central to achieving regional opportunity and growth, supporting Skills England's driving ethos of Better Skills for Better Jobs and its vision to build our nation's world-class skills system.

- Local Skills Improvement Plans (LSIPs) were introduced in the Skills for Jobs White Paper in January 2021. The Skills for Jobs White Paper set out an ambitious plan to put employers more firmly at the heart of the skills system to help ensure businesses and people have the skills they need to thrive and progress.
- The geographical area covered by this LSIP is the South Midlands, comprising of six Local Authority areas: Bedford, Central Bedfordshire, Luton, Milton Keynes, North Northamptonshire and West Northamptonshire.
- A link to the LSIP published in August 2023 (LSIP 1.0) and the progress reports from both 2024 and 2025 is provided below for reference

<https://northants-chamber.co.uk/support/local-skills-improvement-plans-lsip/>

The purpose of the plan is to help employers, further and higher education providers, local authorities, Jobcentre Plus, careers services and wider stakeholders work from a shared evidence base and agree practical actions to improve the supply of technical education and training from entry level through to Level 8. The plan is deliberately focused. It does not attempt to cover every skills issue in the local/regional economy. Instead, it concentrates on the changes and skills needs that are most material to growth, productivity, labour market participation and access to opportunity for all.

This reflects the aims of our regional Department of Work and Pensions Get Britain Working Plan and the Department for Education LSIP guidance, which states that LSIPs should provide an overview of local economic challenges and opportunities, identify specific local skills needs, set out a focused set of changes and actions, and include outcomes and metrics to measure progress over the three-year cycle.

Who is the LSIP intended for?

- **Employers** who have already engaged in developing and/or implementing the LSIP, to understand how their engagement has supported the process, direction of travel and achievements. Also all employers who have not yet engaged in development and/or implementation of the LSIP to understand what is happening, how they might benefit from the LSIP and how to get involved
- **Training Providers** such as Further Education (FE) Colleges, Sixth Form Colleges, independent Training Providers (ITPs) and Higher Education Institutions (HEIs) that deliver English-funded post-16 technical education and training in carrying out the duties placed upon them in respect to LSIPs. This is to ensure they all understand overall progress and have sight of new or more granular intelligence on employer skills needs to help shape provision planning
- **Other local stakeholders** with an interest in skills and who are playing, or could play, an important role in the implementation of the LSIP such as: local authorities. Job Centres/DWP network – including

functions such as the Adult Skills Budget, National Apprenticeship Service, other employer member organisations, NHS organisations (including Integrated Care Boards), sector trade bodies and centres of innovation such as Catapult centres, career, education, information advice and guidance (CEIAG) providers, other organisations that understand the needs of employees and learners, including those from disadvantaged backgrounds/special educational needs and disabilities (SEND) and organisations that support the skills landscape, such as the Apprenticeship Ambassador Network, the Careers Enterprise Network and the South Midlands Careers Hub

1.1 What is LSIP 2.0 and why does it matter?

The South Midlands Local Skills Improvement Plan (LSIP) 2.0 is the region's three-year skills framework for 2026–2029. It is an employer-led, evidence-based plan that brings together businesses, Further Education colleges, Higher Education institutions, local authorities and wider partners to align skills provision with the real needs of the regional economy. LSIP 2.0 builds directly on LSIP 1.0 (published August 2023) and three further years of stakeholder engagement. It shifts the emphasis from diagnosis to delivery — from identifying what is wrong to implementing coordinated change.

It is the practical skills spine of the South Midlands' wider economic strategy, aligned with:

- The UK Government's Modern Industrial Strategy (Invest 2035) and its eight IS-8 growth-driving sectors plus Construction and Health & Social Care (IS-8+2)
- Skills England priorities for workforce planning and technical education
- The South Midlands Get Britain Working Plan and Local Growth Plans
- Net Zero and the Clean Energy Jobs Plan

The LSIP is a key driver to:

- **support local skills development** and reduce skills gaps - drawing together a wide range of data, evidence and insights which, taken together, provide a clear understanding of current and future skill needs in the area
- **facilitate employer engagement** and investment in the skills system (such as existing workforce, Government funding, social capital, improving the skills ecosystem etc.), and co-ordinated engagement designed to give employers a better understanding of the skills system and the part they can play, giving employers a stronger voice in shaping skills provision and supporting delivery
- **bring about increased (positive) impact** to end users in the supply of technical education and training, from entry level upwards - with further and higher education providers working together to develop a coordinated response, including creating clear progression pathways at and between the different levels
- **help inform how funding** (both devolved and non-devolved) and other investment could be used to support skills priorities within an area

In October 2024, the Government published the Invest 2035: the UK's modern industrial strategy which included stimulating investment and activity in eight sectors with the highest potential for growth. In addition, Construction and Health and social care are defined as priority sectors. These Industrial Strategy growth-driving sectors (the 'IS-8' sectors) are:

- Advanced Manufacturing
- Clean Energy Industries
- Creative Industries
- Defence
- Digital and Technologies
- Financial Services
- Life Sciences
- Professional and Business Services

Skills England then further included the **Construction and Health & Social Care** sectors and this document refers to the wider grouping as “IS8+2”. The South East Midlands Local Skills Improvement Plan (LSIP) sets out the most critical local skills needs for Bedford, Central Bedfordshire, Luton, Milton Keynes, North Northamptonshire and West Northamptonshire for the 2026-2029 cycle.

The LSIP focuses on four key regional channels as identified through stakeholder discussion:

1. **Highlighting and engaging** with the region’s IS-8+2 sectors plus identified regional sectors such as Food/drink/hospitality (and associated supply chain), Logistics and distribution
2. **Major employer projects** - e.g. Universal UK, Luton Airport, Oxford Cambridge Growth Corridor (East-West Rail). Silverstone Technology Cluster and larger developments (local authority specific relating to regeneration and new companies) such as Nike in North Northamptonshire, Yusens Logistics in West Northamptonshire and Warburtons in Bedfordshire to identify how provision can best match societal skills needs that support wider regional delivery plans and job outcomes (such as Get Britain Working, Pride in Place, Sector based Work Academies, Workwell and Connect to Work)
3. **Engaging with stakeholders** to support those in work by developing and matching the skills offer to those skills in demand. For example: there are insufficient apprenticeship opportunities available for young people and adults compared with the demand. Employers still lack confidence in this provision due to economic uncertainty and also concerns that students are not prepared for the workplace through meaningful experiences
4. **Engaging with the wider community.** Not enough employers are confident about employing young people and adults who have additional needs such as SEND, mental Health and wellbeing challenges and those from isolated or disadvantaged backgrounds such as NEET, those living in areas of deprivation, those experiencing issues or challenges with Health, social isolation, disabilities, homelessness, drug dependence, vulnerable migrants, or sex workers (who face multiple, overlapping risk factors for poor Health) etc. We need to highlight pathways, engagement opportunities, skills programmes and support available, bringing stakeholders, business growth, development programmes and commissioners together to have a common understanding of need

We know that stakeholder collaboration that supports a joined up skills eco-system provides employers, students (adults and young people), apprentices, up-skills, those who are currently economically inactive and new employers to the region (such as Universal UK, Nike and others) a more coherent choice and offer. Not only in providing the right skills and courses linked to those, but attracting new investment into the region. LSIPs do not cover the entirety of skill needs within our area but focus on those that are identified as most critical.

Over the next 2 to 3 years, LSIP 2.0 will continue to deepen employer engagement, refine priority skills pipelines and support tangible curriculum change. Progress will be measured not in reports, but in improved alignment between vacancies and learners, increased uptake of work attached routes, and stronger employer provider relationships. For South Midlands businesses, LSIP 2.0 represents an opportunity to shape a skills system that works, not in theory, but in practice.

Our region has a wide reaching, well established group of stakeholders, many of whom have attended LSIP events, and been involved in discussions, since 2023. They have been instrumental in both providing information to, and setting the priorities for, LSIP 1.0 and LSIP 2.0.

As part of the process, stakeholders collaborated and shared their time and their knowledge, sense and understanding of the underlying challenges, the skills needs and the system changes required for which we would like to offer our continued thanks

2. Executive summary

This section gives narrative on: Our region's standing, the wider challenges we face relating to skills barriers, the key *workplace skills* needs in the Industrial Strategy (IS) and our own key regional sectors, data on cross cutting skills priorities, details of the five overarching system changes, how we will look to measure success, some of the major projects affecting jobs and skills demand in our region and contact details of how you can become involved in shaping change.

As with all sections, the plan has been informed by taking into account the breadth of engagements and commentary received by stakeholders. As such, the LSIP contains a range of known and understood challenges/priorities that have been developed over time by informed groups which include Education Providers, Employers, Trade Associations (and their members), Local Authorities, Job Centres/DWP and other interested parties (as they are all the primary audience for engagement) to detail the agreed priorities as stated.

Detailed information is contained in sections 3-5 and Annexes A-C

2.1 The South Midlands at a glance

£56bn	881,000	+14.3%	89,000+
Economy	Jobs	Growth 2014–24	Additional workers needed by 2034

- The South Midlands is a large and economically significant local area with strong assets in logistics, advanced manufacturing and engineering, construction, health and social care, professional and business services, digital activity, higher education and innovation. The area also benefits from exceptionally strong strategic transport connectivity along the M1, A1 and East–West infrastructure corridors, supporting national distribution, supply chain resilience, and inward investment.
- Despite this strong economic base, the South Midlands faces a persistent productivity gap — Gross Value Added per hour in our region (GVA - an economic productivity metric through which Government measures the contribution of a region) stands at £34.30 against the England average of £36.50 — and a qualification gap, with only 35.8% of residents holding Level 4+ qualifications compared with 39% nationally. Employers across all sectors report that skills shortages are their primary barrier to growth.
- At the same time, we face locally specific labour-market challenges that mirror national trends, including lower progression into higher technical routes, and pockets of economic inactivity driven by health, transport accessibility, and disadvantage. Our region also faces structural challenges that the skills system must help address: lower productivity than the UK average, a shortfall in Level 4+ qualifications, high demand for Level 2-5 technical skills, uneven labour market participation, and access barriers for young people, adults with low skills, SEND learners, people with health barriers and residents in deprived or poorly connected communities.
- The evidence base also points to a dual skills challenge. First, employers report persistent skills shortages in priority sectors and across cross-cutting roles. Second, a significant proportion of local people are not fully connected to learning, employment or progression opportunities. The LSIP therefore needs to support improvements in both skills supply and access to opportunity. It looks to not only support key regional and national growth sectors, but also help residents move from entry level and Level 1 provision into technical routes, employment and higher-level progression.

2.2 The skills challenge (See Annexes A, C and F for detail)

Employer engagement, labour market data and stakeholder feedback point consistently to five recurring system challenges that are barriers to employment, skills development and regional/UK Plc productivity:

1. Communication, not availability	Most employers — especially SMEs — struggle to understand what training exists and how it relates to their business needs. The problem is the language of the “products” on offer and accessibility of the system, not the volume or type of provision.
2. Work-readiness gaps	Candidates may hold qualifications but lack the practical experience, digital confidence and workplace-readiness that employers need.
3. Licence-to-practice mis-alignment	In Construction, Logistics, IT and other areas, funded qualifications do not always align with the licences and compliance standards employers require.
4. Geographic, funding and mobility barriers	Some 40% of businesses are in rural or semi-rural areas, limiting access to off-site provision. All colleges Adult Skills Funding (ASF) has been reduced which impacts delivery of current/future need against demand. Provider locations do not always match where employers operate, making them difficult to access.
5. Progression gaps	There are insufficient pathways from entry-level roles into higher technical positions, particularly at Levels 4–5, and too few apprenticeship opportunities relative to demand.

2.3 Regional priority sectors and skills needs (See Annexes A, C and F for detail)

Our LSIP 2.0 focuses technical skills information on the Industrial Sector 8+2 (IS-8+2) sectors with the greatest regional relevance, plus key enabling sectors where the South Midlands has major specialisms such as Food/drink/hospitality (and associated supply chain), Logistics and distribution

It also details engaging with the wider community (NEET, SEND, schools, those living in areas of deprivation, those experiencing issues or challenges with Health, social isolation, disabilities, homelessness, drug dependence, vulnerable migrants, or sex workers (who face multiple, overlapping risk factors for poor Health) to highlight pathways, engagement opportunities, skills programmes and support available, bringing stakeholders, business growth, development programmes (such as the Government initiative Pride in Place which currently has significant funding attached for areas of high IMD to support the issues of multiple and generational issues) and commissioners together to have a common understanding of need.

Sector / Priority	Key Challenge	LSIP/Stakeholder Action
Advanced Manufacturing & Engineering	Shortages in CNC, composites, automation and R&D roles; ageing workforce	Expand Level 3–5 technical pathways; strengthen Silverstone cluster links
Logistics & Transport	87,000 jobs — largest regional specialism — but low learner interest and HGV/supervisor shortages	Align provision with employer demand; create progression routes to management
Construction & Retrofit	48,000 new entrants needed nationally per year; only 33,000 apprenticeships started 2023–24	CTEC delivery; Pre-Employment Training reform; Construction Skills Passport
Health & Social Care	Largest employer (102,000 jobs); 7.1% vacancy rate BLMK and 23.8% staff turnover <i>in adult social care</i>	FE–HE–NHS pathways; digital care skills; clearer progression routes including <i>sector-led BLMK Health & Care Academy</i>
Digital & Technologies	AI, cyber and data skills needed across all sectors; 32% of firms lack advanced digital skills	Cross-sector digital literacy; Cisco NetAcad review (in collaboration with OU); AI/green integrated provision. MK College Digital TEC delivery
Food, Drink & Hospitality	37.5% growth in food enterprises in Northamptonshire since 2017; workforce shortages	Align FE/HE with food technology, quality and sustainability skills
Clean Energy / Net Zero	Most regions need to double clean energy workforce by 2030	Green Skills Advisory Panel; retrofit and EV pathways; Level 2–8 green provision

2.4 Cross-cutting skills priorities (see Annex C for more detail)

Approximately 35–40% of employees in any business are in cross-sector support roles — management, HR, IT, sales, finance — meaning these skills matter everywhere. Employers consistently report shortages in:

- Digital literacy and AI awareness across all roles
- Leadership, supervisory and management capability
- Communication, teamwork and problem-solving
- Work-readiness and employability
- Data literacy and analytical skills

These are treated as core priorities in LSIP 2.0, not optional extras.

2.5 System changes required to support delivery of the priorities

Alongside skills needs, the LSIP 2.0 is organised around **five system changes** that address the root causes of skills misalignment (see Annexes B and C for more detail):

A Curriculum Re-alignment	FE and HE providers across the South Midlands will reshape curricula in priority sectors, expanding Level 3–5 technical provision and integrating digital and green competencies. Annual employer-informed curriculum reviews will be conducted by all provider partners.
B Employer Co-Design	Collaborative engagement leading to structured co-design: relationships with employers through consultative and in depth dialogue, employer facing forums and regular curriculum workshops, expanded placements, and targeted SME engagement through simplified, plain-English communications.
C Teaching Workforce Capacity	Improving staff retention and addressing recruitment challenges in engineering, construction and digital by developing industry-to-teaching pathways, expanding fractional teaching models and enabling cross-institution staff sharing. We need to be cognisant of the current national imbalance of private sector vs public sector salaries when looking to address this
D Driving Learner Demand	Co-ordinated regional careers campaigns aligned to priority sectors; stronger employer ambassador programmes in schools; improved visibility of T Levels, HTQs and apprenticeships as routes into real careers.
E Systemic Barriers	Tackling transport, English language, digital exclusion, health-related barriers through escalation to local authority commissioning and funding alignment of skills need to employer demand in areas e.g.: how do we align a reduced Adult Skills Budget (which now contains Adult Skills Core (Accredited, Tailored Learning (Non-Accredited) and Free Courses for Jobs) and wraparound support) against increasing demand

2.6 How success will be measured (see Annexes B and C for detail)

Progress will be tracked across outcome domains against baselines established in Year 1:

Employer Outcomes	Learner Outcomes	System Outcomes
- Increased employer satisfaction with local provision - Reduction in skills shortages in priority sectors - More SMEs actively engaged with training - Growth in employer co-design participation	- Growth in enrolments in priority growth sectors - Apprenticeship starts and completion rates - Improved progression into sustained employment - Retention and achievement in technical programmes	- Curriculum changes linked directly to LSIP priorities - Increased FE–HE–ITP collaboration to support cross-working and collaboration - Expansion of higher technical pathways - Integration of digital and green skills across provision

Performance is reviewed quarterly through the LSIP Executive, annually with a published report, and comprehensively at mid-term (end of Year 2) to recalibrate priorities where needed.

2.7 Major regional projects driving demand (see Annex G for detail)

Skills demand in the South Midlands is driven by confirmed real-economy investments, not projections alone:

- Oxford–Cambridge Growth Corridor / East West Rail — transport, civil engineering and project management
- Universal UK (Bedford) — construction, hospitality, creative and design skills
- Luton Airport expansion — aviation services, cyber, data and logistics technology
- Silverstone Technology Cluster — composites, CNC, metrology, R&D and automation
- Nike (Corby), Yusen Logistics (Northampton), Warburtons (Biggleswade), Amazon (2 sites in Northamptonshire) — logistics, food manufacturing and warehouse technology
- Two New Towns with 80,000 homes planned — major sustained construction demand

Together, these represent tens of thousands of future jobs requiring technical, digital and professional skills across all levels.

2.8 How to get involved

LSIP 2.0 depends on active participation from employers, providers and partners across the South Midlands. No single organisation can deliver it alone.

We want to hear from you if you are:

- **An employer** — share your skills needs, join an employer advisory panel, or offer flexible, modern work experience activities, a work placement to introduce and inspire at younger ages or Technical Level (T Level) placement
- **A training provider** — engage with sector working groups and contribute to curriculum co-design
- **A local authority or strategic partner** — align commissioning, adult skills funding and transport planning with LSIP priorities
- **A careers or employment service** — connect learners and job-seekers to the priority pathways identified in this plan

For more information or to get involved, contact us at:

<https://northants-chamber.co.uk/contact-us/>

<https://www.southmidlands.org.uk/skills-hub/>

3. Strategic and economic context

This section contains data on the local economic conditions that shape skills demand. It is intentionally focused on informing regional context, data and implications for skills provision and employer-led action, rather than repeating detailed evidence that is in annexes. The commentary has been informed by stakeholders and regional data, and provides background and context to sections four and five, detailing skills needs, actions and system changes.

Strategic policy alignment

The South Midlands Local Skills Improvement Plan (LSIP) has been developed within the context of national skills reform, regional economic priorities and local growth ambitions. The LSIP does not operate in isolation; rather, it provides the employer-led mechanism through which national policy objectives are translated into local skills priorities and actions.

The evidence gathered through employer engagement, labour market analysis and stakeholder consultation has been considered alongside a range of national, regional and local strategies to ensure that skills priorities support economic growth, productivity improvement, labour market inclusion and workforce development across Bedford Borough, Central Bedfordshire, Luton, Milton Keynes, North Northamptonshire and West Northamptonshire.

The principal strategic documents that have informed this LSIP are summarised below.

Strategy / Policy	Relevance to the LSIP
Skills England Framework and National Skills Priorities (2025 onwards)	Establishes a more responsive skills system driven by employer demand, productivity improvement and strategic workforce planning. The LSIP supports these objectives through employer-led identification of priority occupations, skills shortages and workforce development needs.
Get Britain Working White Paper (2024)	Places emphasis on reducing economic inactivity, improving workforce participation and connecting employment support with skills provision. LSIP priorities relating to inclusion, employability, ESOL, digital skills and progression pathways directly support these objectives.
Industrial Strategy (2025)	Identifies nationally significant growth sectors including advanced manufacturing, digital technologies, clean energy, life sciences, defence and professional services. The LSIP reflects these priorities whilst also recognising the importance of locally significant sectors such as logistics, construction, hospitality and adult social care.
English Devolution White Paper and subsequent Devolution Framework (2024–2026)	Promotes greater local control over economic development, employment and skills policy through Strategic Authorities. The LSIP has been developed to support emerging devolution arrangements across the South Midlands and provide an employer-led evidence base for future strategic skills planning.
National Careers Strategy and Lifelong Learning Reforms	Emphasise lifelong learning, higher technical education, employer engagement and progression routes. These principles are reflected in LSIP recommendations relating to Levels 3–5, apprenticeships, technical education and careers education.

South Midlands Get Britain Working Plan (2025)	Provides the overarching economic and labour market framework for the area. The LSIP draws extensively on its analysis of productivity, labour market participation, economic inactivity, workforce skills and sector growth opportunities.
South Midlands Growth Hub Strategy and Business Support Framework	Highlights employer challenges relating to recruitment, productivity, leadership capability, workforce development and business growth. Employer feedback gathered through the Growth Hub has informed LSIP priorities and actions.
Local Authority Economic Strategies and Growth Plans	Economic strategies produced by Bedford Borough Council, Central Bedfordshire Council, Luton Council, Milton Keynes City Council, North Northamptonshire Council and West Northamptonshire Council identify common priorities around employment growth, business competitiveness, infrastructure, regeneration and workforce development. These priorities have informed LSIP recommendations and stakeholder responsibilities.
Oxford-Cambridge Growth Corridor and East West Rail Programmes	These nationally significant growth initiatives are expected to generate substantial demand for construction, engineering, digital, professional, transport and infrastructure-related skills. The LSIP reflects the need to prepare the future workforce to support these developments.

Taken together, these strategies highlight a consistent set of challenges and opportunities for the South Midlands: improving productivity, addressing skills shortages, reducing economic inactivity, supporting employer growth, increasing progression into higher technical skills and ensuring residents can benefit from major investment opportunities.

The LSIP therefore serves as the employer-led delivery framework that connects these strategic ambitions to practical actions for providers, employers, local authorities and wider partners. The economic and labour market evidence presented in the following sections provides the detailed context underpinning those priorities.

3.1 The South Midlands economy: growth, scale and productivity

The South Midlands Get Britain Working Plan reports that the area supports approximately 881,000 jobs within a £56 billion economy (South Midlands Authorities, 2025). Employment increased by approximately 122,000 jobs between 2014 and 2024, representing growth of 14.3 per cent compared with 10.8 per cent nationally (South Midlands Authorities, 2025). This demonstrates a strong local growth base, but also highlights the need for the skills system to respond to both expansion demand and replacement demand.

Despite a strong economic base and sustained employment growth, productivity remains a significant challenge. Gross Value Added (GVA) per hour worked is reported at £34.30 across the South Midlands compared with £36.50 nationally, with substantial variation across the area. Milton Keynes reports productivity levels above the national average (£45.10 per hour), whilst North Northamptonshire reports £28.90 per hour (South Midlands Authorities, 2025). The skills implication is that job growth alone will not improve local prosperity unless employers can recruit, retain and develop people with the right technical, digital, supervisory and progression skills and that improving workforce capability, progression and higher-level technical skills will be critical to future economic growth.

Source: South Midlands Get Britain Working Plan, December 2025, productivity section.

Indicator	South Midlands evidence	Skills implication
Jobs and economy	Around 881,000 jobs and a £56 billion economy; employment growth of 122,000 jobs between 2014 and 2024 (+14.3%)	The skills system must support a large and growing employment base, not only new growth projects.
Productivity	GVA per hour £34.30 compared with £36.50 nationally; wide variation within the area.	Skills shortages, low progression and limited higher technical capability risk constraining productivity.
Qualification profile	35.8% of residents qualified to Level 4+ compared with 39% nationally	Need to strengthen progression from Level 2/3 to Level 4/5+ while also maintaining entry-level access.
Labour market participation	Economic inactivity and health-related barriers remain material; latest DWP figures cite some 217,000 economically inactive residents and a 20.1% inactivity rate.	LSIP actions need to connect skills with employment support, health, inclusion and local authority programmes.

Source: South Midlands Get Britain Working Plan, December 2025; DfE Local Skills Dashboard and regional labour market data

3.2 Sector structure and projected demand

Employer and stakeholder feedback alongside DfE Local Skills Dashboard evidence shows that employment demand is broad rather than concentrated in one sector. The largest employment sector is public administration, education and health, with around 252,000 people. Distribution, hotels and restaurants account for approximately 153,300 jobs, banking, finance and insurance for around 151,600, transport and communications for around 106,500, manufacturing for around 82,500 and construction for around 61,000. These figures matter because they show that the LSIP must address both nationally prioritised sectors and locally significant enabling sectors such as logistics, food and hospitality.

Source: DfE Local Skills Dashboard / employment by sector data

Projected employment data indicates strong future demand by 2035 in food, drink, hospitality, accommodation and transport (311,809 jobs), business and other services (309,722 jobs), non-marketed services including public sector, health and education (221,626 jobs), and wholesale and retail trade (153,813 jobs). The implication is that the LSIP should not frame skills demand only around frontier sectors; it must also address large employment sectors that provide entry-level, technical and progression opportunities for local residents.

Source: Projected Employment dataset

Sector / employment area	Evidence	Why it matters for LSIP
Public administration, education and health	Around 252,000 jobs.	Large employment base; supports care, health, education, public services and inclusion pathways.
Distribution, hotels and restaurants	Around 153,300 jobs.	Important for logistics, food, visitor economy, hospitality and entry-to-progression routes
Banking, finance and insurance	Around 151,600 jobs.	Supports demand for digital, data, compliance, professional and business skills.
Transport and communications	Around 106,500 jobs.	Confirms the importance of logistics, supply chain, transport planning and digital operations.

Manufacturing	Around 82,500 jobs.	Supports advanced manufacturing, engineering, maintenance, automation and technician pathways.
Construction	Around 61,000 jobs.	Important for housing, regeneration, infrastructure and retrofit delivery.

3.3 Major local investments and local assets

The area contains major economic assets and growth projects that will shape skills demand over the LSIP period: East West Rail and the Oxford-Cambridge Growth Corridor, the Universal UK development in Bedfordshire, Luton Airport expansion, Silverstone Technology Cluster, logistics developments around DIRFT and the Northamptonshire corridors, two new towns and regeneration activity across several local authority areas. These projects create demand not only during construction, but also in long-term operations, supply chains, digital systems, engineering, hospitality, visitor economy, transport, business services and leadership roles.

Source: South Midlands Get Britain Working Plan, December 2025, key opportunities and assets section.

This is why the LSIP must align provision with live and emerging employer demand rather than simply catalogue existing courses. The strongest local Education assets - including Independent Training Providers, Cranfield University, the Open University presence in Milton Keynes, the University of Northampton, University of Bedfordshire, The Bedford College Group, MK College, Northampton College, Moulton College, South Central Institute of Technology, Barnfield College, the new Construction and Digital and Technologies Technical Excellence Colleges ((TEC's) managed by Bedford College Group and MK College respectively) and sector clusters such as Silverstone - should be used to create visible progression routes from entry level to higher technical and professional skills.

3.4 Employer conditions: cautious confidence and recruitment difficulty

Currently we have two key areas: mixed business confidence relating to local and macro-economics, and ongoing recruitment pressures. Bedfordshire evidence records that in 2025 only 13% of firms had recruited, 27% were looking to reduce training spend and 66% expected to raise prices; Q4 2025 confidence remained fragile, with 33% reporting increased domestic sales and 25% expecting profits to fall. Northamptonshire and Milton Keynes evidence cited in employer feedback surveys reported that 56% of firms identified inflation as their main concern, 28.3% planned to invest in training and 51.6% of recruiting firms had difficulty finding suitable candidates, particularly skilled/manual and professional/managerial roles. *Source: Regional Chambers / business confidence evidence.*

Growth Hub data provides a further employer-facing source. The South Midlands Growth Hub Board update reported 1,108 enquiries from 874 businesses as of 25 September 2025, with support ranging from light-touch advice to higher intensity support. This indicates that there is an existing business support channel that can be used to reach SMEs, gather live skills intelligence and help employers navigate training options.

Source: South Midlands Growth Hub Board Report, Growth Hub Grants Update

3.5 Implication for the LSIP

The strategic and economic evidence presented above, together with the priorities identified through national policy and regional growth strategies, leads to four key conclusions for the LSIP. First, the LSIP must prioritise local skills needs that are both economically significant and actionable by providers and partners. Second, it must cover entry level and Level 1 as well as Levels 2-8, because many residents require foundational skills, confidence, ESOL, digital access or work-readiness before they can enter technical routes. Third, it must strengthen Level 3-5 technical pathways because employer demand is concentrated in skilled trades, technicians, supervisors and higher technical roles. Fourth, it must align with employment, health, inclusion and careers systems because skills shortages exist alongside economic inactivity and underused local talent.

Source: South Midlands Get Britain Working Plan, December 2025.

These conclusions align closely with the direction of travel set out in the Skills England framework, the Get Britain Working White Paper, the Industrial Strategy and emerging devolution arrangements. Collectively, these policies emphasise the importance of employer-led skills planning, workforce participation, productivity growth and stronger progression pathways into technical and higher-level occupations. They also emphasise the need for locally responsive skills systems that support economic growth, productivity improvement, workforce participation and employer competitiveness. Collectively, the LSIP provides both the framework through which these ambitions can be translated into local action and also the employer-led mechanism through which national and regional ambitions can become effective deliverables across the South Midlands

3.6 Regional political landscape

The South Midlands area, which includes all of Northamptonshire, all of Bedfordshire and Milton Keynes, has a history of joint working and strong economic linkages. However, it is recognised that not having a South Midlands Strategic Authority to date has resulted in the South Midlands missing out on significant funding available through the Devolution Priority Programme (DPP). For the LSIP, this evolving political landscape is significant because greater local influence over economic development and skills policy is expected to shape how the skills system operates in the future.

- On 17th Feb 2026, the Government announced another round of potential devolution areas, and has indicated that Milton Keynes, Bedford, Central Bedfordshire and Luton councils would be its preference to form a Foundation Strategic Authority as the first step in the region's devolution journey.
- In March 2026, North Northamptonshire Council and West Northamptonshire Council submitted an Expression of Interest for a Foundation Strategic Authority (FSA) covering Northamptonshire. This approach was seen as a crucial step to ensure the area benefits from devolution. The proposed Spatial Development Strategies (SDSs) geography for the South Midlands did not initially include North or West Northamptonshire, but the Council intended to propose Northamptonshire as the geography for its SDS.

As national policy continues to emphasise regional growth, local leadership and integrated employment support, collaboration between employers, education providers, local authorities and strategic partners will remain central to ensuring the skills system responds effectively to the needs of the South Midlands economy. This means the political and governance framework in which the LSIP is being developed remains fluid, with future strategic planning, infrastructure coordination and growth decisions likely to be influenced by the outcome of these reforms.

The LSIP's employer-facing governance will be designed to interface directly with any Strategic Authority's economic and skills functions. The Employer Representative Body is already represented on the South Midlands Business Board to support this alignment. A link to the statutory functions of Single Local Authority Foundation Strategic Authorities as set out in the English Devolution and Community Empowerment Bill and other legislation is below for reference.

https://assets.publishing.service.gov.uk/media/692d5a34345e31ab14ecf7ac/Devolution_Framework_Explainer_-_Single_Local_Authority_Foundation_Strategic_Authorities.pdf

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4. Local skills needs

4.1 Strategic skills priorities for the South Midlands

This section provides detail on the key local *skills* needs (both IS8+2 and regional), dispenses commentary on why these skills are priorities and the implications of need, informs commissioners with data for future planning. It gives insight to challenges faced in delivering cross cutting, inclusion, NEET, SEND and entry-level skills and our key regional sectors and **prepares the background** for Section 5 – skill actions **and** system changes and Annexes D-F for additional information.

For a number of priority skills areas, the volume of provision available is affected by localised Adult Social Fund levels and some main study programmes at Level 2/Level 3 for 19+ infill students have numbers capped. This challenge is one we need to be mindful of.

The evidence presented in Section 3, together with employer engagement, stakeholder consultation, labour market analysis and sector-specific research, has identified several key strategic skills priorities for the South Midlands. These priorities provide the framework for the remainder of this LSIP and have informed the agreed actions and system changes presented in Section 5.

They have been identified through analysis of:

- Employer engagement undertaken through the LSIP programme.
- Input from trade associations, sector bodies, local authorities, providers, employer forums and business representative organisations.
- DfE Local Skills Dashboard evidence.
- Skills England sector assessments and Industrial Strategy priorities.
- South Midlands Get Britain Working Plan evidence.
- South Midlands Growth Hub intelligence.
- Sector-specific evidence including Skills for Care, CITB, NHS, Logistics UK, Engineering UK and regional stakeholder engagement.

The content has been appraised by regional data and ongoing Stakeholder, Trade Association, Employer, Local Authority and Education Provider discussions and engagements. The priorities have been informed using four criteria:

1. Scale of workforce demand.
2. Strategic importance to economic growth.
3. Evidence of skills shortages or workforce challenges.
4. Potential for employer-led action through the skills system.

The resulting priorities are shown below.

4.2 - Summary of Strategic Skills Priorities and Evidence

Priority local skills need	Why it is a Priority	Critical skills / occupations	Main delivery implication
1. Construction, retrofit, Net Zero and Infrastructure (housing, rail, regeneration). Skills England priority sector (IS8+2) due to national shortages	Bedford, MK and Luton plans, new towns/growth sites, infrastructure and town regeneration (Bedford Prosperity Plan; MKDP Plan; Luton 2040) Housing growth, infrastructure investment, retrofit demand, and major developments across the area create sustained demand for trades, technical specialists and supervisors Key evidence sources: CITB, Local Authority Growth Plans, Major Infrastructure projects such as Oxford-Cambridge Growth Corridor, East West Rail, Universal, CTEC, DfE Local Skills Dashboard	Entry and Level 1 work-readiness; Level 2-3 trades; site supervision; retrofit; heat pumps; EV infrastructure; building services; project management.	Includes Trades, site management, civil Engineering, retrofit, project delivery, Green Construction Develop clearer entry-to-Level 5 pathways, expand employer-designed provision, strengthen licence-to-practice routes, and align provision with housing, infrastructure and retrofit pipelines
2. Health and social care. Core Skills England priority linked to inclusion and workforce gaps	Skills for care, Get South Midlands Working Plan, 2025 and regional Employment & Skills Plans all identify Health and care as key employment sector Health and social care is one of the largest employment sectors locally and faces recruitment, turnover, progression and placement challenges. Key evidence sources: Skills for Care, NHS, Integrated Care Boards, Get Britain Working Plan	Care workers; healthcare assistants; support workers; nursing associates; care supervisors; digital care; mental health and SEND support.	Includes Care workforce, entry-level pathways, clinical support, progression pathways, Digital/technical and SEND support skills Improve entry routes, placements, retention and progression into Level 3-6+ health and care pathways, including digital capability
3. Logistics and supply chain. Not a national IS-8+2 sector but critical regional enabling sector for growth and supply chains	The area is a major logistics location due to road and rail connectivity and the presence of national distribution assets. Technology is changing the nature of roles. Key evidence sources: DfE Local Skills Dashboard, Growth Hub dashboard, Logistics UK, ongoing employer engagement	Warehouse operations; HGV; transport planning; inventory and supply chain systems; automation; digital logistics; team leadership	Includes entry-level jobs. Create progression routes from entry-level logistics into supervisory, planning and Level 4-5 supply chain roles, not just basic warehouse entry.
4. Advanced manufacturing and engineering. Identified as a major regional strength including	South Midlands Economic Growth Strategy highlights Advanced Manufacturing and Silverstone cluster as key growth driver (SM Growth Strategy, 2025) Northamptonshire, Milton Keynes and Bedfordshire have strengths in precision engineering, motorsport, aerospace, food	CNC; CAD/CAM; mechatronics; metrology; maintenance engineering; robotics; automation; materials; technician pathways.	Strengthen Level 3-5 technical pipeline and connect FE, HE and employers around specialist equipment, placements and higher technical pathways.

motorsport, precision engineering and EV technologies	manufacturing, automation and applied R&D Key evidence sources: South Midlands Growth Strategy, ongoing employer engagement, Silverstone Cluster, Engineering UK		
5. Digital, AI and cross-cutting skills. Core Skills England priority – Digital, AI, data skills across sectors	Milton Keynes TEC and Digital cluster; South Central IoT; Digital infrastructure (SM Growth Strategy, Bedford Prosperity Plan, Digital & Tech Sector Plan, GOV.UK) Digital, data and AI capability are becoming enabling skills across all sectors, including logistics, health, construction, finance and manufacturing. Key evidence sources: Skills England, PWC report, Lightcast, Growth Hub evidence, stakeholder and employer feedback	Basic digital literacy; data handling; cyber awareness; AI literacy; software; analytics; digital confidence; leadership and communication.	AI, cyber, software, data analytics, Digital skills across all sectors, Digital inclusion Embed digital and AI skills into all priority pathways and develop higher technical provision where local demand exists.
6. Food, drink, hospitality and Creative / Visitor Economy (Emerging)	The sector links employment, place-making, logistics, visitor economy growth, food manufacturing and local supply chains. Visitor economy and regeneration projects emerging in region, economic investment, town centre redevelopment (Local Authority plans; regional investment pipelines) and major projects (e.g. Universal Studios / regional regeneration) Key evidence sources: Local Authority Growth Plans, employer and Major infrastructure feedback (Universal UK evidence), Food and Drink Awards	Food production; food safety; hospitality; customer service; supervision; events; sustainable production; logistics links.	Includes Digital media, creative tech. Partial alignment with creative industries (IS sector) Connect food, hospitality, visitor economy and logistics provision into clearer pathways, including progression into supervision and management.
7. Inclusion, NEET, SEND and entry-level skills	Skills shortages exist alongside under utilised labour. Residents furthest from work need supported routes into learning, training and jobs. Key evidence sources: DWP, Youth Employment UK, Careers Hub, Local Authority evidence and action reports re: isolated and disadvantaged groups	Functional skills; ESOL; confidence; employability; supported internships; foundation learning; work experience; workplace adjustments.	Align LSIP actions with Get Britain Working, WorkWell, Connect to Work, Careers Hub activity, local authority NEET work and inclusive employer engagement.

These priorities are interconnected. Digital capability, leadership, employability skills, English, maths, ESOL, sustainability and progression pathways cut across all seven priorities and are therefore treated as cross-cutting themes throughout the LSIP.

The remainder of Section 4 presents the detailed evidence supporting each priority. Section 5 then sets out the linked, agreed actions and system changes required to address the issues identified.

4.3 Key sector insights

This section identifies local/regional sector skills needs that are key to our area. Each sector is presented in the same format: why it matters locally, evidence, employer and stakeholder insight, specific skills needed by level, and the core implications for provision and action.

4.3.1 Construction, retrofit and net zero

Why this matters locally

Construction is a critical local skills need because housing growth, infrastructure investment, regeneration, East West Rail, airport-related development, new town proposals and Net Zero/retrofit requirements all generate demand for skilled trades and technical roles. The issue is not only overall construction employment, but whether local people can access entry routes and progress into skilled trades, site supervision, retrofit and higher technical occupations.

Evidence base

The region has substantial planned development, including two New Towns, the Oxford Cambridge Growth Corridor (East West Rail), Universal UK in Bedford, Luton Airport expansion, town centre regeneration in Luton and Northamptonshire, and major housing growth. These projects will create large numbers of Construction and operational jobs and wider supply-chain demand. Engagement with ARC Universities, CITB, CTEC, regional stakeholders, College Construction Forums and employer discussions highlights the scale of the challenge.

There is demand for technical Construction skills at multiple levels, from site-based entry roles through to supervisory/management, specialist professional occupations, trades, civil Engineering, retrofit, project delivery, Green Construction. There are around 61,000 jobs in construction in the DfE Local Skills Dashboard evidence. There is national construction evidence that the industry requires a significant annual flow of new entrants, while CITB Construction Workforce Outlook 2025-2029 estimates a UK need for 47,860 extra workers per year over the period 2025-2029. Net Zero adds further demand for retrofit, low-carbon heating, building services and electrical infrastructure skills.

Employer and stakeholder insight

Employers and stakeholders report shortages in skilled trades, practical work-readiness, site supervision, compliance and licence-to-practice requirements. Pre-employment training and Sector-based Work Academy Programmes must be shaped by employer need and go beyond basic CSCS-card delivery where employers require broader practical capability.

Level	Specific skills needs
Entry level / Level 1	Work-readiness, attendance, safety awareness, basic tools, site behaviour, confidence, English, maths and digital basics.
Level 2-3	Bricklaying, carpentry, electrical, plumbing, plastering, construction operations, plant, CSCS-linked employability, building services
Level 4-5	Site supervision, construction management, building services engineering, retrofit coordination, digital construction/BIM awareness.
Level 6+	Civil engineering, construction project management, sustainability leadership, infrastructure planning

Implication for provision and actions

Provision should be structured as visible pathways from first-step construction tasters through Level 2/3 apprenticeships and adult retraining into Level 4/5 supervisory and technical routes. Employer co-design should focus on practical competence, site readiness, licences to practice, placements and green construction skills.

Construction and Digital Technical Excellence College's (TEC's) – See Annex G for full detail.

TECs are designed to break down barriers to opportunity and deliver the pathways young people deserve, helping the government to reach the Prime Minister's target for two thirds of young people to be in higher level learning by age 25. This investment is part of the government's commitment to ensuring high-quality technical routes which are valued as highly as university, supporting homegrown talent across the country to develop the skills employers need

In our region we have two Technical Excellence Colleges, one for Digital and for Construction. The new Technical Excellence College for Digital (as announced 14 April) is managed by Milton Keynes College and is one of only five across the country. It is aimed at ensuring the government's digital ambitions translate into real opportunities for real people – learners, employers, and communities across our region

The Construction Technical Excellence College (CTEC) was announced on 12 August 2025 and delivery channels are already in place. Its activity is managed by The Bedford College Group and is focused on building a robust, future-ready construction skills system that directly responds to LSIP priorities. The CTEC is strengthening the talent pipeline by widening access to construction pathways—from foundation level through to higher technical training—and embedding a regional Construction Skills Passport to ensure learners gain competencies aligned with real industry needs.

Work includes coordinated outreach to schools and adults, employer engagement at scale, and the integration of Green, retrofit and MMC capabilities to reflect emerging demand. Activity also includes developing progression routes for higher-level Digital and technical skills, while supporting inclusive employment through closer partnerships with the prison estate. Alongside this, there is investment in teaching quality through workforce development, industry exchange, shared regional practice and CPD

4.3.2 Health and social care

Why this matters locally

Health and social care is both a major employment sector and a key inclusion priority. It matters because workforce shortages, turnover, population health, long-term conditions and progression barriers affect service resilience and local labour market participation. The sector also provides entry-level opportunities that can lead to higher-level technical and professional routes when pathways are clear.

Evidence base

Skills needs have been identified through several sector interventions by the LSIP, including NHS, Skills for Care, Nursing Homes, Integrated Care Board, provider forums and LSIP specific events. This is a key growth sector for our region, and, as more and more provision is community based, skills needs in areas such as IT are becoming more prevalent

Health employment is around 102,000 people in 2023 and growth of 12,000 jobs (+13%) over five years. Skills for Care reported that the adult social care vacancy rate in England fell to 7.0% in 2024/25, but still represented 111,000 vacant posts, while turnover in the independent sector was 24.7%. Local Bedford, Luton, Milton Keynes and Northamptonshire evidence shows adult social care vacancy rates of 7.1% in BLMK and 5.7% in Northants, with turnover of 23.8% and 25.1% respectively.

Employer and stakeholder insight

Employers and stakeholders identify recruitment, retention, placements and progression as the main constraints. They also identify digital care records, remote monitoring, data handling and digital confidence as growing needs. Tight health and care budgets mean skills provision should support productivity and retention, not just new recruitment.

Level	Specific skills needs
Entry level / Level 1	Care values, communication, confidence, safeguarding awareness, English, maths and digital basics, preparation for care settings.
Level 2-3	Adult care worker, healthcare assistant, support worker, medication awareness, dementia awareness, mental health support, SEND support.
Level 4-5	Lead practitioner, care supervisor, nursing associate, rehabilitation support, digital care implementation.
Level 6+	Nursing, allied health professions, health sciences, leadership and management, specialist clinical and care pathways.

Implication for provision and actions

The LSIP should support a joined-up FE, HE, NHS, Integrated Care Board and care-employer pathway. Actions should focus on entry routes, placements, digital care skills, progression, retention and care leadership.

4.3.3 Logistics and supply chain

Why this matters locally

Logistics is a defining local employment strength because of the South Midlands location on the M1/A1/A14 corridors and its proximity to national road and rail infrastructure. The sector provides entry-level jobs but is increasingly shaped by automation, data systems, supply chain coordination and supervisory capability.

Evidence base

Continued discussions and interventions with Logistics Trade Bodies, regional employers, providers and Local Authorities re-enforces the changing world of Logistics and the depth and range of skills needed. Our region has a strong Logistics specialism, with 87,000 jobs in transport and storage in 2023, up 14,000 jobs (+19%) since 2018. This reflects the area's strategic road and rail position and the scale of Warehousing and freight activity. DfE Local Skills Dashboard evidence reports around 106,500 jobs in transport and communications. Major logistics developments in Northamptonshire, Corby and Bedfordshire reinforce the sector's importance.

Employer and stakeholder insight

Employers report shortages in HGV driving, warehouse operations, transport planning, supervisors and digital logistics systems. The skills challenge is not just entry-level recruitment: progression into supervisory, planning and higher-value operational roles is a key weakness.

Level	Specific skills needs
Entry level / Level 1	Warehouse readiness, attendance, reliability, digital scanning, health and safety, basic customer/service communication.

Level 2-3	Warehousing, HGV, transport operations, inventory control, logistics coordination, team leading.
Level 4-5	Supply chain management, transport planning, data analytics, logistics optimisation, operations supervision.
Level 6+	Strategic supply chain management, logistics leadership, procurement, data-led operations.

Implication for provision and actions

Provision should create clear pathways from entry-level logistics jobs to supervisory, planning and supply chain roles. Digital logistics, automation and data capability should be embedded into training, rather than treated as separate optional content.

4.3.4 Advanced manufacturing and engineering

Why this matters locally

Advanced manufacturing and engineering are central to the local economic story, particularly in Northamptonshire and Milton Keynes, with strengths in motorsport, high-performance engineering, aerospace components, precision engineering, food manufacturing, automation and applied R&D. These sectors require a stronger pipeline of Level 3-5 technicians and Level 6+ specialists.

Evidence base

There are around 82,500 manufacturing jobs in several geographic areas. The Silverstone Technology Cluster, aerospace and defence employers, Cranfield-linked activity and the Northamptonshire manufacturing base as major assets. Parliamentary POST note 746 on the UK STEM skills pipeline reported that around 9.4 million people were employed in STEM-related jobs in the UK in 2023 and noted stakeholder concerns about STEM skills availability and vocational routes.

Employer and stakeholder insight

Employers report difficulty recruiting Level 3-5 technicians with CNC, CAD/CAM, maintenance, metrology, automation and robotics skills. Stakeholders also point to teaching workforce constraints because industry salaries often exceed education-sector salaries in specialist areas.

Level	Specific skills needs
Entry level / Level 1	STEM tasters, practical problem solving, workplace behaviours, basic digital and measurement skills.
Level 2-3	Engineering operations, maintenance, machining, fabrication, electrical/mechanical principles, food manufacturing operations.
Level 4-5	CNC, CAD/CAM, mechatronics, metrology, robotics, automation, quality assurance, technician pathways.
Level 6+	Advanced engineering, materials, systems engineering, R&D, manufacturing leadership, AI-enabled engineering.

Implication for provision and actions

The LSIP should strengthen employer-led technical pathways between FE, HE and industry. This includes curriculum co-design, specialist equipment, industry placements, industry-to-teaching routes and clear progression from Level 3 into Level 4/5 and degree-level routes.

4.3.5 Digital, AI and cross-cutting skills

Why this matters locally

Digital and AI are cross-cutting skills needs rather than a single-sector issue. Employers in logistics, health, manufacturing, professional services, finance, construction and hospitality increasingly require digital confidence, data handling, cyber awareness and the ability to use workplace systems. AI adoption adds further need for digital judgement, data interpretation and ethical oversight.

Evidence base

Lightcast, regional Growth Hub data and the LSIP Progress Report 2025 identify growing demand for Microsoft Office, presentation skills, Python, data analysis, software development, data management and Windows PowerShell skills. The South Midlands Economic Growth Strategy identifies a pressing need to improve economy-wide foundational skills including literacy, numeracy, digital literacy and personal resilience.

Employer and stakeholder insight

Employers report that digital skills gaps occur at multiple levels: basic digital literacy among entry-level recruits, applied digital systems in operational roles, and higher-level data/AI/cyber skills in technical and professional occupations. The issue is therefore both inclusion and productivity.

Level	Specific skills needs
Entry level / Level 1	Basic digital access, online forms, email, workplace apps, digital confidence, cyber hygiene.
Level 2-3	Use of sector systems: warehouse systems, digital care records, construction software, spreadsheets, customer systems.
Level 4-5	Data analytics, cyber, AI literacy, automation, cloud systems, digital project delivery.
Level 6+	AI, software engineering, data science, advanced cyber, digital transformation leadership.

Implication for provision and actions

Digital skills should be embedded across all priority pathways and not only delivered as standalone IT courses. The LSIP should also support employer-facing digital upskilling, particularly for SMEs that lack capacity to navigate provision.

4.3.6 Food, drink, hospitality and visitor economy

Why this matters locally

Food, drink, hospitality and the visitor economy are important because they link employment, place-making, logistics, agriculture, manufacturing, tourism and local supply chains. The sector includes both large production sites and SMEs, and will be affected by visitor economy growth linked to major projects such as Universal UK and town-centre regeneration.

Evidence base

Information and feedback has been gathered via ongoing engagements with regional authorities, employers, stakeholders, the Made in Northamptonshire Food and Drink networking group of producers and suppliers of local drinks, butchers, bakers, farm shops and the <https://discover-northamptonshire.co.uk/online/> Accommodation and hospitality employment is around 55,000 workers, with growth of 6,000 jobs since 2018 (+12%). University of Northampton evidence shows that food and drink enterprises in Northamptonshire increased by 37.5% since 2017 compared with 26.2% nationally. Projected employment evidence indicates that food, drink, hospitality, accommodation and transport could account for 311,809 jobs by 2035.

Employer and stakeholder insight

Employer and stakeholder evidence points to workforce shortages, productivity pressure, fragmentation among SMEs, need for food safety and compliance, automation in food production, sustainability and supervisory capability. The visitor economy also requires customer service, hospitality leadership, events and management skills.

Level	Specific skills needs
Entry level / Level 1	Customer service, employability, food hygiene awareness, confidence, communication, basic numeracy.
Level 2-3	Food production, catering, hospitality, process operations, hygiene, quality control, front-of-house.
Level 4-5	Food technology, production supervision, quality assurance, hospitality leadership, events and visitor economy management.
Level 6+	Food science, manufacturing management, sustainable production, innovation and business leadership.

Implication for provision and actions

The LSIP should treat this as both a sector priority and an entry/progression route. Provision should connect food manufacturing, hospitality, visitor economy and logistics skills rather than treating them separately.

4.3.7 Inclusion, NEET, SEND and entry-level skills

Why this matters locally

The LSIP must address equality of opportunity because skills shortages cannot be solved only by training those already closest to work. Data from Youth Employment UK, Centre for Social Justice and the Dept of Education shows that young people who are NEET, learners with SEND/LLDD, economically inactive adults, refugees and ESOL learners, ex-offenders and people with health barriers all require supported pathways into learning and work.

Evidence base

As of April 2026, around 4,600 young people aged 16-24 not in education, employment or training across the South Midlands and notes that LLDD apprenticeship participation increased from 11.9% to 16.1% between 2020 and 2025. It also draws on Get Britain Working evidence that 25.6% of economic inactivity is due to long-term sickness and that more than 550,000 people aged 16+ live with long-term conditions across the wider area.

Employer and stakeholder insight

Stakeholders identify fragmentation as a barrier. People with complex needs often face multiple issues at once: poor mental health, low confidence, low basic skills, ESOL needs, housing instability, caring responsibilities, offending histories, lack of transport and digital exclusion. Employers may be willing to recruit more inclusively but need support with work readiness, reasonable adjustments, placement design and progression support.

Level	Specific skills needs
Entry level / Level 1	English, maths, ESOL, digital access, confidence, resilience, communication, travel-to-work skills, employability.
Level 2-3	Vocational tasters, supported internships, pre-apprenticeship routes, sector-based work academies, first qualifications.
Level 4-5	Progression support for learners with SEND/LLDD and adults returning to work; supported transitions into technical routes.
Level 6+	Inclusive access to higher technical and professional routes where appropriate, including flexible and supported study.

Implication for provision and actions

The LSIP should align with South Midlands Careers Hub, local authority NEET tracking, SEND employer forums, Jobcentre Plus, WorkWell, Connect to Work, Pride in Place and VCSE support. The aim is to turn underused talent into a supported local workforce pipeline.

4.3.8 Cross-cutting skills needs

Since LSIP 1.0 in 2023, cross cutting skills needs have been identified as a key priority by employers. The LSIP continues to engage with stakeholders, JCP, Local Authorities, Providers and employers to raise awareness of programmes, deliver on the LSIP 1.0 priorities which detail this and to highlight the scale of the issue to commissioners.

Across all priority areas, employers identify a set of cross-cutting skills that affect productivity and progression. These should be embedded across provision, rather than delivered only through separate short courses. They include communication, problem solving, resilience, planning, digital confidence, data handling, leadership, supervision and customer service.

Support functions such as accounts, sales, marketing, HR, management, IT and finance are often cross-sector roles and can account for a substantial proportion of an organisation's workforce. This means transferable skills are central to the local labour market, not secondary to technical skills.

Source: South Midlands Economic Growth Strategy, 2025.

Cross-cutting need	Where it appears	Required response
Work readiness	All sectors, particularly entry and Level 1-2.	Embed workplace behaviours, attendance, communication and confidence into technical provision.
Digital literacy and data	All sectors; especially logistics, care, manufacturing, finance and construction.	Supported by the Digital TEC and all regional providers, build digital content into sector routes and support adult upskilling.
Leadership and supervision	Logistics, construction, care, manufacturing, hospitality.	Develop Level 3-5 progression routes into team leader, supervisor and manager roles.
English, maths and ESOL	Entry routes, adults furthest from work, refugees and ESOL learners.	Link functional skills to occupational pathways and employment support.
Green skills	Construction, engineering, energy, logistics, manufacturing.	Integrate Net Zero and sustainability into sector programmes.
Careers awareness	Schools, adults, employers and SMEs	Use Careers Hub, Growth Hub and employer networks to simplify routes and language

5. Agreed actions and system change

Section 4 identified seven strategic skills priorities for the South Midlands based on employer engagement, labour market intelligence, stakeholder consultation and sector-specific evidence. The purpose of Section 5 is to translate those identified needs into a coordinated programme of actions and system changes **to address the local/regional skills needs identified in Section 4**. The actions presented in this section have been directly informed by the evidence outlined in Section 4 and are organised against each strategic priority area. It has been deliberately structured so that each action provides a clear line of sight between:

Evidence → Skills Need → Priority → Action → Outcome

Each action identifies:

- The priority area it supports
- The specific skills need being addressed
- The organisations responsible for delivery
- The expected outcomes and measures of success
- The wider system changes required to support delivery

Detailed implementation activity, milestones and performance reporting arrangements are contained within Annex B. This section provides the strategic framework through which partners will collectively respond to the skills challenges identified within this LSIP. For example (and as detailed in Annex B):

- **Outcomes and outputs** aim to reflect programme aims and demonstrate how the plan is meeting local labour market needs:
 - Skills development and reduction of skills gaps
 - Employer engagement in the skills system
 - Changes in the supply of technical education and training (from entry level to level 8), including progression pathways
 - Changes in how funding and investment are used to support local skills priorities
 - **Shared ownership of metrics and impact measures** – Local authorities, Providers and Stakeholders play a critical system-leadership role in delivering LSIP priorities. This includes convening employers and providers, commissioning and shaping adult skills provision, integrating transport and regeneration planning with workforce needs, and aligning employment, health, and inclusion services. All are actively involved in developing metrics and impact measures that align, where appropriate, with Local Get Britain Working Plans (GBWPs) and Outcome frameworks underpinning Strategic Authority Local Growth Plans.
 - **Why this matters:**
 - Impact data supports **local accountability**
 - It enables **Skills England** to monitor performance across LSIPs
 - It Helps identify **national gaps, risks, or oversupply** in skills provision
-

5.1 - Priority Evidence from Section 4 - Skills actions

Strategic Priority	Key Evidence and Skills Need (Section 4)	Agreed Action	Stakeholders	Expected Outcomes (2026-2029)
1: Construction Retrofit, Net Zero and Infrastructure	Major housing growth, East West Rail, Universal UK, regeneration programmes, Net Zero targets and CITB forecasts indicate sustained demand for skilled trades, supervisors, retrofit specialists and construction technicians. Employers report shortages in work-ready entrants, skilled trades and site supervision.	Expand employer-led entry and Level 1 construction pathways linked to real vacancies, apprenticeships and progression opportunities.	Construction TEC (CTEC), FE Colleges, ITPs, Employers, CITB, Local Authorities, Jobcentre Plus	Increased participation in construction pathways; improved progression to Level 2 and Level 3 programmes; increased employer satisfaction with work readiness.
	Employers identify shortages in trades, apprenticeships and technical construction occupations.	Increase Level 2–3 trade, apprenticeship and technical routes aligned to housing, infrastructure and retrofit demand.	CTEC, FE Colleges, Employers, CITB	Growth in apprenticeship starts, completions and employer placements.
	Net Zero and retrofit programmes are creating demand for new green construction occupations.	Develop Level 2–5 retrofit, heat pump, EV infrastructure and green construction pathways.	CTEC, FE, HE, Employers, Green Skills Advisory Groups	Increased learner participation in green skills programmes and progression into emerging occupations.
2: Health and Social Care	Health and care is one of the largest employment sectors in the South Midlands and continues to experience recruitment, retention and progression challenges. Employers report shortages across care, support and supervisory roles.	Strengthen entry-to-care pathways including work-readiness, values-based recruitment, safeguarding and digital skills.	FE, NHS, ICBs, Care Employers, Local Authorities, VCSE Organisations	Increased participation in care pathways and improved recruitment outcomes.
	Workforce progression pathways remain fragmented.	Create clearer progression routes from Level 2 care roles through to Level 6 professional occupations.	FE, HE, NHS, ICBs, Care Providers	Increased progression into nursing associate, nursing and higher-level care occupations.
3: Logistics and Supply Chain	The South Midlands is one of the UK's most significant logistics locations. Employers report shortages in supervisory, planning, transport operations and digital logistics skills.	Develop structured progression routes from warehouse and entry-level roles into supervisory, planning and supply-chain occupations.	FE, ITPs, Logistics Employers, Growth Hub, Local Authorities	Increased progression into Level 3–5 logistics and supply-chain roles.
	Automation and technology are changing workforce requirements.	Embed digital logistics, automation and data skills across logistics provision.	FE, Logistics Employers, ITPs	Improved employer satisfaction and uptake of higher-level logistics training.

Strategic Priority	Key Evidence and Skills Need (Section 4)	Agreed Action	Stakeholders	Expected Outcomes (2026-2029)
4: Advanced Manufacturing and Engineering	Employers continue to report shortages in technician-level occupations including CNC, CAD/CAM, maintenance, robotics and automation.	Expand Level 3–5 technical pathways aligned to regional engineering and manufacturing demand.	FE, HE, Employers, Silverstone Cluster, Sector Bodies	Increased participation and completion of technical engineering programmes.
	Specialist workforce shortages affect delivery capacity.	Strengthen employer-provider collaboration, specialist equipment access and industry placements.	FE, HE, Employers	Improved progression into technician and higher technical occupations.
5: Digital, AI and Data Skills	Digital capability is increasingly required across all sectors. Employers report skills gaps in digital literacy, cyber security, data handling and AI awareness.	Embed digital, AI and data skills within all priority sector pathways from entry level through to higher technical routes.	Digital TEC, FE, HE, ITPs, Employers	Improved digital capability across priority sectors and increased learner confidence.
	SMEs often struggle to access digital upskilling opportunities.	Expand employer-facing digital and AI workforce development support.	Growth Hub, Digital TEC, Providers	Increased SME engagement in digital workforce development.
6: Food, Drink, Hospitality and Visitor Economy	Visitor economy growth, regeneration programmes and food manufacturing expansion are increasing workforce demand. Employers report shortages in customer service, food production, supervision and management.	Develop integrated pathways connecting food production, hospitality, visitor economy and logistics occupations.	FE, ITPs, Employers, Local Authorities, Visitor Economy Partners	Increased learner participation and progression across food and visitor economy sectors.
	SMEs require greater support to engage with training provision.	Increase employer co-design and workforce development activity within the sector.	Employers, Growth Hub, Providers	Improved employer engagement and workforce retention.
7: Inclusion, NEET, SEND and Entry-Level Pathways	Economic inactivity, NEET participation, SEND progression and labour market exclusion continue to constrain workforce participation.	Align LSIP delivery with Get Britain Working, WorkWell, Connect to Work, Careers Hub and local authority inclusion programmes.	Local Authorities, DWP, Careers Hub, FE, VCSE Organisations, Employers	Increased participation from priority groups and improved progression outcomes.
	Employers require support to recruit more inclusively.	Expand supported internships, work experience, employer encounters and inclusive recruitment initiatives.	Careers Hub, Employers, FE, Special Schools, Local Authorities	Increased supported internships, work experience placements and employment outcomes.

In addition to the specific skills actions in Section 5.1, five overarching system changes required to deliver the Priorities have been agreed across the local skills system. LSIP 2.0 is organised around these system changes that address the root causes of skills mis-alignment. These are delivery commitments rather than general commentary. The actions contained within this section have not been developed in isolation. They have emerged from ongoing employer engagement, sector forums, trade association discussions, provider consultation, local authority engagement and analysis of regional labour market intelligence. Actions were prioritised where there was evidence of:

- Significant workforce demand.
- Persistent recruitment difficulties.
- Strategic importance to economic growth.
- Opportunities for employer-led intervention.
- Potential for measurable improvement through skills provision and workforce development.

Not all identified challenges can be resolved through skills provision alone. Consequently, the agreed actions are supported by a series of wider system changes designed to address barriers relating to employer engagement, curriculum responsiveness, workforce capacity, careers awareness and inclusion.

5.2 Priority evidence to system change alignment within the LSIP

- Section 3 – **shows** Strategic and economic context
- Section 4 – **informs** Strategic skills priorities
- Section 5.1 – **identifies** Actions directly responding to each priority
- Section 5.2 – **provides** Mapping Table of Priorities to Changes
- Section 5.3 – **details** System changes needed to make the actions happen
- Sections 5.4 and 5.5 – **collate** outcomes through Measures of success

Mapping Table

Strategic Priority	Primary System Changes
Construction, Retrofit and Net Zero	Curriculum Realignment, Employer Co-design, Specialist Teaching Capacity
Health and Social Care	Curriculum Realignment, Employer Co-design, System Access and Inclusion
Logistics and Supply Chain	Employer Co-design, Careers Visibility, Curriculum Realignment
Advanced Manufacturing and Engineering	Specialist Teaching Capacity, Employer Co-design, Curriculum Realignment
Digital, AI and Data Skills	Curriculum Realignment, Specialist Teaching Capacity
Food, Drink, Hospitality and Visitor Economy	Careers Visibility, Employer Co-design
Inclusion, NEET, SEND and Entry-Level Pathways	System Access and Inclusion, Careers Visibility

5.3 System Changes Required to Deliver the Priorities

System change	What will change	Lead stakeholders	Evidence / rationale
A. Curriculum realignment to local skills needs	Providers will review curriculum annually against LSIP intelligence, employer feedback, DfE dashboard data, job postings where available and local growth plans. Priority will be given to construction, retrofit, logistics, engineering, digital, health and care, and food/hospitality pathways. FE and HE providers across the South Midlands will reshape curricula in priority sectors, expanding Level 3–5 technical provision and integrating digital and green competencies.	FE, HE, ITPs, ERB, employers.	changes in provision to align with local skills needs. Annual employer-informed curriculum reviews will be conducted by all provider partners.
B. Structured employer co-design	Moving beyond consultation to structured co-design: from initial sector panels/discussions through to curriculum review workshops, placements, employer projects, guest teaching and industry input, employer advisory panels, annual curriculum workshops, expanded placements, and targeted SME engagement through simplified, plain-English communications	Employers, ERB, FE, HE, sector bodies.	Evidence shows employers find the skills system difficult to navigate and want provision that reflects real roles, licences and operating pressures.
C. Teaching workforce and specialist capacity	Addressing recruitment challenges in engineering, construction and digital by developing industry-to-teaching pathways, expanding fractional teaching models and enabling cross-institution staff sharing, shared specialists and CPD in engineering, construction, digital and green technologies	FE, HE, employers, sector bodies.	Provider feedback identifies recruitment challenges where industry pay exceeds education pay in specialist areas.
D. Learner demand and careers visibility	Improve awareness of priority sectors, technical routes, apprenticeships, T Levels, V levels, 2-year L2 qualifications, HTQs and adult reskilling through coordinated careers and employer campaigns.	Careers Hub, schools, FE, HE, employers.	Future Skills Questionnaire and employer engagement evidence show low awareness and uneven perceptions of logistics, construction and higher technical routes
E. System access and inclusion	Tackling transport, English language, digital exclusion and health-related barriers through escalation to local authority commissioning, funding alignment (i.e. Adult Skills Budget) subject to funding allocations in order to match demand, wraparound support, ESOL, SEND and economic inactivity by joining LSIP actions with employment, health and local authority support.	Local authorities, DWP, WorkWell, Connect to Work, FE, HE, VCSE, employers.	Get Britain Working evidence shows participation barriers are linked to health, skills, transport and confidence, not skills provision alone.

5.3. Outcomes and measurement framework

The LSIP will be measured against a small set of outcomes over the 2026-2029 cycle. Detailed activity reporting sits in Annex B, but the main report includes the information to show how progress will be assessed. Metrics combine quantitative data and qualitative employer feedback, because not all system change will be visible through enrolment data alone.

At local authority level, we are looking for LSIP impact to be measured not only through participation and completion data, but also through progression and sustained employment outcomes for priority cohorts. This includes monitoring transitions for young people, learners with SEND and economically inactive adults into employment, apprenticeships and higher-level technical routes aligned to local labour-market demand. This focus on progression and distance travelled complements national datasets and supports place-based decision-making linked to adult education, employment support, and regeneration outcomes.

Outcome	Core metric	Data source	Review frequency
Skills provision better aligned to local priority needs	Number of curriculum changes, new modules or expanded pathways mapped to LSIP priorities.	Provider reports; annual accountability statements; LSIP delivery board returns.	Annual, with mid-year update.
Increased employer engagement in the skills system	Number of employers involved in co-design, placements, apprenticeships, guest teaching, advisory panels or curriculum review	ERB CRM / engagement records; Growth Hub referrals; provider records.	Quarterly dashboard.
Improved entry-level and Level 1 access	Participation and progression from entry/Level 1 provision into Level 2+, employment or further support.	ILR data where available; provider data; local authority/DWP referral data.	Annual.
Stronger Level 2-5 technical pipeline	Starts, completions and progression in priority technical routes such as construction, care, logistics, engineering, digital and retrofit.	Provider data; apprenticeship data; DfE dashboards.	Annual.
Improved progression to Level 4+	Increased take-up of HTQs, higher apprenticeships, HE technical routes and employer-sponsored progression in priority sectors.	HE/FE reports; provider data; apprenticeship data.	Annual.
Improved inclusion and participation	Participation from NEET, SEND/LLDD, economically inactive adults, ESOL learners and other priority groups where data is available and lawful to collect.	Local authority NEET data; provider equality data; DWP/Connect to Work/WorkWell data.	Annual.
Employer satisfaction and perceived relevance	Employer feedback on whether provision better matches skills needs, job-readiness and progression requirements.	Annual employer survey; sector panel feedback; Growth Hub intelligence.	Annual.

5.4 How Success Will Be Measured

Progress will be tracked across three outcome domains against **baselines established in Year 1**:

(See Annex B for further detail)

Employer Outcomes	Learner Outcomes	System Outcomes
• Increased employer satisfaction with local provision • Reduction in skills shortages in priority sectors • More SMEs actively engaged with training • Growth in employer co-design participation	• Growth in enrolments in priority growth sectors • Apprenticeship starts and completion rates • Improved progression into sustained employment • Retention and achievement in technical programmes	• Curriculum changes linked directly to LSIP priorities • Increased FE–HE–ITP collaboration • Expansion of higher technical pathways • Integration of digital and green skills across provision

Performance is reviewed quarterly through the LSIP Executive Group, annually with a published report, and comprehensively at mid-term (end of Year 2) to recalibrate priorities where needed.

Annex A – Further / explanatory information on skills needs

This Annex contains detail on our wider regional skills ecosystem, how Education Providers are supporting delivery of priorities through interventions, details of regional skills programmes and related provision, commentary on jobs plans and skills needs as well as information on how we support employers and learners to understand the pathways and standards available for upskilling and re-skilling and driving greater employer involvement and investment in skills

Alongside these sections, “A7” contains an analysis of occupations across key sectors using Standard Occupational Classifications and Standard Industry Classifications. The use of **standard SIC and SOC classifications** supports:

- Measuring progress consistently
- Information flows between LSIPs and Skills England
- National-level aggregation and analysis

A1 - Regional skills ecosystem

The South Midlands Economic Growth Strategy identifies strong regional specialisms in Advanced Manufacturing, Motorsport Engineering, Aerospace and Defence, and Digital technologies, including AI and cyber-related capability. The Get South Midlands Working Plan also notes that Milton Keynes faces shortages in Technical and Digital roles, and North Northamptonshire reports imbalances between employer demand and workforce skills supply.

Skills development needed includes STEM capability, digital literacy, higher technical skills, Engineering-related training, AI/Digital capability, and stronger workplace-readiness and progression skills. The LSIP can reduce these gaps by making sure local technical provision reflects real growth sectors and connects learners to progression from FE into HE and employer-led training.

Recent data from the Office for National Statistics indicates that economic activity remains resilient despite ongoing pressures. Around 94% of businesses are currently trading, with 83% operating fully, suggesting continued demand for labour across the economy. However, businesses report increasing operational pressures, with 33% citing economic uncertainty and 22% identifying labour costs as a key challenge affecting turnover. Rising labour costs are also influencing business pricing decisions, with 30% of businesses reporting workforce costs as the primary factor behind planned price increases, the highest level recorded since 2022. These trends reflect the growing importance of workforce productivity and skills development across sectors such as Logistics, Engineering and Manufacturing, Construction and services.

Labour-market intelligence and employer engagement show that demand for skills in the South Midlands is both broad and deep. Logistics and Warehousing continue to grow, driven by the South Midlands’ strategic location within the national transport network and proximity to major road and rail infrastructure. Engineering and Manufacturing employers require increasingly advanced technical capability, whilst Construction faces rising demand linked to housing delivery, infrastructure investment and retrofit activity. Health and social care remains the largest employer by headcount, with ongoing recruitment and progression challenges.

A2 - Analysis of occupations across key sectors (See Annexes D-G for further detail on labour market)

This indicates that skills demand in the South Midlands is concentrated in three main areas:

1. Digital and data-related occupations (software developers, cyber security professionals, data analysts)
2. Engineering and construction roles supporting infrastructure, manufacturing and the transition to low-carbon technologies
3. Logistics, health and care occupations, reflecting the region’s strong distribution sector and growing demand for healthcare services.

Many roles require specialist technical competencies (e.g. engineering systems, data analysis, cyber security, advanced manufacturing technologies) alongside sector-specific operational skills such as supply chain management, clinical care systems, construction technologies and healthcare technologies, highlighting the importance of aligning local training provision, apprenticeships and workforce development programmes with these priority occupations.

The data below presents illustrative mappings for priority occupations. Examples include Graphic Designers mapped to SOC 2142 and SIC 74.10; CNC Machinists mapped to SOC 5312 and SIC 25620; Plastics Process Operators mapped to SOC 8114 and SIC 22290; Vehicle/Aircraft Technicians mapped to SOC 5315 and SIC 3040/30300.

As mentioned previously, the use of **standard SIC and SOC classifications** supports:

- Measuring progress consistently
- Information flows between LSIPs and Skills England
- National-level aggregation and analysis

A2.1 - Mapping of SIC/SOC technical skills demand in key sectors

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
Hospitality & Visitor Economy	55 – Accommodation	5434 – Chefs	Commercial food preparation, kitchen management, food hygiene compliance, HACCP, stock control, menu planning, hospitality management systems	The hospitality sector continues to experience labour shortages following post-pandemic recovery and increased consumer demand for hospitality services.
		1221 – Hotel and accommodation managers and proprietors	Customer service management, booking systems, operational management, team leadership, compliance management	Increased tourism and staffing shortages have created ongoing demand for skilled accommodation managers.
	56 – Food and Beverage Service Activities	1223 – Restaurant and catering establishment managers and proprietors	Hospitality operations, staff supervision, customer service, budgeting, scheduling, EPOS systems	Restaurants and catering businesses require experienced managers to improve operational efficiency and customer experience.
		5436 – Catering and bar managers	Event catering, food safety compliance, stock management, hospitality systems, team coordination	Demand remains high due to recruitment challenges and growth in events, leisure, and food service industries.
		9273 – Kitchen and catering assistants	Food preparation support, kitchen hygiene, stock rotation, cleaning procedures	Employers continue to recruit support staff to address workforce shortages across hospitality settings.

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
Food & Drink Manufacturing	10 – Manufacture of Food Products	1121 – Production managers and directors in manufacturing	HACCP, process control, lean manufacturing, quality assurance, automated production systems, health & safety compliance	Manufacturing businesses increasingly rely on automation and efficient production management to maintain productivity and reduce operational costs.
		3111 – Laboratory technicians	Food testing, microbiological analysis, quality inspection, compliance monitoring, auditing	Essential for maintaining food safety standards and meeting UK regulatory and compliance requirements.
		8111 – Food, drink and tobacco process operatives	Production line operations, machinery handling, packaging systems, hygiene procedures, automated processing equipment	Demand remains high due to labour shortages, increased food production, and expansion of automated manufacturing facilities.
Manufacture of Beverages	11 – Manufacture of Beverages	1121 – Production managers and directors in manufacturing	Production planning, operational management, process optimisation, compliance management	Beverage manufacturers require experienced managers to oversee high-volume automated production environments.
		3113 – Engineering technicians	Equipment maintenance, process engineering support, machinery diagnostics, automation systems	Growth in automated bottling and packaging systems has increased demand for technical engineering support roles.
		2461 – Quality control and planning engineers	Quality management systems, regulatory compliance, production planning, continuous improvement	Organisations require specialists to maintain quality standards, improve efficiency, and support regulatory compliance.
		8111 – Food, drink and tobacco process operatives	Bottling systems, packaging machinery, machine operation, production monitoring	High demand due to increased beverage production volumes and investment in automated technologies.

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
Logistics & Warehousing	49 – Land Transport and Transport via Pipelines	1161 – Managers and directors in transport and distribution	Supply chain management, warehouse management systems (WMS), fleet management, route planning, inventory control, logistics data systems	The South Midlands is a major logistics hub due to its central UK location, motorway connectivity, and access to national distribution networks.
	52 – Warehousing and Support Activities for Transportation	4134 – Transport and distribution clerks and assistants	Shipment coordination, inventory tracking, transport scheduling, ERP systems, logistics administration	Growth in e-commerce and regional fulfilment centres is increasing demand for logistics coordination and supply chain administration skills.
		9251 – Shelf fillers / 9258 – Elementary storage occupations	Warehouse operations, stock control, barcode scanning, picking and packing, handheld scanner systems	Distribution centres require large numbers of warehouse staff to support fulfilment and inventory management.
		8211 – Large goods vehicle drivers	HGV driving, route planning, tachograph compliance, vehicle safety checks, logistics operations	Persistent driver shortages, ageing workforce, and growth in home delivery and distribution networks continue to increase demand.
		1161 – Managers and directors in transport and distribution	Warehouse operations, staff supervision, KPI monitoring, fulfilment planning, WMS platforms	Increasing warehouse automation requires skilled managers to oversee operations and performance.
	53 – Postal and Courier Activities	7111 – Sales and retail assistants / 8211 – Large goods vehicle drivers	Parcel handling, delivery systems, customer tracking technology, route optimisation	Increased online shopping and same-day delivery expectations continue to drive recruitment across courier services.
Data & Digital Roles Supporting Logistics	Across logistics, warehousing, and transport sectors	3544 – Data analysts	Data analytics, dashboard reporting, data visualisation, statistical analysis, Power BI, Excel	Businesses increasingly rely on operational data to improve efficiency, forecasting, and strategic decision-making.
		2425 – Business analysts	Process mapping, systems analysis, business intelligence, requirements gathering	Organisations use business analysts to improve logistics planning, operational performance, and digital transformation projects.
		2135 – Cyber security professionals	Network security, cyber risk management, security monitoring, data protection	Increasing cyber threats and digitalisation require stronger protection across logistics infrastructure and business systems.
		2137 – IT network professionals	Network infrastructure, cloud systems, systems administration, connectivity management	Demand is growing as warehouses and logistics operations rely on connected digital systems and cloud technologies.

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
		2133 – IT specialist managers	Digital transformation, systems implementation, IT operations management, automation systems	Businesses are investing in new digital platforms and automated operational technologies.
		2127 – Production and process engineers / 2139 – Information technology professionals n.e.c.	Systems integration, automation engineering, cloud infrastructure, infrastructure support	Organisations increasingly require professionals to manage automated and cloud-based logistics infrastructure.

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
Construction & Infrastructure	41 – Construction of Buildings	2442 – Construction project managers and related professionals	Building Information Modelling (BIM), project planning, site management, contract management, building regulations, health & safety compliance	Housing growth, regeneration projects, and infrastructure investment are increasing demand for skilled construction project management professionals. BIM is becoming a standard requirement across modern construction projects.
		5315 – Carpenters and joiners	Woodworking, first and second fix installation, construction methods, blueprint interpretation, building installation techniques	Continued residential and commercial construction activity is driving demand for skilled tradespeople.
		5241 – Electricians and electrical fitters	Electrical installation, testing, maintenance, wiring regulations, safety compliance	Demand is increasing due to infrastructure upgrades, electrification, smart buildings, and low-carbon technologies.
	42 – Civil Engineering	2121 – Civil engineers	Structural analysis, CAD software, infrastructure planning, surveying, project delivery	National infrastructure investment and transport upgrades continue to increase demand for civil engineering expertise.
		2122 – Mechanical engineers	CAD/CAM design, robotics and automation, industrial maintenance, precision engineering	Engineering and infrastructure projects require advanced mechanical and manufacturing expertise.
		2123 – Electrical engineers and electricians	Electrical systems design, energy systems, maintenance, renewable technologies	Electrification, renewable energy projects, EV infrastructure, and energy system upgrades are increasing demand for electrical engineering skills.
	43 – Specialised Construction Activities	5241 – Electricians and electrical fitters	Electrical installation, inspection, maintenance,	Increased construction activity and the transition to low-carbon energy systems are driving demand for qualified electricians.

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
			safety regulations, renewable energy systems	
		5315 – Carpenters and joiners	Construction techniques, interior fitting, framework installation, finishing work	Ongoing housing and commercial developments continue to require skilled construction trades.

Construction, Infrastructure & Professional Services	Across construction and engineering sectors	2431 – Architects / 2442 – Construction project managers and related professionals	Digital project management, BIM collaboration tools, scheduling software, stakeholder management	Complex infrastructure and construction projects increasingly rely on structured project management and digital collaboration systems.
		1121 – Production managers and directors in manufacturing	Process control, safety systems, quality assurance, manufacturing operations, automation systems	Construction product manufacturing and off-site construction methods require experienced operational management.
		2122 – Mechanical engineers	CNC machining, CAD/CAM, robotics, industrial automation, product development	Advanced engineering and manufacturing activities linked to construction continue to drive demand for specialist engineering skills.
		2126 – Design and development engineers	Engineering design, CAD software, prototyping, technical modelling	Demand is increasing for professionals who can support infrastructure, manufacturing, and sustainable construction design.
Construction, Energy & Manufacturing	Across construction, infrastructure, and energy sectors	2123 – Electrical engineers and electricians	Renewable energy systems, EV charging infrastructure, heat pump systems, energy distribution	The transition to net zero and sustainable infrastructure is increasing demand for energy and electrical engineering skills.
		2121 – Civil engineers	Sustainable infrastructure design, environmental engineering, transport systems	Government investment in infrastructure and green construction is driving long-term engineering demand.

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
Advanced Manufacturing & Engineering	25 – Manufacture of Fabricated Metal Products (except machinery and equipment)	2122 – Mechanical engineers	CNC machining, CAD/CAM design, robotics and automation, industrial maintenance, precision manufacturing	The region's advanced engineering and manufacturing base requires specialist engineering skills to support modern production systems and product development.
	26 – Manufacture of Computer,	2134 – Programmers and software development professionals	Programming, software engineering, cloud platforms,	Digital transformation and industrial automation are increasing demand for software development and systems

Sector	SIC Codes (Industry)	SOC Occupations in Demand	Technical Skills in Demand	Why Demand is High
	Electronic and Optical Products		systems development, automation software	integration skills across manufacturing sectors.
	27 – Manufacture of Electrical Equipment	2123 – Electrical engineers and electricians	Electrical systems design, control systems, maintenance, renewable energy systems, diagnostics	Electrification, energy infrastructure upgrades, and smart manufacturing technologies are increasing demand for electrical expertise.
	28 – Manufacture of Machinery and Equipment n.e.c.	3113 – Engineering technicians	Equipment maintenance, diagnostics, manufacturing processes, automation systems, fault finding	Technical support roles are increasingly important in automated manufacturing and engineering environments.
		5223 – Metal working production and maintenance fitters	Machining, equipment fitting, CNC operations, industrial maintenance	Precision engineering and machinery manufacturing require skilled machinists and maintenance specialists.
	29 – Manufacture of Motor Vehicles, Trailers and Semi-trailers	1121 – Production managers and directors in manufacturing	Lean manufacturing, process control, quality assurance, health & safety systems, automated production management	Automotive and advanced manufacturing sectors require experienced managers to oversee efficient automated production operations.
	30 – Manufacture of Other Transport Equipment (including aerospace)	2122 – Mechanical engineers	Aerospace engineering, product design, systems integration, advanced manufacturing techniques	Aerospace and transport engineering continue to require highly specialised engineering expertise.
Advanced Manufacturing, Engineering & Digital Technology	Across manufacturing and engineering sectors	2135 – Cyber security professionals	Cyber security, network protection, threat monitoring, industrial control system security	Increasing cyber threats and industrial digitalisation require stronger security across manufacturing and infrastructure systems.
		2137 – IT network professionals	Network infrastructure, cloud computing, systems administration, connectivity management	Smart factories and connected production systems rely on robust IT and network infrastructure.
		2133 – IT specialist managers	Digital transformation, systems implementation, technology management, automation strategy	Businesses are investing in digital systems, automation platforms, and operational technologies to improve productivity and competitiveness.
		3113 – Engineering technicians	Robotics support, automated systems maintenance, diagnostics, process improvement	Automation and robotics are increasingly used across manufacturing and production environments, increasing demand for technical support staff.

Sector	SIC Codes (Industry – SIC 2007)	SOC Occupations in Demand (SOC 2020)	Technical Skills in Demand	Why Demand is High
Office-Based / Digital / Professional / Financial Services	62 – Computer Programming, Consultancy and Related Activities	2134 – Programmers and software development professionals	Software development, programming, cloud computing, systems development, systems architecture	Digital transformation and automation across all sectors are increasing demand for software development and digital systems expertise.
	63 – Information Service Activities	2135 – Cyber security professionals	Cyber security frameworks, network security, threat analysis, data protection, risk management	Organisations are investing heavily in protecting digital infrastructure and sensitive business data from cyber threats.
	64 – Financial Service Activities, except Insurance and Pension Funding	3544 – Data analysts	Data analytics, statistical analysis, dashboard reporting, Power BI, data visualisation	Businesses increasingly rely on data-driven decision-making to improve operational efficiency and strategic planning.
	65 – Insurance, Reinsurance and Pension Funding, except Compulsory Social Security	2137 – IT operations technicians	Network management, systems administration, cloud infrastructure, technical support	Financial and professional organisations rely on resilient IT infrastructure and secure digital systems.
	66 – Activities Auxiliary to Financial Services and Insurance Activities	2425 – Business analysts	Business intelligence, process analysis, systems analysis, requirements gathering	Organisations increasingly rely on business analysts to improve systems, operations, and business performance.
Digital Services, Finance & Public Sector	Across digital and professional service sectors	2135 – Cyber security professionals	Cyber security compliance, penetration testing, threat monitoring, governance frameworks	Increased cyber threats and digitalisation are driving investment in cyber resilience across public and private sectors.
Digital Services & Professional Services	Across digital sectors	2134 – Programmers and software development professionals	Software engineering, API integration, automation systems, cloud platforms	Demand continues to grow due to AI adoption, automation, and digital transformation initiatives.
Digital & Professional Services	Across professional and IT sectors	1258 – IT directors	Digital project delivery, systems implementation, stakeholder management, collaboration platforms	Complex digital transformation projects increasingly require structured project delivery and technology leadership.
		3571 – IT project and programme support occupations	Agile project support, project coordination, reporting systems, collaboration tools	Organisations increasingly require support professionals to coordinate large-scale digital and transformation projects.

Sector	SIC Codes (Industry – SIC 2007)	SOC Occupations in Demand (SOC 2020)	Technical Skills in Demand	Why Demand is High
Digital Services & Financial Services	Across digital and finance sectors	2139 – Information technology professionals n.e.c.	Cloud systems, infrastructure management, systems engineering, platform support	Businesses are increasingly moving to cloud-based systems and require skilled professionals to manage digital infrastructure and services.

Sector	SIC Codes (Industry – SIC 2007)	Official SOC 2020 Occupations in Demand	Technical Skills in Demand	Why Demand is High
Health & Adult Social Care	86 – Human Health Activities	2231 – Nurses	Clinical care, medicines management, safeguarding, care planning, digital care records	Demand is high due to NHS pressures, ageing population, and increasing long-term health conditions.
		2211 – Medical practitioners	Diagnosis, patient assessment, clinical decision-making, digital health systems	Health services continue to face workforce shortages and rising demand for healthcare provision.
		2221 – Physiotherapists	Rehabilitation, mobility support, falls prevention, care pathway planning	Demand is increasing as services focus on prevention, recovery, and independent living.
	87 – Residential Care Activities	1242 – Residential, day and domiciliary care managers and proprietors	CQC compliance, leadership, safeguarding, workforce planning, care quality monitoring	Skills for Care data shows continuing vacancies and turnover across adult social care services.
		6135 – Care workers and home carers	Person-centred care, moving and handling, dementia care, medication support, infection prevention, digital care records	Adult social care remains heavily reliant on direct care staff due to increasing care needs and workforce shortages.
		6136 – Senior care workers	Team leadership, care planning, delegated healthcare activities, safeguarding, risk assessment	Demand is increasing for experienced staff able to supervise teams and support complex care delivery.
	88 – Social Work Activities Without Accommodation	2462 – Social workers	Assessment, safeguarding, mental capacity, care planning, multi-agency working	Increasing complexity of care and safeguarding responsibilities continue to drive demand.
		6135 – Care workers and home carers	Home care, lone working, communication skills, digital care planning	Growth in domiciliary care and community-based support services is increasing workforce demand.

Sector	SIC Codes (Industry – SIC 2007)	Official SOC 2020 Occupations in Demand	Technical Skills in Demand	Why Demand is High
Health, Social Care & Digital Care	Across health and adult social care sectors	2135 – Cyber security professionals	Data protection, cyber security, digital care systems, secure handling of personal data	Increased digitalisation of care services requires stronger cyber resilience and data security.
		3131 – IT operations technicians	Digital systems support, care software support, connectivity, troubleshooting	Care providers increasingly rely on digital care records and connected technologies.
		3544 – Data analysts	Workforce data analysis, dashboard reporting, care quality monitoring, service performance analysis	Providers increasingly use workforce and care data to support planning and quality improvement.

A2.2 - Why this matters to the local and regional economy

This matters because the South Midlands is a large, growing economy with 881,000 jobs, a £56 billion economy, and major investment planned, but it is being held back by skills, participation, mobility and productivity challenges.

The key economics are:

- The region has a productivity gap of 4.6% against England, a lower than average GVA per hour compared with national figures. North Northamptonshire is particularly low at £28.90, while Milton Keynes is above average at £45.10.
- The labour market is tightening, with the potential labour pool at its lowest level in a decade, while employers are increasingly dependent on in-commuting.
- The area will need just over 89,000 additional people in employment by 2034 to meet projected demand.
- Major developments including Oxford Cambridge Corridor (East West Rail), Universal Studios, airport expansion, town centre regeneration, new towns and associated housing growth will create additional demand for technical, supervisory and professional skills.

If technical provision does not respond, the region risks weaker productivity, slower business growth, poorer access to opportunity for residents, and missed benefits from investment. That is why a clearer skills pipeline matters not only for learners and providers, but for competitiveness, productivity and inclusive growth

A2.3 – Datasets for reference

- <https://uktiersponsorslist.co.uk/skilled-worker-visa-occupations-codes>
- <https://cascofweb.warwick.ac.uk/#/classification/soc2020>
- <https://documents.manchester.ac.uk/display.aspx?DocID=75768>
- <https://www.davidsonmorris.com/soc-code/>
- <https://skillsclassification.org/?entities=skills%2Cknowledge-areas%2Coccupations%2Ccoreskills%2Cqualifications>
- <https://www.gov.uk/government/publications/assessment-of-priority-skills-to-2030/assessment-of-priority-skills-to-2030>

Annex B – Activity Table

B1 - Purpose

This Annex sets out the implementation framework for the South Midlands Local Skills Improvement Plan (LSIP) 2026–2029. It establishes the indicators, baselines, targets and data sources for each of the plan's four outcome domains — Employer, Learner, System and Alignment — and sets out the governance arrangements for monitoring and review. Specific lead organisation(s) will be agreed and assigned for each activity as the LSIP moves into the delivery phase and to this end engagement with providers has already commenced.

Data to inform the Plan has been developed through four linked stages.

- Stage 1 identified local skills needs using labour market data, DfE Local Skills Dashboard evidence, local economic strategies, Get Britain Working evidence, Growth Hub intelligence, provider input and employer engagement.
- Stage 2 tested and prioritised skills needs with employers, providers and stakeholders, focusing on scale of demand, economic importance, severity of skills shortages, deliverability and alignment with local growth.
- Stage 3 developed actions with providers and stakeholders, ensuring each action related to a specific skill need and had identifiable delivery partners. As a note, specific lead organisation(s) in outcome domains B2 below, will be agreed and assigned for each activity as the LSIP moves into the delivery phase and to this end engagement with the providers has already commenced.
- Stage 4 is to validate and deliver the plan through governance arrangements, stakeholder interventions/feedback and review.

Challenge → Priorities → Action → Measure

When planning next steps, we will continue to consider the range of responses we received over the last 3 years and look through comments wherever possible for improvement. In order to help deliver the LSIP priorities, we will continue to partner and work with those delivering skills based contracts, (Further Education, Higher Education providers, Adult Learner, Community Learner Services within Local Authorities, National Career Service, Restart, Job Centres, Work and Health Programme providers) plus commissioners such as Crown Commercial Services, Ministry of Justice, Dept of Work and Pensions, Local Authorities, Dept of Education. Trade bodies as well as other Employer Representative Bodies, Employers from all industries/sectors and Skills/Careers Hub

Regional Priorities are identified in Section 4 with evidence, the recommendations and actions are in Section 5, and the measures we will use to know whether we succeeded are detailed in this Annex

- **Section 4** - Strategic Priorities
- **Section 5** - Actions
- **Annex B1A** - Challenge + Recommendation + System Change
- **Annex B2** - Outcome Measures
- **Annex B3** - Monitoring

Baselines will be confirmed in Year 1 (2026–27), with Year 3 targets agreed once baseline data is established. Indicative targets are marked as such in the tables below. All targets will be reviewed annually and recalibrated at a formal mid-term review at the end of Year 2. It provides the delivery structure through which the priorities

and actions identified in the main report will be translated into measurable system change across the South Midlands skills landscape, particularly in relation to:

- Employer-led system change
- Delivery accountability
- Monitoring and review
- Alignment between labour market need and skills provision

The implementation framework has been intentionally designed to maintain a clear line of sight between evidence, priorities and delivery, focus on strategic system change rather than isolated interventions, avoid duplication across partners and programmes and ensure that actions support the full technical education and training spectrum, including entry-level and Level 1 provision

It has been developed in response to the priorities identified through:

- Stakeholder and Employer engagement undertaken across the South Midlands during 2025–2026 (see Annex C for details)
- Labour market analysis from the Office for National Statistics (2024)
- Skills data from the Department for Education Local Skills Dashboard (2024)
- South Midlands Growth Hub Dashboard
- The South Midlands *Get Britain Working Plan* (2025)
- Sector evidence including:
 - Engineering UK (2024)
 - Skills for Care (2024/25)
 - Department for Transport Freight Workforce Data (2024)
 - Department for Energy Security and Net Zero, *Net Zero Workforce Strategy* (2024)
 - Department for Science, Innovation and Technology, *UK Digital Strategy* (updated 2024)

Note: Where data is currently unavailable at LSIP-area level, proxy measures or qualitative assessments will be used in Year 1 while dedicated data collection is established.

B1A – Priority Challenges, Recommendations and Required System Changes

The table below provides the direct link between the evidence presented in Section 4, the actions outlined in Section 5 and the outcome measures contained within this Annex. It demonstrates how employer engagement, labour market intelligence and stakeholder consultation have been translated into specific recommendations, delivery actions and system changes.

Although dates stated are not necessarily final at this point, once discussed and agreed by stakeholders, the LSIP will regularly report back on progress. Delivery gaps, challenges to delivery and changes will be highlighted and milestones with reporting mechanisms developed post publication of the LSIP.

Strategic Priority	Key Challenge Identified	Evidence Base	Recommendation	Required System Change	Linked Section 5 Actions
Construction, Retrofit and Net Zero	Insufficient pipeline of skilled trades, supervisors, retrofit specialists and higher technical occupations.	Employer engagement, CITB Construction Workforce Outlook 2025–2029, East West Rail, Universal UK, Local Authority Growth Plans, DfE Local Skills Dashboard.	Yr 2 Q4 - Expand construction pathways from entry level through to Level 5, aligned to major infrastructure and housing demand.	Curriculum realignment; employer co-design; specialist teaching capacity.	Priority 1 Actions

Strategic Priority	Key Challenge Identified	Evidence Base	Recommendation	Required System Change	Linked Section 5 Actions
Health and Social Care	Recruitment, retention and progression challenges across health and care occupations.	Skills for Care, NHS, Integrated Care Boards, Get Britain Working Plan, employer engagement.	Yr 1 Q4 - Strengthen entry routes, placements and progression pathways from care worker to professional occupations.	Curriculum realignment; system access and inclusion; employer co-design.	Priority 2 Actions
Logistics and Supply Chain	Progression routes remain weak despite strong employment demand.	DfE Local Skills Dashboard, Logistics UK, employer engagement, Growth Hub evidence.	Yr 2 Q3- Develop structured pathways from entry-level logistics roles into supervisory and higher technical occupations.	Employer co-design; curriculum realignment; careers visibility.	Priority 3 Actions
Advanced Manufacturing and Engineering	Shortages of Level 3–5 technicians and specialist engineering skills.	South Midlands Economic Growth Strategy, Silverstone Cluster evidence, Engineering UK, employer engagement.	Yr 3 Q4 - Expand higher technical pathways and strengthen employer-provider collaboration.	Specialist teaching capacity; curriculum realignment; employer co-design.	Priority 4 Actions
Digital, AI and Data Skills	Digital capability gaps affect productivity across all sectors.	Skills England priorities, Lightcast evidence, Growth Hub intelligence, employer engagement.	Yr 3 Q1 - Embed digital, data and AI skills throughout all sector pathways.	Curriculum realignment; specialist teaching capacity.	Priority 5 Actions
Food, Drink, Hospitality and Visitor Economy	Workforce shortages, fragmented progression routes and growing visitor economy demand.	Local Authority Growth Plans, Universal UK investment plans, employer engagement.	Yr 2 Q2 - Develop integrated pathways connecting hospitality, food production, logistics and visitor economy occupations.	Employer co-design; careers visibility.	Priority 6 Actions
Inclusion, NEET, SEND and Entry-Level Pathways	Economic inactivity, NEET participation and barriers to progression reduce workforce participation.	DWP, Careers Hub, Local Authority data, Get Britain Working Plan, stakeholder engagement.	Yr 3 Q1 - Align skills provision with employment support, inclusion programmes and supported progression routes.	System access and inclusion; careers visibility.	Priority 7 Actions
Cross-cutting Skills	Employers consistently report deficits in work readiness, leadership, communication, digital confidence and employability.	Employer engagement, Growth Hub evidence, South Midlands Economic Growth Strategy.	Yr 3 Q4 - Embed employability, leadership and transferable skills across all pathways.	Curriculum realignment; employer co-design.	Applies to all priorities.

B2 - Outcome Domains

Relationship Between Priorities and Outcome Domains - The outcome domains below are designed to measure the success of the strategic priorities identified within Section 4 and the actions outlined in Section 5. The framework is structured around key domains, which together reflect the full cycle of change that LSIP 2.0 seeks to drive: employer engagement and confidence, learner participation and progression, and systemic change in provision.

Specific lead organisation(s) will be agreed and assigned for activities in each domain as the LSIP moves into the delivery phase and to this end engagement with providers has already commenced.

1 Employer Outcomes — Confidence, Engagement and Satisfaction

Employers are both the primary beneficiaries of LSIP 2.0 and its co-designers. Employer outcomes are to be fully agreed with partners and measure whether the skills system is becoming more responsive and trusted.

Indicator	Baseline (Year 1)	Target (Year 3)	Data Source	Lead
Employer satisfaction with local skills provision (% rating provision as meeting their needs)	TBC — Y1 Q2 survey baseline	Improvement by agreed percentage points by Y3	Annual ERB Employer Survey	ERB / Chambers
Employers reporting reduction in skills shortages in priority sectors	TBC — Y1 Q2 baseline (currently ~51.6% report recruitment difficulty)	Agreed percentage point reduction by Y3	ERB Survey / QES	ERB / Growth Hub
Number of SMEs actively engaged with training provision (attended event, used referral, enrolled staff)	TBC — Y1 Q3	Agreed number of SMEs per year by Y2	ERB / Growth Hub engagement log	Growth Hub
Number of employers participating in curriculum co-design activity	TBC — Y1 Q2	Agreed number of employers per year in structured co-design	Provider reports / Task & Finish records	FE/HE Principals
Number of T Level industry placements offered	Current provider data (Y1)	Year-on-year increase; agreed growth annually	Provider data / DfE dashboard	FE colleges
Number of employers rating LSIP communications as clear and useful (plain-English test)	Not currently measured. TBC Y1 Q2	Higher positive rating by Y2 Q1	ERB Employer Survey	ERB

Learner outcomes (to be finalised) track whether more people — including those currently furthest from the labour market — are entering, progressing through and completing technical and vocational routes.

Indicator	Baseline (Year 1)	Target (Year 3)	Data Source	Lead
Enrolments in technical provision aligned to priority sectors (construction, logistics, health, digital, advanced manufacturing, clean energy)	DfE Skills Dashboard Y1 data	Year-on-year growth; agreed increase by Y2 and Y3 Q3 in priority sectors	DfE Skills Dashboard / Provider data	FE/HE providers
Apprenticeship starts in the South Midlands (16–24 and 25+)	DfE Apprenticeship data (current)	Year-on-year growth; net increase from Y1 baseline	DfE Apprenticeship Statistics	ERB / Providers
Apprenticeship completion rates in priority sectors	Current DfE data by SOC/SIC	Match or exceed national average by Y3	DfE National Achievement Rate Tables	FE/ITP providers
Proportion of completers progressing into sustained employment in priority sectors (3-month)	LEO / Destination data Y1 Q2	Agreed percentage of technical completers in employment within 3 months	DfE LEO / Provider destination surveys	FE/HE providers
Number of people from priority cohorts (NEET, SEND, economically inactive, long-term unemployed) entering skills provision	DWP / LA data Y1 Q2	Year-on-year increase; defined numeric target agreed Y1	DWP / LA tracking / Provider data	DWP / LAs / Providers
Reduction in NEET rate across South Midlands LAs	Current DfE 16–17 NEET data by LA	Year-on-year reduction; align to national average or below by Y3	DfE NEET statistics / LA returns	LAs / Careers Hub
T Level starts and completions by sector	Low current figures. Provider data Y1 Q4	Year-on-year growth; target agreed per sector in Y1	Provider data / DfE dashboard	FE colleges

System outcomes (to be ratified with partners) measure whether LSIP 2.0 is driving genuine, lasting change in how the skills system operates — not just activity, but structural improvement.

Indicator	Baseline (Year 1)	Target (Year 3)	Data Source	Lead
Number of curriculum changes directly attributable to LSIP priorities (new modules, amended programmes, retired low-demand provision)	Provider self-report Y1 Q4	Agreed number of curriculum changes across providers by Y3 Q4	Provider accountability statements / Annual LSIP report	FE/HE Principals
Number of licence-to-practice routes addressed (construction, logistics, IT, health care)	LSIP 1.0 evidence base	licence-to-practice routes improved or resolved by Y3	ERB / CITB / sector body evidence	ERB / CITB / OU/Providers
Proportion of FE provider websites / marketing materials that lead with employer-facing skills language (audit)	Not currently audited	meeting employer-facing communication standard by Y2 Q1	ERB communications audit	ERB
Level of collaborative FE–HE–ITP delivery (joint programmes, shared modules, dual delivery agreements)	TBC — Y1 Q4 mapping	At least 5 active FE–HE–ITP collaborations by Y3	Provider reports	FE/HE leads
Number of higher technical qualification (HTQ) pathways aligned to LSIP priority sectors	Current HTQ provision Y1 Q2	Year-on-year growth; new HTQ in each priority sector by Y3	DfE HTQ data / provider reports	HE providers
Number of providers offering green / net zero skills provision at Level 2–5	GSAP mapping Y1 Q3	All anchor providers offering green pathway by Y3	GSAP / LSIF data	ERB / GSAP
Number of employers engaged via IS-8 supply-chain mapping events and sector Task & Finish groups	Current engagement log (~180 stakeholders)	Agreed number of unique employers per year; ≥40% SMEs	ERB engagement log	ERB / Growth Hub

Each outcome indicator contributes to one or more of the seven strategic priorities and enables stakeholders to assess whether the agreed actions are delivering measurable improvements in workforce development, learner progression, employer engagement and system responsiveness.

Strategic Priority	Employer Outcomes	Learner Outcomes	System and Provider Outcomes
Construction, Retrofit and Net Zero	Employer satisfaction, reduction in shortages, placements	Construction enrolments, apprenticeships, progression	Curriculum changes, green skills provision
Health and Social Care	Employer satisfaction, placement opportunities	Care pathway participation, progression, retention	Curriculum alignment, employer partnerships
Logistics and Supply Chain	Employer engagement, recruitment outcomes	Logistics pathway participation and progression	Curriculum redesign, employer co-design
Advanced Manufacturing and Engineering	Employer satisfaction, technician recruitment	Engineering enrolments and completions	Specialist provision and collaboration
Digital, AI and Data Skills	SME engagement, workforce upskilling	Digital participation and progression	Digital curriculum integration
Food, Drink, Hospitality and Visitor Economy	Employer engagement, workforce retention	Sector participation and progression	Improved pathway integration
Inclusion, NEET, SEND and Entry-Level Pathways	Inclusive recruitment activity	Participation and progression of priority cohorts	System access and inclusion improvements

B3 - Monitoring, Review and Reporting

Frequency	Activity	Output
Quarterly	LSIP Delivery Board meeting	KPI dashboard update; issues log; action tracker review
Bi-annually	Provider reporting cycle	Curriculum change log; enrolment and completion data; employer engagement returns
Annually	LSIP Annual Report (published)	Full outcomes report against all KPIs; updated sector evidence; governance review
End of Year 2	Formal Mid-Term Review	Full recalibration of targets; priority sector review; stakeholder validation; Year 3 delivery plan
Annually	Provider Accountability Statements	Each FE provider publishes its contribution to LSIP priorities per DfE requirements
Ongoing	DfE Skills Dashboard monitoring	Quarterly LMI update; vacancy-to-provision alignment check; SOC/SIC gap analysis

B4 - Primary Data Sources

The following data sources underpin the outcomes framework. All are nationally available unless marked as locally constructed:

- DfE Local Skills Dashboard — sector employment, qualification attainment, apprenticeship data
- DfE National Achievement Rate Tables — completion rates by sector and qualification
- DfE Apprenticeship Statistics — starts and completions by geography and sector
- Longitudinal Education Outcomes (LEO) — graduate and learner destinations
- DfE NEET statistics — 16–17 NEET and 'not known' rates by local authority
- ONS Labour Market Statistics — employment, inactivity and vacancy trends
- Lightcast (formerly EMSI Burning Glass) — real-time job posting and skills demand data
- South Midlands Growth Hub engagement data — SME intelligence and employer enquiries (local)
- ERB Annual Employer Survey — employer satisfaction, co-design participation, communication quality (local)
- Provider data returns — enrolments, completions, destinations, curriculum changes (local)
- DWP / Local Authority data — priority cohort numbers, NEET tracking, economic inactivity (local)

B5 - Alignment with Wider Frameworks

This outcomes framework has been designed to nest within, rather than duplicate, existing reporting requirements:

- Get Britain Working Plan (South Midlands) — labour market participation, inactivity and employment outcomes
- DfE LSIP Monitoring Requirements — provider accountability statements, ERB annual reporting
- Local Growth Plan indicators — economic productivity, qualification attainment, sector employment
- Skills England national metrics — apprenticeship starts, HTQ growth, IS-8 sector workforce data
- Net Zero / Clean Energy Jobs Plan — green skills provision, workforce in clean energy sectors

Annex C: Background and Method – including Net Zero, Equality to Opportunity and Governance

C1 - Context

This Annex documents the alignment of the LSIP to guidance and the evidence base, details the Governance and relevant skills data on Environmental and Equality of Opportunity and provides stakeholder engagement data including local, regional and national policy references (Invest 2035, IS8, Net Zero, LLE, HTQs, T Levels) and local evidence (Local Authority Growth Plans, South Midlands GBWP, IS8 master supply chains, AI/Green courses mapping, and DfE/Growth Hub data dashboards).

C2 - LSIP and Stakeholder Collaborations

C2.1 - Who has been engaged?

In developing the LSIP, we have engaged with, and obtained updates from, local and regional employers and other key stakeholders who support the delivery of the LSIP in some way. Stakeholders have shared information about how they are responding to the LSIP and any signs of impact, including information and impact on any projects they have delivered.

The LSIP is also promoted and informed across the following employment and skills organisations, governing bodies and working groups throughout the South Midlands (SM) which is Bedfordshire, Northamptonshire and Milton Keynes: Network groups, Regional sector bodies, NHS, Barnfield College, Bedford College Group, Moulton College, Milton Keynes College Group, Northampton College, STEM Learning, CoSEM, Further Education College Principals Group, South Midlands Universities, West Northamptonshire, Milton Keynes, North Northamptonshire, Luton, Central Bedfordshire and Bedford Borough Councils, Luton Adult Learning, Employment and Skills Provider Forums, Adult Learning and Apprenticeship Performance Board, Integrated Care Place Boards, Military Covenant Regional Board, Northamptonshire Anchor Network, North Northamptonshire Council Skills Working Group, BIG 50 Strategy Vision, Post 16 Engagement into Employment, SEND Employment, regional and local Job Centre Plus, Wider Determinants of Health Economy Employment and Skills, Local Authority Economic Development Officers and Regional Business Survey feedback

C2.2 - Development approach - The LSIP was developed through four linked stages.

- Stage 1 identified local skills needs using labour market data, DfE Local Skills Dashboard evidence, local economic strategies, Get Britain Working evidence, Growth Hub intelligence, provider input and employer engagement.
- Stage 2 tested and prioritised skills needs with employers, providers and stakeholders, focusing on scale of demand, economic importance, severity of skills shortages, deliverability and alignment with local growth.
- Stage 3 developed actions with providers and stakeholders, ensuring each action related to a specific skill need and had identifiable delivery partners.
- Stage 4 is to validate and deliver the plan through governance arrangements, stakeholder interventions/feedback and review. When planning next steps, we will continue to consider the range of responses we received over the last 3 years and look through comments wherever possible for improvement. In order to help deliver the LSIP priorities, we will continue to partner and work with those delivering skills based contracts, (Further Education, Higher Education providers, Adult Learner, Community Learner Services within Local Authorities, National Career Service, Restart, Job Centres, Work and Health Programme providers) plus commissioners such as Crown Commercial Services, Ministry of Justice, Dept of Work and Pensions, Local Authorities, Dept of Education. Trade bodies as well as other Employer Representative Bodies, Employers from all industries/sectors and Skills/Careers Hub

C2.3 - Evidence base

Evidence Source	What the evidence shows	Why this is relevant to the LSIP	Source
Employer and stakeholder engagement through ERB (Chambers of Commerce) and partners	Persistent recruitment difficulties, skills shortages in technical and skilled roles, and challenges in workforce development. Work-readiness, technical shortages, digital gaps, licence-to-practice issues, progression gaps	Provides employer voice on current and emerging skills needs across sectors. Direct stakeholder-facing route for SME's and live business intelligence	Collaborative engagement with stakeholders through events/networking. British Chambers of Commerce, <i>Workforce and People Survey</i> (2024)
South Midlands Growth Hub	High levels of employer engagement and demand for support relating to recruitment, training and workforce development. STEM, foundational skills, productivity, innovation and local economic priorities	Supported cross-cutting skills priorities and alignment with local growth. Offers real-time, local employer intelligence and insight into business needs and barriers to skills investment.	South Midlands Growth Hub website, dashboard and reporting (2025)
Jobcentre Plus / DWP employer insight	Recruitment challenges, vacancy trends and barriers to employment (e.g. Health, skills, inactivity)	Ensures LSIP reflects labour market access issues and supports alignment with employment programmes	DWP District Provision Tool; <i>Get Britain Working</i> framework
FE and HE provider employer engagement	Sector-specific intelligence on skills gaps, curriculum needs and emerging technologies. Provision gaps, teaching workforce constraints, learner demand and progression barriers.	Ensures provision reflects real employer demand and supports co-design of training programmes. Informed actions on curriculum realignment, progression, specialist capacity and collaborative x-skills working.	FE/HE provider engagement (curriculum advisory boards, employer forums)
UK Industrial Strategy (IS8 sector plans)	Identifies 8 priority growth sectors (e.g. Advanced Manufacturing, Digital, Clean Energy) with high growth potential and investment	Ensures LSIP aligns with national economic priorities and future workforce demand	GOV.UK Industrial Strategy Sector Plans (2025)
Advanced Manufacturing Sector Plan	Focus on growth in automotive, aerospace, advanced materials and Manufacturing innovation	Supports regional alignment with Engineering and Manufacturing clusters (e.g. Silverstone)	GOV.UK Industrial Strategy – Advanced Manufacturing Plan
Digital & Technologies Sector Plan	Increasing demand for AI, cybersecurity, data and Digital skills across all sectors	Highlights need for cross-sector Digital capability and future skills pipeline	GOV.UK Industrial Strategy – Digital & Technologies Plan
Strategic Authority – Get South Midlands Working Plan	£56bn economy, 881,000 jobs, 5% employment growth; challenges in productivity and Level 4+ attainment (35.8% vs 39% UK). Confirmed the dual challenge of growth-sector demand and labour market participation.	Provides regional economic context, priority sectors and structural skills challenges. Jobs, economy, employment growth, productivity, inactivity, health barriers and major opportunities.	South Midlands <i>Get Britain Working Plan</i> (2025)

Evidence Source	What the evidence shows	Why this is relevant to the LSIP	Source
Local authority economic strategies	Skills shortages, need for higher-level skills, Digital capability and employability across sectors	Ensures LSIP reflects local economic priorities and growth plans	West Northants Economic Growth Strategy (2025); Central Bedfordshire Local Plan (2050), Bedford Prosperity Plan (2023–28); Luton Economic Framework, North Northants 2050, Milton Keynes Economic Growth Plan
DfE Local Skills Dashboard	Data on employment rates, occupations, qualifications and sector demand at LSIP level	Provides consistent national dataset to validate local and employer evidence. Supported selection of large local employment sectors and progression needs	DfE Local Skills Dashboard
ONS labour market data	Employment trends, sector growth, economic inactivity and workforce demographics	Supports evidence-based understanding of labour market dynamics and future demand	Office for National Statistics (ONS)
Explore Education Statistics (DfE)	Data on occupations in demand, graduate outcomes and progression into employment	Helps identify skills gaps, progression challenges and higher-level skills needs	DfE Explore Education Statistics (LEO, Occupations in Demand)
Skills England priorities and national skills policy	Focus on aligning skills with Industrial Strategy sectors, increasing Level 4+ provision and workforce planning	Ensures LSIP aligns with national skills reforms and funding priorities	Skills England priorities (2025–26); GOV.UK
Clean Energy Industries – Sector Jobs Plan / Skills investment	Target to double investment to £30bn per year by 2035 and expand Green workforce . £1.2bn annual skills investment, expansion of technical education and Engineering skills	Supports development of Green skills (retrofit, EV, energy systems) in LSIP priorities. Highlights scale of national investment and need to align local provision to priority sectors	GOV.UK Clean Energy Jobs Plan. Industrial Strategy

C3 - Governance and implementation

Governance reflects the employer-led nature of the LSIP while including the partners required to deliver change. The LSIP Executive Group oversee implementation, review delivery evidence, consider employer feedback and resolve delivery risks. Sector or theme-based working groups focus on construction/retrofit, health and care, logistics, engineering/manufacturing, digital/AI, food/hospitality, and inclusion/entry-level pathways. These groups will feed a concise dashboard into the Executive Group.

The governance model is also devolution-ready. As local governance arrangements evolve, the ERB will maintain transparent links with the six upper-tier local authorities and any Strategic Authority arrangements, ensuring that LSIP priorities align with Local Growth Plans, Get Britain Working activity and relevant skills funding decisions.

We have existing LSIP Governance and, from 1 April will further formalise governance and any underpinning working groups and formal consultative forums to reflect the employer-led nature of the programme, and for all key stakeholders to be represented. This includes the further and higher education sectors. Our plan ensures transparent governance with a clear escalation path in the event of disagreements, and adopts an outcome-focused approach that aligns with the Get Britain Working Plan objectives and the Local Growth Plan(s). There will be visible engagement with providers and stakeholders, supported by regular communication

C3.1 - Terms of Reference and Partnership and Governance Framework

Delivery of LSIP 2.0 across the South Midlands (Northamptonshire, Milton Keynes and Bedfordshire) is being progressed through structured collaboration between employers, further and higher education providers, independent training providers, local authorities and Strategic Authority representatives.

A formal LSIP Executive Group is being established to oversee implementation for LSIP2.0. The Executive Group includes:

- Senior employer representatives from priority sectors
- Further Education colleges across the three geographies
- Higher Education institutions
- Independent Training Providers
- Local Authority representation
- Strategic Authority representatives (where applicable)
- Careers and employment services

The LSIP 2.0 Executive Group will meet regularly to monitor progress, review labour market intelligence and ensure alignment with Local Growth Plans and wider regional economic strategies. Sector-specific employer advisory panels have also been formed to support curriculum responsiveness and industry relevance.

This governance model ensures that LSIP 2.0 moves from consultation to coordinated system delivery. The ongoing review process will involve:

- reviewing employer skills needs, particularly where up-to-date labour market intelligence suggests that employer skills needs have changed; and ensuring that the LSIP supports new investment projects within an area
- gathering further and higher education specific data, such as learner / graduate outcomes and skills pipeline data (dedicated reporting templates would help ensure systematic evidence collection via a clear reporting format)

- working with providers to implement the actions in the LSIP, to pass on and translate any new information from employers; and to seek updates and feedback on progress in delivering the changes set out in the LSIP
- seeking feedback from employers on the effectiveness of any changes that are being or have been implemented locally as a result of the LSIP
- reviewing activities related to promoting employer engagement in the local skills system, including raising employer awareness of existing provision, and supporting employers to take up apprentices, T Level industry placements and upskilling or reskilling opportunities, as well as offering work placements for further education college teachers, and supporting curriculum design and delivery
- ongoing engagement with stakeholders to ensure that the LSIP continues to dock into local strategies in ways that are mutually reinforcing, including Local Growth Plans and Get Britain Working Plans; and working closely with JobCentre Plus, Careers and guidance providers and other stakeholders who are key to raising learners' demand for new skills
- activities related to monitoring and tracking progress and impact, including submitting regular monitoring reports to Skills England, and drafting and publishing an annual report on progress
- The Annual Accountability Statements that certain further education providers must produce will be used to review the contribution to local skills, including LSIP priorities. Other mechanisms will include Ofsted inspections; college annual reports; reviews of performance; and the DfE Performance Dashboard.

C4 - Employer-led decision-making

This section shows some of the key areas where employer engagement shaped the priorities.

Key Employer messages	Where this is reflected in the LSIP
Candidates may have qualifications but lack practical experience and work-readiness.	Entry-level and Level 1 actions; employer-designed pre-employment routes; work placements.
The skills system is difficult for SMEs to understand.	Employer-facing communications through ERB/Growth Hub; simplified pathway language.
Technical shortages are strongest in trades, technicians, supervisors and digital roles.	Priority sector actions for construction, engineering, logistics, health and digital.
Employers need practical involvement in curriculum, not just consultation.	Sector panels, annual curriculum reviews, co-design workshops, guest teaching and industry exchange.
Progression routes are unclear from entry roles into skilled and higher technical jobs.	Pathway development from entry/Level 1 to Level 8, with emphasis on Level 3-5 bridges.

C4.1 - Breadth and depth of employer engagement

The LSIP has been developed through extensive employer engagement, extending beyond the membership of the Employer Representative Body (ERB). Engagement has included:

- Consultation with some 180 regional stakeholders
- FSB, Chambers of Commerce and business networks, capturing employer sentiment through surveys (e.g. Quarterly Economic Survey) and direct engagement with SMEs and large employers
- South Midlands Growth Hub, providing intelligence from direct business support interactions and identifying workforce challenges across sectors
- Sector-specific engagement, including Logistics, Finance, Construction, Health, Manufacturing and Digital employers, reflecting priority sectors identified in the LSIP
- Jobcentre Plus employer advisers, contributing insight on vacancies, recruitment barriers and workforce access issues
- Provider / employer engagement, including curriculum advisory boards, employer forums/partnership activity
- LSIP specific workstreams and employer networking events

This approach ensures that the LSIP reflects both current and future skills needs, capturing input from a wide range of employers across sectors and sizes, as required by the guidance.

C4.2 - Employer involvement in co-design and investment in skills

The LSIP supports increased employer involvement in the design and delivery of skills provision, in line with guidance expectations. This includes:

- Curriculum co-design, through employer advisory boards and sector engagement
- Work-based learning opportunities, including apprenticeships, T Levels and industry placements
- Industry engagement in delivery, such as guest teaching, staff placements and industry exchange
- Support for employer investment in skills, including improved understanding of training routes and funding opportunities

These mechanisms are designed to ensure that provision is aligned with employer needs and that employers play an active role in shaping the skills system.

C5 - Wider engagement by Stakeholders

This section details **LSIP collaboration and engagement** with the wider skills eco-system in our region

C5.1 - Involvement of providers

All categories of providers have been engaged in the development of the LSIP, including:

- Further Education colleges (with statutory duties under the Act), contributing curriculum insight, employer engagement intelligence and delivery capability
- Higher Education providers, providing evidence on higher-level skills (Levels 4–8), research-led innovation and future workforce needs
- Trade Bodies and Independent Training Providers (ITPs), particularly in relation to apprenticeships, adult skills provision and sector-specific training
- Local authority providers, contributing insight on community learning, adult education and inclusive pathways

Providers have contributed through formal and informal engagement mechanisms, including workshops, consultations, curriculum discussions and partnership forums. This ensures the LSIP reflects the full post-16 system, including both statutory and non-statutory providers.

C5.2 - Engagement with local authorities

The LSIP has been developed in collaboration with local authorities across the South Midlands, drawing on:

- Local economic growth strategies (e.g. West and North Northamptonshire, Central Bedfordshire, Bedford, Luton, Milton Keynes)
- Labour market analysis and economic intelligence
- Business engagement networks and employer-facing services
- Wider functions including regeneration, transport, housing and employment support

Local authorities have provided critical context on:

- priority sectors and growth opportunities
- skills shortages and workforce challenges
- barriers to employment, including transport, Health and deprivation

This aligns with LSIP guidance, which requires ERBs to work closely with local authorities and reflect their economic and skills priorities.

C5.3 – Job Centre Plus

We have a very strong, well established and robust working relationship with Job Centre Plus (JCP) across a number of platforms. The LSIP has been engaged with JCP at a local and regional level since its inception over 3 years ago. As members of the Get South Midlands (Britain) Working Steering Group we have helped inform the content and travel of the plan which also feeds into the LSIP. We have also engaged with JCP and DWP as part of the steering groups for both Workwell and Connect to Work programmes and regularly discuss skills, JCP offers and employer needs on a local level with staff at LSIP and stakeholder events.

JCP are members of the Northamptonshire Chambers of Commerce and, as such, attend employer forums and exhibitions as an exhibitor and presenter. We work with JCP and local Colleges to support the Sector Based Work Academy offer to employers and promote JCP services to employers such as Access to Work, National Careers Service and the Jobs Guarantee. This will continue through the delivery phase of the LSIP and beyond.

C5.4 - Collaborative development and prioritisation of skills needs

The LSIP has been developed through collaborative planning and engagement with partners, including employers, FE and HE providers, local authorities and wider stakeholders.

This has involved:

- Discussions and consultations to identify priority sectors and cross-cutting skills challenges
- Triangulation of evidence, combining employer insight, labour market data and policy priorities
- Identification of shared challenges, including skills shortages, progression gaps, Digital capability and workforce participation
- Prioritisation of actionable solutions, linked to sector demand and delivery capacity

This process ensures that the LSIP is not only evidence-based but also co-produced, reflecting shared ownership across the local skills system.

C5.5 - Agreement on implementation and review

The LSIP is working with a range of partners who support its implementation and ongoing review, including:

- Employers and employer networks
- Further and higher education providers
- Local authorities and Strategic Authority partners
- Jobcentre Plus and employment support services
- Careers services and Careers Hubs
- Growth Hubs and business support organisations

This established a framework for:

- ongoing and meaningful collaboration between partners
- monitoring progress against priorities and actions
- reviewing and updating the plan in response to changing labour market conditions

and ensures that the LSIP is a living document, capable of adapting to future economic and skills changes.

C5.6 - Engagement in shaping priorities, including higher-level skills

Trade bodies, Further and higher education providers, employers and wider stakeholders have been actively involved in shaping LSIP priorities, including those relating to higher-level skills (Levels 4–8).

This includes:

- HE, stakeholder and provider input on future skills needs, particularly in areas such as Engineering, Digital, Health and research-led innovation
- Alignment with higher technical qualifications (HTQs), degree apprenticeships and the Lifelong Learning Entitlement (LLE)
- Identification of progression pathways, from entry-level provision through to higher technical and professional roles
- Recognition of shared challenges, including skills shortages, workforce retention, and the need for stronger progression routes

This ensures that the LSIP reflects both immediate workforce needs and longer-term pipeline requirements, in line with national policy and Skills England priorities.

C5.7 - Why this is relevant

This approach demonstrates that the LSIP has been developed in line with DfE guidance by:

- ensuring broad and representative employer engagement
- involving all parts of the skills system
- aligning with local authority priorities and economic strategies
- supporting collaborative planning and delivery
- embedding employer-led design and accountability

This is critical to ensuring that the LSIP is credible, deliverable and aligned with both local and national priorities, meeting the expectations of the Secretary of State.

C6 - Environmental and Net Zero

C6.1 - Compliance with Section 1(6) of the Skills and Post-16 Education Act 2022

In line with Section 1(6) of the Skills and Post-16 Education Act 2022, the LSIP has given explicit consideration to the skills, capabilities and expertise required for jobs that directly contribute to, or indirectly support, Net Zero, climate adaptation and wider environmental goals.

This has been evidenced through:

- Analysis of national policy, including the Clean Energy Jobs Plan (2025), which identifies the scale of workforce expansion required to deliver clean power by 2030 and Net Zero by 2050
- Regional evidence, including the North Northamptonshire Green Skills report (2026), East Midlands Investment Zone Combined Skills Report (2025), which identifies priority Green sectors such as Construction, retrofit and low-carbon technologies and quantifies workforce demand
- Local economic strategies, including the South Midlands Economic Growth Strategy, which prioritises sustainable growth and the transition to a low-carbon economy

This evidence has been used to:

- Identify priority occupations and sectors linked to Net Zero (e.g. retrofit, Construction, Engineering, energy systems)
- Assess current and future workforce demand and skills gaps
- Inform LSIP priorities relating to technical training, progression pathways and employer-led provision in Green sectors

As a result, our LSIP ensures that local skills provision is aligned with national environmental objectives, supports the development of a low-carbon workforce, and contributes to the delivery of Net Zero and climate adaptation goals.

C6.2 - Green Skills – Challenges, Demand and Relevance to LSIP

The transition to a low-carbon economy is creating significant and urgent demand for Green skills, with national and regional evidence highlighting both growth opportunities and structural workforce challenges.

C6.3 - Scale of demand and workforce challenge

The UK Government's Clean Energy Jobs Plan identifies the need to rapidly expand the domestic workforce to deliver clean power by 2030 and Net Zero by 2050. It states that most regions will need to at least double the size of their clean energy workforce, with some areas requiring even greater expansion depending on sector concentration. The Clean Energy Jobs Plan further emphasises the need to prioritise:

- Engineering and technical occupations
- installation and maintenance roles
- Digital and data skills linked to energy systems and infrastructure

The Plan also identifies growing demand of roles within the sector, overlapping some of the key skill shortage areas. This aligns with wider labour market evidence showing that:

- Green jobs are increasing across sectors such as energy, Construction, transport and Manufacturing
- Demand is being driven by infrastructure investment, decarbonisation targets and regulatory change
- Workforce shortages risk delaying delivery of national Net Zero targets

The East Midlands Investment Zone Combined Skills Report (Gilman & Pickering, 2025) reinforces this, identifying a significant mismatch between workforce demand and current skills supply, particularly in technical and Construction-related roles.

C6.4 - Construction and retrofit as priority Green skills areas

Regional and national evidence consistently identifies **Construction and building retrofit** as critical to delivering Net Zero:

- 39% of UK emissions are linked to buildings
- 29 million homes require retrofit by 2050

This creates substantial demand for:

- energy-efficient Construction
- insulation and retrofit installation
- low-carbon heating systems (e.g. heat pumps)
- electrical and building services Engineering

Workforce modelling for the East Midlands indicates that around 11,000 additional workers per year may be required across the region to meet retrofit and low-carbon Construction demand. This highlights a major pipeline challenge, particularly given existing shortages in Construction trades and technical roles.

C6.5 - Changing skills requirements and occupational demand

Green roles are not limited to new occupations but are increasingly embedded within existing sectors:

- Traditional roles (e.g. electricians, engineers, Construction workers) are evolving to include low-carbon technologies and sustainable practices
- Green jobs typically require higher-level technical, analytical and problem-solving skills, alongside formal training and certification

The Clean Energy Jobs Plan further emphasises the need to prioritise:

- Engineering and technical occupations
- installation and maintenance roles
- Digital and data skills linked to energy systems and infrastructure

C6.6. - Skills system and infrastructure challenges

Evidence highlights several systemic challenges affecting the development of Green skills:

- Insufficient training capacity in specialist areas such as retrofit, heat pumps and renewable technologies
- Shortage of qualified trainers and assessors, particularly in technical disciplines
- Fragmented provision, with uneven access across regions
- Limited data on Green skills participation and outcomes, making workforce planning more difficult

To address this, regional strategies include investment in Green Skills Hubs, designed to support:

- flexible and modular training
- employer-led provision
- collaboration between FE, HE and industry

C6.7 - The South Midlands Green Skills Advisory Panel (GSAP)

An employer-led initiative established to address skills shortages linked to net zero transition and works directly with employers, FE providers and local authorities to identify skills gaps and shape training provision aligned to Green sector demand. Priority sectors include Solar PV installation, Electric vehicle (EV) charging infrastructure, Heat pump installation and retrofit. Colleges such as Barnfield are regular attendees at the GSAP and deliver green skills provision (and led the SDF project which equipped the colleges with teaching equipment for green skills).

C6.8 - Green Skills within Regional Economic Growth Strategy

The South Midlands Economic Growth Strategy identifies sustainable growth and economic transition as central priorities, emphasising the need for skills systems that support innovation, investment and future workforce needs across the region. This includes strengthening skills provision so businesses can adapt to emerging sectors and economic change.

- the need to grow the domestic skills base to meet the demand for clean energy workers. It estimates the scale of the workforce needed and the roles required to deliver the Clean Power 2030 Mission, including the prioritisation of occupations and skill set by region. Across the English regions, most will need to at least double the size of the clean energy workforce, with areas of highest growth requiring the greatest mobilisation of local skill systems to ensure that workforce needs are met.
- In line with Section 1(6) of the Skills and Post-16 Education Act 2022, skills required to directly contribute, or indirectly support, Net Zero, adaptation to climate change or other environmental goals.
- consider the priority occupations required to deliver the clean energy superpower mission, which means clean power by 2030 and accelerating to Net Zero by 2050, set out in the Clean Energy Jobs Plan.

C6.9 - Regional policy alignment and economic strategy

The South Midlands Economic Growth Strategy identifies sustainable growth and economic transition as key priorities, recognising the need to:

- support businesses to adapt to low-carbon technologies
- strengthen the skills system to meet emerging sector demand
- align training provision with future workforce needs

This reinforces the importance of embedding Green skills across multiple sectors, including:

- Construction and infrastructure
- transport and Logistics (e.g. EV infrastructure)
- Advanced Manufacturing
- energy and utilities

C6.10 - Emerging integration of AI, Digital and Green skills

Regional provision is increasingly recognising the intersection between Green skills and Digital/AI capability, particularly in:

- smart energy systems
- data-driven infrastructure and asset management
- Industry 4.0 and sustainable Manufacturing

C6.11 - AI and Green/Net-Zero provision:

The South Midlands AI/Green Courses narrative offers multi-institution collaboration (Cranfield, MK OU, BA Group, The Bedford College Group, Moulton College, Barnfield College, Northampton College) with Level 4–8 pathways, bridging Level 2–3 to Level 4–5, and optimisation of delivery channels for rural access, including:

- Higher Technical Qualifications (HTQs)
- AI and machine learning applications in Engineering
- retrofit and hydrogen safety training

This reflects a shift toward integrated technical skillsets, rather than siloed sector training.

It also includes concrete course lineups (e.g., Hydrogen Safety CPD, Retrofit Level 2, HTQs in AI/ML) and a structured bridge to Industry 4.0 capabilities. This content supports prioritisation of AI/Green skills across Northants–Beds–MK, with a strong case for Industry-ready training and cross-provider progression frameworks and new pathways such as the potential AI growth zone and Chelveston

C6.12 - For the LSIP, the implications are clear:

- There is a need to expand technical training capacity, particularly in Construction, Engineering and energy-related roles
- Skills provision must support both new Green occupations and the transition of existing roles
- Stronger employer engagement and co-design is required to ensure training reflects real workforce demand
- Clear progression pathways (Level 2–8) must be developed to support workforce entry and advancement
- Collaboration across FE, HE and industry is essential to deliver coherent, scalable provision

The transition to Net Zero presents a significant opportunity for economic growth in the South Midlands, but also a substantial workforce challenge. Evidence from national policy and regional analysis shows that demand for Green skills—particularly in Construction, retrofit, Engineering and energy systems—will increase rapidly, requiring expansion of training capacity, workforce pipelines and employer-led provision. In line with statutory requirements, the LSIP plays a critical role in aligning local skills provision with Net Zero priorities, ensuring that the region can meet both current and future demand for Green skills and support the delivery of national environmental goals.

How the LSIP Supports Growth of the Green Skills Base

To address the identified challenges and meet projected workforce demand, the LSIP sets out a coordinated approach to growing the regional Green skills base, aligned with national policy and employer need.

Expanding training provision and capacity

The LSIP supports the expansion of Green skills provision across FE and HE providers, particularly in priority areas such as retrofit, low-carbon Construction, electrical systems and renewable energy technologies. This includes the development of flexible and modular training routes, enabling both new entrants and the existing workforce to access upskilling opportunities.

Strengthening workforce entry pathways

Clear entry routes into Green careers are being developed, including:

- Level 2–3 technical pathways (e.g. Construction, electrical, Engineering)
- Apprenticeships aligned to Green occupations
- Adult retraining and short-course provision

This supports the transition of individuals from economic inactivity into employment, in line with the *Get Britain Working* agenda

Developing progression routes to higher-level skills (Levels 4–8)

The LSIP promotes progression into higher technical and professional roles, including:

- Higher Technical Qualifications (HTQs)
- Degree apprenticeships
- Lifelong Learning Entitlement (LLE)-funded modular provision

This ensures the development of advanced skills required for Engineering, Digital energy systems and innovation-led sectors

Increasing employer-led design and delivery

Employers are actively involved in:

- curriculum design (through advisory boards and sector groups)
- provision of work placements and apprenticeships
- engagement with sector bodies such as CITB and Skills for Care
- investment in training and facilities

This ensures that training is aligned with real-world technologies and workforce demand, particularly in areas such as retrofit and clean energy infrastructure

Investing in infrastructure and specialist facilities

Recent regional investment in Green Skills Hubs (through the Local Skills Improvement Fund) and providers training facilities supported:

- hands-on technical training
- access to industry-standard equipment
- collaboration between providers and employers
- education provision for young people and adults
- flexible short courses
- work experience opportunities
- employer collaboration with colleges and universities.

This addresses capacity constraints and improves the quality of training provision

Integrating Digital and Green skills

The LSIP recognises the increasing overlap between Green technologies and Digital systems, supporting provision that combines:

- AI and data skills
- smart energy systems
- Advanced Manufacturing technologies

This reflects employer demand for multi-skilled technical roles.

Improving access and inclusion

To widen participation, the LSIP supports:

- flexible delivery models (including rural access solutions)
- targeted provision for priority cohorts (e.g. unemployed adults, young people, those with barriers to work)
- stronger links between employment support and skills provision

This ensures that workforce growth is inclusive and responsive to local labour market needs.

C7 - Equality of Opportunity

C7.1 – Context

Equality of opportunity has been a central consideration in the development of the LSIP, recognising that diversifying the talent pool and removing barriers to participation are critical to addressing skills shortages and supporting inclusive economic growth. This aligns with LSIP guidance, which emphasises the need to engage underrepresented groups and address structural barriers to training and employment

Engagement with stakeholders, regional reports and data clearly show that the skills system needs to respond more effectively to people who are often furthest from learning and work, including those who are economically inactive, young people who are NEET, people with SEND or learning difficulties, ex-offenders, people with housing or mental Health needs, refugees, carers, and those at risk of serious violence or homelessness.

“Skills” is too often fragmented for people with complex needs. Many individuals face overlapping barriers such as poor mental Health, low confidence, unstable housing, language barriers, disability, caring responsibilities, offending histories or lack of transport. For these groups, complicated systems can become a barrier in themselves

A consistent message across all the material is that wider societal challenges cannot be addressed by colleges or training providers alone. They require coordinated action across local authorities, employers, Jobcentre Plus, probation, prisons, community organisations, schools, FE providers, Health services, voluntary groups and neighbourhood organisations.

Evidence from Justice and Social Outcomes

Data on post-release outcomes highlights the scale of the challenge - While 63 prisons met accommodation targets on release, only 23 met employment targets at six weeks, with 89 failing to do so. This demonstrates that sustained employment outcomes are significantly harder to achieve than short-term interventions, reinforcing the need for joined-up pathways into skills and work and shows that stable employment outcomes remain much harder to secure than immediate housing support, underlining the need for stronger post-release progression routes into training, work and employer engagement.

Local Context: Milton Keynes, Northamptonshire, Luton and Bedfordshire

Across Milton Keynes, Luton, Northamptonshire and Bedfordshire, local strategies and delivery programmes highlight a consistent set of challenges linked to economic inactivity, inequality and access to opportunity – all aimed at lowering numbers.

- In Luton, economic strategies and regeneration plans identify high levels of deprivation and economic inactivity, alongside significant demand for skills in sectors such as aviation, Construction and Health.
- In Bedfordshire, local growth and prosperity plans highlight skills gaps, low progression into higher-level learning, and barriers linked to transport and rural access.
- In Milton Keynes, despite strong economic performance, there are significant inequalities between communities, with some residents lacking access to higher-level skills and employment opportunities.
- In Central Bedfordshire, whilst headline NEET rates remain comparatively low, the proportion of young people recorded as “not known” highlights ongoing challenges around tracking, engagement, and transition at key points between school, further education, and employment.
- In Northamptonshire, the University of Northampton Hidden Needs Reports and local Economic Growth Strategies highlight lower than UK skills levels, pressure on authorities to ensure priority needs are addressed due to fast population growth and the area has higher than average rates of unemployment and economic inactivity amongst vulnerable groups

These patterns reflect national evidence that economic growth does not automatically translate into inclusive access to skills and employment, reinforcing the need for targeted local interventions.

Why This is Relevant to the LSIP

This evidence is directly relevant to the LSIP because it demonstrates that:

- Skills shortages cannot be addressed without widening participation
- A significant proportion of the potential workforce is currently underrepresented or economically inactive
- Barriers to participation are often non-skills related, requiring integrated support

For the LSIP, this means:

- Skills provision must be inclusive, flexible and accessible, particularly for disadvantaged groups
- Stronger integration is needed between skills, employment, Health and social support systems
- Providers must work collaboratively with local authorities, DWP, employers and community organisations
- Clear progression pathways must be developed to support individuals from entry-level access through to sustainable employment

This aligns with LSIP guidance, which requires plans to consider how diversifying talent pools can help address skills shortages, while also supporting economic inclusion and social mobility.

C7.2 – Key Barriers to Equality of Opportunity

Evidence from stakeholder engagement and national research highlights that many individuals face multiple, overlapping barriers to learning and employment, including:

- Poor mental Health and low confidence
- Housing instability and Financial insecurity
- Language barriers (ESOL needs)
- Disability and SEND
- Caring responsibilities
- Offending histories and lack of post-release support
- Limited access to transport and Digital connectivity

C7.3 - System Challenges and Fragmentation

A consistent finding across all sources is that the skills system can be fragmented and difficult to navigate, particularly for individuals with complex needs.

- Multiple services (skills, employment, Health, housing) often operate separately
- Individuals may struggle to access the right support at the right time
- Progression pathways are often unclear or inconsistent

This is reinforced by wider research, including:

- The Centre for Social Justice (2025), which highlights systemic barriers in education and progression for disadvantaged groups
- The Bell Foundation (2025–2030 Strategy), which identifies language barriers as a key factor limiting access to education and employment
- The Lilac Review and Maple Review, which highlight the importance of inclusive economic participation and removing structural barriers
- Evidence from the British Chambers of Commerce (2025) also shows that employers face challenges in accessing a diverse workforce, with skills shortages linked to underutilised labour pools, including those who are economically inactive or underrepresented.

C7.4 - Key Programmes Supporting Equality of Opportunity/Integrated employment and skills support

Across the South Midlands, local authorities, providers and partners are delivering a range of place-based and targeted interventions to address barriers to skills and employment. The South Midlands is implementing the Get Britain Working approach through local partnerships, focusing on reducing economic inactivity and improving access to employment pathways. This includes coordinated delivery through Jobcentre Plus, local authorities, FE providers and community organisations, supporting individuals with skills training, employability support and access to vacancies.

Connect to Work (DWP)

The Connect to Work programme is part of the wider Get Britain Working agenda and focuses on supporting individuals who are economically inactive or facing multiple barriers into employment. It provides tailored, wraparound support, including skills, employability and Health-related interventions.

Health-led employment support (WorkWell)

Local delivery of the WorkWell programme supports individuals with long-term Health conditions and disabilities to return to work, integrating employment and Health services. This is particularly relevant in areas such as Luton and North Northamptonshire, where economic inactivity linked to Health is higher than average.

Place-based regeneration and inclusion (Pride in Place)

Local areas are engaging with the Pride in Place Programme, which targets neighbourhoods with high deprivation and low participation in skills and employment. The programme supports community-led solutions, improved access to services and stronger local engagement, helping to rebuild pathways into education and work.

This is especially relevant as a robust programme because it focuses on neighbourhoods with the highest deprivation levels and weakest social infrastructure, and is designed to strengthen communities, improve local services and widen opportunity over a 10-year period. Its emphasis on resident-led boards, local engagement and support for underserved groups highlights that skills challenges are not only about qualifications, but also about trust, confidence, belonging, Health, transport, safety and access to community infrastructure. In practice, this means local skills planning must better reflect the wider barriers that prevent participation in learning and employment.

Local authority-led employment and skills programmes

Local government plays an increasingly important role in coordinating employment, skills, Health and social support systems, helping to address barriers faced by disadvantaged groups. This includes integrating services such as adult education, employment support, housing and regeneration. Local Authorities Adult Learning, NEET tracking, SEND employment, regeneration and transport functions are directly relevant to addressing the systemic barriers identified through the LSIP.

Local authorities across Milton Keynes, Luton, Northamptonshire, Central Bedfordshire and Bedfordshire are delivering:

- Early intervention, supported transitions and employer engagement, including targeted work with special schools, mainstream schools, colleges, and employers to develop supported internships, work experience, and inclusive recruitment pathways.
- A range of Adult skills provision /community learning, targeting low-skilled and disadvantaged residents
- Employment and skills support services, including outreach to NEET young people and economically

- inactive adults
- Business engagement programmes, linking employers to local talent pipelines

These programmes are often integrated with housing, regeneration and transport strategies, recognising that access to work is influenced by wider social and economic factors

LSIP 2.0 strengthens this approach by supporting the alignment of Careers Hub activity, employer-led curriculum design, and employment programmes such as Connect to Work with priority sectors – especially in Authorities such as Central Bedfordshire.

This alignment is essential to ensure that young people and learners with Education, Health and Care Plans (EHCPs) are not only engaged in learning but are supported to progress into sustained employment outcomes within local growth sectors.

The Department for Work and Pensions District Provision Tool

This highlights the breadth of support required, including basic skills, employability, Health support, housing, debt advice and youth services, demonstrating that skills provision alone is insufficient without wider support systems. It further demonstrates that many people who are out of work or at risk of exclusion need more than a course or vacancy list.

It maps a broad range of support needs including basic skills, ESOL, employability, debt, domestic abuse, care leavers, ex-offenders, food insecurity, housing, youth support, self-employment and older workers. This points to the importance of a skills offer that is integrated with wider personal and social support.

Targeted support for priority groups

Across the region, provision is increasingly focused on supporting:

- NEET young people and those at risk of disengagement
- Individuals with SEND and learning difficulties
- Refugees and ESOL learners (supported by organisations aligned with The Bell Foundation strategy)
- Ex-offenders and those transitioning from custody
- Individuals experiencing mental Health challenges or social exclusion

This reflects a shift toward wraparound, person-centred support, rather than standalone training provision.

C7.5 - NEET and SEND – the Challenge

Across the South Midlands (Milton Keynes, Bedford Borough, Central Bedfordshire, Luton, North Northamptonshire and West Northamptonshire), NEET young people and learners with SEND represent a significant cohort facing barriers to progression into education, employment and training.

Key challenges in the South Midlands

The data highlights several consistent regional challenges:

- Higher NEET risk among SEND learners / those with SEMH (social, emotional and mental health) needs
- Transition gaps between school, FE and employment, particularly at age 16–19
- High “not known” cohorts, indicating disengagement from the system
- Mental Health and wellbeing challenges, particularly post-pandemic
- Transport and rural access barriers, especially in Northamptonshire and Bedfordshire
- Employer engagement gaps, particularly in providing inclusive opportunities and work experience
- Adult Skills Funding (ASF) for NEETS is not meeting demand as providers use up available ASF to infill for other learner provision

The Youth Voice Census reinforces these findings:

- 66% of young people report a lack of work experience opportunities
- Many report low confidence and limited awareness of career pathways

NEET Data – South Midlands Context

Department for Education data shows that NEET rates for 16–17 year olds typically range between 3%–5% across local authorities, with an additional 5%–10% classified as “not known”, indicating hidden disengagement

- Local authority data indicates variation across the South Midlands:
 - Luton consistently reports higher NEET and “not known” rates than the national average, reflecting higher deprivation and mobility challenges
 - Northamptonshire (North and West) shows persistent NEET cohorts, particularly linked to rural isolation and disadvantage
 - Bedfordshire (Central Bedfordshire and Bedford Borough) shows moderate NEET levels but higher “not known” rates, indicating tracking and engagement challenges
 - Milton Keynes, despite strong economic performance, still has pockets of deprivation and disengagement, particularly in specific wards
- Data also shows that young people with SEND are significantly overrepresented within NEET cohorts, with lower progression into sustained employment

This data indicates that, while headline NEET rates may appear relatively low, the combined NEET and “not known” cohort represents a substantial group of young people at risk of long-term disengagement from education and employment.

- Nationally, young people with SEND are significantly more at risk:
 - Only around 5%–6% of adults with learning disabilities are in paid employment
 - Young people with SEND are over 2x as likely to be NEET compared to those without additional needs
- Wider labour market data from the South Midlands Get Britain Working Plan (2025) highlights:
 - 25.6% of economic inactivity is due to long-term sickness
 - Over 550,000 people aged 16+ live with long-term conditions across the wider region

This demonstrates a strong link between Health, SEND and labour market participation.

C7.6 - What is being done in the South Midlands

Local delivery across Milton Keynes, Luton, Bedfordshire and Northamptonshire is addressing these specific challenges through coordinated programmes:

South Midlands Careers Hub (Gatsby Benchmark delivery)

Works with schools, colleges and employers to improve:

- career readiness and aspiration
- employer encounters and modern work experience
- SEND inclusion in careers provision
- Identify young people at risk of becoming NEET through the roll out of the OnTrack+ tool

FE and provider-led SEND pathways

Colleges and specialist providers across the area are delivering:

- supported internships linked to local employers
- foundation learning programmes for disengaged learners

- SEND-specific provision, including life skills and employability
- Increasing focus on progression from 14–16 provision into post-16 pathways, helping reduce NEET risk

Local authority NEET and inclusion strategies

Local authorities across the region deliver tracking and re-engagement services for NEET young people, targeted outreach for vulnerable groups and partnership working with schools, colleges and employers

C7.7 - Why this is relevant to the LSIP

This issue is critical to the LSIP because:

- The region faces skills shortages across key sectors, while a proportion of young people and adults remain disengaged from the labour market
- NEET and SEND learners represent a significant untapped workforce, particularly for entry-level and progression roles

Addressing these challenges supports:

- economic growth (meeting employer demand)
- social mobility and inclusion

The LSIP supports this by:

- aligning skills provision with employment and support programmes
- improving transition pathways from education into employment
- strengthening employer engagement in inclusive recruitment
- ensuring provision is accessible, flexible and responsive to need

The evidence demonstrates that NEET young people and learners with SEND represent both a significant challenge and a major opportunity for the South Midlands. By strengthening pathways, improving coordination between partners and increasing employer engagement, the LSIP supports a more inclusive and effective skills system, enabling more individuals to progress into sustainable employment and contribute to regional growth

The LSIP engages at all levels regionally with inclusive organisations, DWP and local Job Centres and representatives sit on the GBW and Workwell executive groups, Local Authority SEND employer forums, Local Authority Integrated Care (Place) Boards, The Regional Military Covenant Employer Recognition Scheme Board, Northamptonshire VCSFE Assembly Board and NEET providers

In summary, this evidence supports a more inclusive, place-based approach to skills planning. It shows that meeting current and future skills needs depends not only on technical provision, but on how effectively local systems engage disadvantaged groups, simplify access to support, and build partnerships that connect skills with wider social and economic renewal.

C8 - References and evidence register

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