

07 June 2018

**Minister of State for Apprenticeships and Skills, The Rt Hon Anne Milton MP**

**Purpose of report**

For information.

**Summary**

This paper provides background to the LGA Councillors' Forum discussion with the Minister of State for Apprenticeships and Skills, The Rt Hon Anne Milton MP.

**Recommendation**

That the LGA Councillors' Forum notes this report as background.

**Action**

As directed by Members.

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## **Minister of State for Apprenticeships and Skills, The Rt Hon Anne Milton MP**

### **Background**

1. The LGA met with the Rt Hon Anne Milton MP in February 2018 to discuss how councils and combined authorities can help coordinate the post 16 skills system locally. This is a key recommendation of the LGA's Work Local proposals<sup>1</sup>, launched at our annual conference last year.
2. It was made clear that while post 16 skills reforms are welcome, without a sufficient join up or focus on 'place', they risk being stand-alone. Much more could be achieved through a strategic partnership on the design, commissioning and oversight of skills policy and funding which can ultimately help areas to coordinate the skills offer locally.
3. The Minister was supportive of closer working between the Department for Education (DfE), the LGA and its member authorities. She also personally committed to engaging more with LGA forums to get a better understanding of what is happening on the ground. The Minister's commitment is both very welcome and positive especially as DfE has not traditionally engaged with councils on post 16 skills, so the LGA is keen to engage her. Officers are now developing the foundations for a strategic and operational partnership.
4. Her attendance at Councillors Forum is an important opportunity for Members to learn more about the Government's skills reforms and plans to work with local areas, share LGA and member authority views, and highlight the positive role councils and combined authorities can plan in skills. **See appendix A for biography.**
5. Cllrs Sir Richard Leese and Mark Hawthorne from the City Regions and People and Places Boards, which lead LGA's work in this area, will meet the Minister directly afterwards.

### **The post 16 skills and employment system**

6. Notwithstanding the potential reduced reliance on EU workers, we face multiple skills challenges. For instance, nine million lack basic skills, and the proportion of residents with low qualifications ranges from 1/3 in parts of the West Midlands to 1/17 in parts of London. Research for the LGA reveals that the system is not prepared for future employer need either. By 2024, a growing skills gap will result in 4 million too few high skilled people to fill demand and 8 million too many intermediate and low skilled than there are jobs<sup>2</sup>. This is holding back the local and national economy.

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<sup>1</sup> <https://www.local.gov.uk/topics/employment-and-skills/work-local>

<sup>2</sup> <https://www.local.gov.uk/work-local-our-vision-integrated-and-devolved-employment-and-skills-services-full-report>

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7. This is despite £10.5 billion of employment and skills funding (2016/2017) nationally commissioned by eight different Whitehall departments or agencies across 20 different national schemes. This results in a confusing picture for learners and fragmented and often competing provision on the ground. It is important that this the system is better coordinated, particularly in the context of Brexit and the Industrial Strategy.
8. To DfE's credit, it recognises the system needs to work more effectively, and has announced a suite of new national initiatives. These include reforms to:
  - 8.1. achieve parity between technical and academic routes (T levels and apprenticeships);
  - 8.2. renewed focus on adult re-skilling (national retraining scheme) and
  - 8.3. Government acknowledging skills policy must be more local (skills advisory panels). Devolving the adult education budget to mayoral combined authorities has already seen more collaborative work between MCAs and the DfE.
  - 8.4. digital skills partnerships (developed by DCMS);
9. While these are positive and important policies, without a focus on 'place', they risk being standalone. There are clear benefits nationally and locally to defining how these could be designed, planned and coordinated locally to target training of the current and future workforce.

### **Work Local – the LGA long term vision**

10. Councils and combined authorities want to be able to coordinate efforts of local and national partners and agencies around agreed objectives to improve social mobility by improving skills and increasing employment so that young people and adults can achieve their potential. This coordination is crucial to ensuring the skills system can successfully adapt to changing economic conditions across the country.
11. Work Local is our long term goal and vision. It provides a framework for how this vital join up can be achieved. Coordinated by CAs and groups of councils, partnerships can plan, commission and have oversight of careers advice, employment, skills, apprenticeship provision in places, providing a coherent offer for the unemployed and low skilled, and forging links between training employers and providers. Across a medium sized combined authority, this could each year result in 8500 people off out of work benefits, 6000 people attaining better skills, additional fiscal benefits of £280 million and a benefit to the economy of £420 million.

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**Recent developments – building a strategic partnership with DfE**

12. Given local coordination and influence over post 16 skills is a priority for the sector and is a key recommendation of Work Local, the LGA is keen to develop a relationship with DfE politicians and their officials. It is for this reason that the LGA sought a meeting with the Apprenticeship and Skills Minister, the Rt. Hon Anne Milton MP. They met in February and agreed to closer partnership between the Department and the sector. Since then, officials from both sides are developing a process through which this can be achieved. We aim to focus this on a set of key issues for the sector and DfE. These are currently being developed.

**Topical issues for discussion**

13. The Minister will be interested to hear about the positive work being done locally around this agenda.

14. It would be particularly useful to highlight any work councils and combined authorities are doing to help raise awareness and take up of the apprenticeship levy among employers within your local areas.

**Financial implications**

15. Work on this policy agenda will be done within existing policy budgets.

**Implications for Wales**

16. Skills policy is a devolved matter, but the LGA liaises works with WLGA colleagues.

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**APPENDIX A**



**Ministerial biography**

1. Anne Milton was appointed Minister of State for Apprenticeships and Skills at the Department for Education on 12 June 2017. She served as Minister for Women from 2017 to 2018, and from 2010 and 2012 as Parliamentary Under-Secretary of State (Public Health). In between this time, she was appointed to the government as a whip with responsibility for HM Treasury and HM Household.
2. She has served as MP for Guildford since 2005. Between 1999 and 2004, she was a councillor for the Borough of Reigate and Banstead, Conservative Group leader from 2000 to 2003 and a member of the South East England Regional Assembly.
3. Anne was born in 1955 and was educated at Haywards Heath Grammar School. She trained as a nurse at St Bartholomew's Hospital in London and obtained a diploma in district nursing from the London South Bank University. She worked for the NHS for 25 years, as a district nurse and for people requiring palliative care.
4. The Minister's responsibilities include:
  - 4.1. apprenticeships including the apprenticeship levy, traineeships and institutes of technology
  - 4.2. technical education and skills, including T-levels
  - 4.3. careers education, information and guidance
  - 4.4. post-16 funding (including support for young people and adult learners)
  - 4.5. further education colleges, sixth-form colleges and local patterns of provision (including area reviews and city deals)
  - 4.6. adult education, including the National Retraining Scheme and links to the review of post-18 education and funding
  - 4.7. reducing the number of young people not in education, employment or training
  - 4.8. the Department for Education non-executive board