

#### London. Stansted. Cambridge. Consortium

## The UK Innovation Corridor's Regional Skills Concordat:

delivering skills, productivity and innovation that enable people, businesses and places to thrive globally in an inclusive regional economy



UK Innovation Corridor (UKIC) All Party Parliamentary Group Co-Chairs Vice-Chairs Secretary Daniel Zeichner MP and Kemi Badenoch MP Mark Prisk MP, Joan Ryan MP and Lord Hasselhurst Secretary



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#### INTRODUCTION

The UK Innovation Corridor (UKIC)'s Regional Skills Concordat represents a unique collaborative response by the further education and skills sector to one of the key recommendations made by Sir Harvey McGrath in the London Stansted Cambridge Consortium (LSCC)'s Growth Commission Report 2016, namely

to build collaboration between local stakeholders and businesses and develop a Corridor-wide approach to placemaking integrating economic development, skills, land use planning, infrastructure and transport by capturing and promoting the individual aspirations of the communities that comprise the Innovation Corridor

Further Education (FE) Colleges along this key Corridor of the UK, together with their subsidiary employer-led training businesses and specialist colleges such as Stansted Airport College, iMET and Ada - the Digital College, form the backbone of skills delivery in local places and for local residents.

By engaging with employers and working with them and each other on current and future skills needs of local communities, FE College Principals in this part of the country are leading the way by demonstrating their collective ambition to tackle the nation's skills challenges; at a regional economic geography level, and by working together across local authority and LEP boundaries for the wider benefit of the people and employers they serve.

We believe this is a 'first' for England and this 'think piece' highlights the rationale behind the Concordat as well as the goals of its signatories.

As Chair of the LSCC, and on behalf of the Consortium, I warmly welcome this regional approach to solving some of the UK skills system's issues by adopting a cohesive and cooperative provider approach that works in the interests of learners and employers.



**Dr Ann Limb CBE DL** Chair London Stansted Cambridge Consortium



### THE UK'S INNOVATION CORRIDOR

**THE UK's INNOVATION CORRIDOR (UKIC)** is all about next generation science and technology, powered by London and Cambridge<sup>1</sup>. UKIC is a non-statutory partnership of local authorities, businesses, colleges, universities, and Local Enterprise Partnerships.

The Corridor is located along a radial economic geography that is based on two major rail lines (the East Coast Mainline and West Anglia Mainline) and three roads (the A1(M), A10 and M11). These link north and east London through Hertfordshire and Essex to Cambridge and Peterborough. At either end of the Corridor are the two globally-recognised Mayoral Combined Authorities (MCAs) of London and Cambridgeshire and Peterborough.

UKIC links to the Oxford-Cambridge Arc to the north and west and the Thames Estuary to the south and east. Nearly one in seven UK jobs lies within ten kilometres of the Corridor and its workforce of 1.8 million people currently delivers productivity which is 16% higher than the UK average.

UKIC is operated through a voluntary body, known as the London Stansted Cambridge Consortium (LSCC) that comprises the partners of UKIC as indicated above. The LSCC provides advocacy, brokerage, and coordination on behalf of UKIC's partners. Primarily this takes the form of the promotion of the region's economy and infrastructure by harnessing its collective strengths as a globally-renowned and competitive Corridor for biomedical sciences, advanced technology, and business innovation.

#### THE UK'S INNOVATION CORRIDOR IS A REGION WITH A GLOBAL PEDIGREE<sup>2</sup>:



Nearly **one in seven UK jobs** are located within 10km of the UK's Innovation Corridor



**Productivity is 16 per cent higher** than the national average, and growing



Businesses in the region collectively **turn over** £121 billion a year



Post-recession **jobs** growth is two and a half times the UK average



A population of **2.7 million residents** and a workforce of 1.8 million people



**Growth** in the UK's Innovation Corridor **has outpaced all other parts of the country** over the last decade.



<sup>1</sup> The UKIC's website is at https://innovationcorridor.uk/

<sup>2</sup> Taken from the LSCC's Growth Commission report, 2016, available at http://www.lsccgrowthcommission.org.uk/

#### THE UK'S INNOVATION CORRIDOR HAS HUGE OPPORTUNITY FOR GROWTH BECAUSE:



there is space for development in one of the UK's **fastest** growing regions



it is well connected and has potential for increased transport growth; Stansted and London City Airports provide connections to over 200 global destinations; St Pancras has fast rail connections to Europe



there exists **a high** concentration of world-class bioscience and high-tech businesses alongside worldrenowned research labs; there are 4,500 knowledgeintensive companies within 25 miles of Cambridge



**more patents** are registered per capita in Cambridge than in Silicon Valley



the **world-class academic institutions** of Cambridge University and UCL, that power an ecosystem vital to maintaining the UK's competitive edge, are linked



the UK's Innovation Corridor **includes two globally renowned Mayoral entities** of London and Cambridgeshire & Peterborough. These link with the fast-growing Harlow Garden Town and regenerating Stevenage, each supported by the innovative and growth-oriented County Councils of Essex and Hertfordshire giving a unique and distinctive strategic political advantage to this part of the United Kingdom.



### UKIC's ASPIRATIONS

In the Foreword to his 2016 LSCC Growth Commission report, the Commission Chairman, Sir Harvey McGrath said:

The London Stansted Cambridge Corridor represents a unique opportunity to build the next global knowledge region in the UK... our 20-year vision is for the London Stansted Cambridge Corridor to become one of the top five global knowledge regions, alongside San Francisco – Silicon Valley, Boston Route 128, and The Triangle.

Chief among the Commission's recommendations were that the Consortium should build collaboration between local stakeholders and businesses and develop a Corridor-wide approach to placemaking integrating economic development, skills, land use planning, infrastructure and transport by capturing and promoting the individual aspirations of the communities that comprise the Innovation Corridor.

Consortium members are working hard to do this and have developed six 'asks' of Government to help the Innovation Corridor achieve its ambitions:



To promote globally the UK's Innovation Corridor as the country's key life sciences and agritech Corridor, uniquely able to compete with global competitors



To deliver investment in housing in order to unlock matched and enhanced privatesector funding, and give strategic endorsement to collaborative housing growth and spatial planning initiatives being taken by local authorities along the Corridor



To deliver investment in key road, rail and digital infrastructure e.g. along the M11, A10 and A1(M); including four-tracking of the West Anglia mainline, improvements to Ely junction and in smart initiatives such as the West Essex and East Herts Digital Innovation Zone



To facilitate the establishment of a strategically significant subnational transport body through enhanced collaboration between Transport East and England's Economic Heartland



To endorse stronger working between LSCC and the five Local Economic Partnerships (LEPs) from London to the Wash (the IC5) to develop a powerful and integrated UK Innovation Corridor Industrial Strategy



To give policy support to stimulate greater cooperation between universities, colleges, skills providers, LEPs, local authorities and employers in order to raise levels of productivity and skills.



Among the benefits that would be delivered are the creation of 120,000 new jobs, the building of 200,000 new homes between now and 2030 and the contribution of £15 billion of growth to the national post-Brexit economy.



The responsibility for driving this regional economy forward rests with the stakeholders who know the Corridor and work within it. There is already significant capacity to think and work innovatively, and in a joined-up way.

A powerful manifestation of this innovative collaboration in action is found in the skills ambitions of the Corridor's providers and employers who have united to create this Regional Skills Concordat for the Innovation Corridor, the first of its kind in the UK



#### A FOCUS ON SKILLS AND PRODUCTIVITY

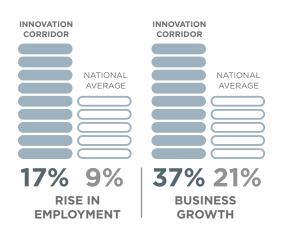
The Consortium counts a number of major local employers among the Innovation Corridor's keenest supporters, and they all agree on one thing – the need to be able to "attract, train and retain a workforce from within the local population that will enable us to carry out our core functions effectively."<sup>3</sup>

The 2016 Growth Commission considered the evidence of a number of case studies drawn from globally-successful regions and areas<sup>4</sup>, and noted that several areas experienced very quick initial growth focused on importing high-end talent to work in new industries. But several regions, including Silicon Valley and the area around New York City, had struggled to retain their relevance to, and support from, local communities who perceived that the opportunities on offer would never be for them.

The Commission was clear in its recommendations regarding workforce skills:

We cannot continue to rely disproportionately on our ability to attract skilled labour from the rest of the UK and overseas. We need to support the development of sustainable and inclusive communities by ensuring they are involved in, and benefit from, our vision for an economy founded on tech and life science<sup>5</sup>.

The Innovation Corridor is growing, in terms of both employment and business, faster than any other region in England (and much faster than the England average). Since 2012, employment has risen by 17% (against a national average of 9%), while business growth



stands at 37% (against a national average of 21%). Employment growth has been especially impressive in Life Sciences, IT and Digital, the Knowledge Economy and Food Production, and business growth is above national average rates in all of the Corridor's key sectors.<sup>6</sup>

The Corridor's economy is strong, and there are many opportunities for local people to take advantage of, but research also shows the high degree of specialisation occurring in all the major growth sectors within the Corridor, meaning that local people will need to develop increasingly specialised skills if they are to be able to access these opportunities.

Much has been written and considered about the increasingly 'hourglass' nature of our economies<sup>7</sup>. The UK's Innovation Corridor is no exception to this – the most recent ONS statistics show that, just since the time of the Growth Commission in 2016, the proportion of high-skilled jobs in Cambridgeshire and Peterborough has risen from





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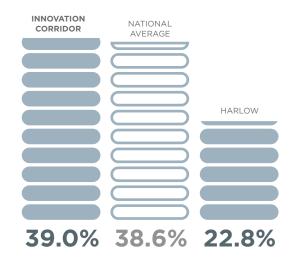
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46.1% to 48.1%, while administrative and other midlevel skills roles have fallen from 19.9% to 18.7%<sup>8</sup>. There is a similar picture in Harlow, where high-skilled jobs have risen from 35.1% to 37.6% over the same period, although here there remains significant demand for mid- and lower-level skilled workers.

It may be argued that the Corridor is better equipped than many regions to deal with this – in Cambridge and Peterborough in 2018, 39% of residents were qualified to level 4 or above (compared to a national average of 38.6%). But in Harlow, the figure was just 22.8%, suggesting a significant gap in the local workforce's ability to step into the jobs not just of the future, but even of the present.





The risk to the UK Innovation Corridor's ambitions is clear.

There is a danger that the local population feels itself too far removed from the possibilities of the future to squeeze through the middle of the hourglass and does not therefore see itself as a beneficiary of the bright future ahead. Meanwhile, those employers needing a highly-skilled workforce will see no alternative but to import it from elsewhere, leading to a disconnect between them and the communities they should be serving.

National policy is seeking to do something about this. Initiatives such as the introduction of T-levels and the creation of Institutes of Technology may bring higher-level, sector-appropriate skills within the reach of more young people especially, but four additional factors also prevail:

- Many national policy initiatives lack sufficient 'grounding' in local or regional need and may serve to encourage greater migration to other centres where the work prospects are more appealing
- Efforts to make technical education more attractive as an option may shift the mode of study of those young people already equipped to become highly-skilled if they fail to also signpost routes to success to the majority of local people
- Much effort is focused on the needs of young people, while little is done to ensure that adults have the same opportunities to refresh, update and transfer their skills and experience into new industries
- The development of training programmes is often led nationally and focuses on meeting immediate needs, rather than future-proofing by taking a more long-term approach to the skills that people are likely to need.

<sup>7</sup> For practical considerations in regard to this, for example, see examples from the Greater London Authority at https://www.london. gov.uk/sites/default/files/londonslabourmarketfinal.pdf and the Greater Manchester Authority at https://secure.manchester.gov.uk/ download/meetings/id/24313/5\_the\_changing\_nature\_of\_the\_labour\_market\_and\_implications\_for\_the\_skills\_system\_in\_greater\_ manchester\_and\_manchester



<sup>&</sup>lt;sup>3</sup> Quote from an interview with representatives of Public Health England, who are planning a major relocation to Harlow in the early 2020s that will create over 2500 new jobs for local people

 $<sup>^4</sup>$  A summary is available at http://www.lsccgrowthcommission.org.uk/?p=782

<sup>&</sup>lt;sup>5</sup> The full report is available at http://www.lsccgrowthcommission.org.uk/wp-content/uploads/2016/07/LSCC-Growth-Commission-Final-Report-full.pdf

<sup>&</sup>lt;sup>6</sup> Figures taken from forthcoming UKIC Prospectus, Hatch Regeneris 2019

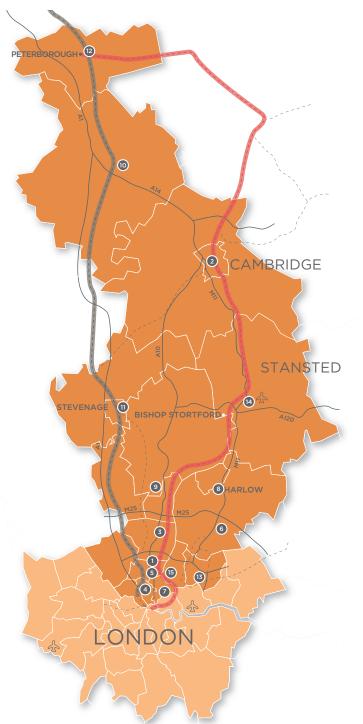
# SKILLS PROVISION IN THE CORRIDOR

The UK's Innovation Corridor is exceptionally well served by education providers covering the populations from North and East London to the Wash.

Higher Education providers include Anglia Ruskin University, the University of Cambridge, the University of Hertfordshire, the University of Essex, Middlesex University, University College London (UCL), Imperial College London and the University of the Arts London, alongside several other HE providers who serve the Corridor and its surrounding areas.

Further Education provision includes Peterborough Regional College, Cambridge Regional College, iMET at Alconbury, North Hertfordshire College, Hertford Regional College, Harlow College, Stansted Airport College, Waltham Forest College, three colleges within the New City College Group (Epping Forest, Hackney and Redbridge), two colleges within the Capital City Colleges Group (City and Islington and the College of Haringey, Enfield and North East London), Capel Manor College and Ada - the National College for Digital Skills.









Along with a network of private training and adult education providers, University Technical Colleges and Sixth Form Colleges, UKIC has significant expertise at its disposal to make a step change in collaborative efforts to deliver the change that will help fulfil the collective ambitions of the Corridor.

There is already innovation within the region in regard to education and skills. Within the last year, Stansted Airport College has opened, bringing an employer-led curriculum in engineering, aviation, business and hospitality to an important part of the Corridor. At the northern end of the Corridor, iMET has opened as an advanced manufacturing, engineering and technology training centre in Alconbury. Both of these developments are the result of strong collaborations between colleges and employers and make a significant contribution to the skills needs of the region.

The clear theme running through the Growth Commission recommendations in regard to skills was **collaboration** – better links between employers and providers, enabling the sharing of ideas and best practice within the Corridor and mobilising all stakeholders to increase access to opportunity. The aim of securely linking education providers to their 'place' has been acknowledged elsewhere in the UK, with the recent Civic University Commission making a strong case for this in HE<sup>9</sup>, and the publication of a collaborative HE prospectus within the Oxford-Cambridge Arc.

Some of the Innovation Corridor's international competitors have realised the importance of this, too. In North Carolina, universities within The Triangle have established a formal collaboration based in one research park to cement their common ambitions<sup>10</sup>. In Massachusetts, the state-wide organisation of community colleges has recently established a formal collaboration with Northeastern University focused on the collaborative upskilling of teachers and tutors<sup>11</sup>.

The benefits of linking skills development to 'place' are well-attested in the Corridor's international competitors. In areas that benefit from relatively low levels of unemployment (such as the Innovation Corridor), real differences can be made to the employment prospects of the local population by combining a strong focus on skills development with joined-up approaches to infrastructure challenges and the provision of adequate levels of housing. Delivering skills without infrastructure and housing brings the risk that local people will move away to places where work can be more easily accessed. The Consortium is uniquely well placed to ensure that all three issues are tackled as part of the whole.



<sup>9</sup> See https://upp-foundation.org/wp-content/uploads/2019/02/Civic-University-Commission-Final-Report.pdf <sup>10</sup> See https://www.rtp.org/tucasi/

<sup>11</sup> See https://www.masscc.org/partnerships-initiatives/northeastern-university-partnership

The following excerpt has been taken with permission from the State of Transformation publication by the Public Service Transformation Academy, courtesy of Jonathan Flowers and Robert Pollock and illustrates this point further:

"Lifting themselves up above the very large Local Enterprise Partnership infrastructure in their part of the world a number of organisations including local councils, private sector companies and universities and colleges in 2013 formed the London to Cambridge (via Stevenage, Harlow and Stansted) Innovation Corridor. This alliance of partner organisations, who share costs, is a model of relevant local determination combined, cunningly, with an All-Party Parliamentary Group dedicated to press the regional economic case in Parliament. Importantly it has a very strong focus on skills and productivity. When we wrote the original report the skills agenda was less pressing but without doubt it is now a critical part of the local public service mix. This coalition of the willing demonstrates that world-class sci-tech innovation can collaborate effectively with the local public sector."

## The case therefore for harnessing expertise in skills delivery throughout the UKIC that could deliver a place-based, systemic change by adopting a longer-term and more collaborative approach is compelling and evidence-based.

Such an approach will

- O deliver a resident workforce fit for the future
- O raise the skills and productivity levels of those already in work
- O encourage those who provide education and training to work together to find solutions
- use the devolved powers of the two MCAs of London and Cambridge and Peterborough over adult education funding for broader regional benefit.

The Consortium has a successful track record in helping to advocate, broker and coordinate on behalf of partners. Its role is to facilitate enhanced collaboration and collective delivery between businesses, colleges, independent training providers, universities, specialist institutions, UTCs and schools. It helps to create the space for its members to

- DISCUSS and THINK innovatively about the skills of the future and the 'system' that will best deliver them
- **O** DESIGN and DELIVER innovatively with direct benefit to local people and to members
- **O** INFLUENCE collectively those with the power to support new approaches.

A commitment to work together in this way in order to overcome sectoral boundaries or traditional attitudes, and to pioneer skills innovation along a significant global Corridor is demonstrated by those organisations signing up to the **UKIC's Regional Skills Concordat**.



#### A REGIONAL SKILLS CONCORDAT: A FIRST FOR THE UK

Since the publication of the Growth Commission report in 2016, the Consortium has built a strong coalition of local authorities, employers, education providers and others. Discussions have helped to distil the critical areas where the Concordat will support significant progress in regard to skills and productivity.

Concordat signatories will come together to work on a number of activities which respond directly to identified challenges. Among these challenges are the following:

- Many employers would like it to be easier to engage with the skills system and benefit from more thorough analysis of their current and future skills needs
- Many skills initiatives are limited in scope, either in terms of geography or time, and their benefits could be spread more widely
- The skills system could be more responsive in developing programmes for emerging sectors or engaging with sector-led skills initiatives
- It is difficult to ensure that the skills of teachers remain up-to-date in the face of swift technological change
- 5. Levels of investment in skills development could be higher, especially if coordinated at a regional level.

These activities will evolve with time, and with the engagement of different participants, but an initial 'menu of opportunities' will include the following:

 The development of a clear vision for skills development in the Corridor, along with a prospectus of opportunities and the clear description of pathways into high-skilled employment which will be used to make it easier for employers and for local people to engage with the system as a whole and to facilitate more wide-ranging programmes of support for employers seeking to upskill their existing workforce<sup>12</sup>

- 2. A project to identify emerging sectors, such as advanced housebuilding, agritech or technician work in life sciences, or opportunities to re-skill or upskill adults already in the workforce, such as those with broad advanced manufacturing skills which are much in demand within life sciences. A collaborative approach will be taken to 'mapping' and 'building' programmes which respond to current and future need and this would include an approach to aggregating demand and supply across the region and engaging proactively with developing sector skills strategies, such as the life sciences work being led by SIP Cambridge<sup>13</sup>
- 3. A comprehensive strategy for the recruitment and upskilling of teachers within the regional skills system, building on initiatives being delivered within individual LEP areas<sup>14</sup> and ensuring that there are incentives for skilled professionals to also become skilled teachers
- 4. The development of a regional framework for educational delivery outcomes that: reflects both employment and societal benefit; and demonstrates the returns that can be secured from increased public and employer investment in skills development; and can be used to influence policy development for the long-term.

<sup>&</sup>lt;sup>s</sup> Details can be found at https://www.gov.uk/government/publications/life-sciences-sector-deal/life-sciences-sector-deal-2-2018 <sup>s</sup> See for example SELEP's approach to teacher bursaries at https://www.southeastlep.com/app/uploads/2018/12/Delivering-Skills-forhe-Future-SSF-Application.pdf



<sup>&</sup>lt;sup>12</sup> Similar work has been undertaken in Scotland - see https://www.skillsdevelopmentscotland.co.uk/media/44684/skills-40\_a-skillsmodel.pdf

#### A REGIONAL SKILLS CONCORDAT: A FIRST FOR THE UK

#### Please complete this form

A commitment to work together to overcome sectoral boundaries or traditional attitudes, and to pioneer skills innovation along a significant global Corridor is demonstrated by signing up to the **UKIC's Regional Skills Concordat**.

Please complete this form and return it with a high resolution logo to: John McGill via John.McGill@haringey.gov.uk





#### ORGANISATIONS INVOLVED: FOUNDING SIGNATORIES

The following organisations in the Innovation Corridor are founding signatories to this 'Regional Skills Concordat'. All support the notion that regional economic growth and increased levels of skills and productivity benefit everyone. The wider experience of the LSCC as a whole demonstrates that collaborative working enhances and accelerates any developments undertaken by individual Consortium members. The creation of Local Industrial Strategies by LEPs along the Corridor further emphasises that this is the right time for collective action on skills and productivity to be taken jointly by providers and employees.

Engagement in the UKIC's Regional Skills Concordat delivers

- the opportunity to share each organisation's work, spread the benefits and learn from others
- promotion of each organisation's work through the UKIC website and marketing channels aimed at business and foreign investment
- O introductions to new businesses and commercial opportunities
- the opportunity to secure a 'voice' at UKIC's high profile parliamentary and public affairs activities
- a collective approach to securing future business in partnership with government and other key stakeholders.

The UKIC Regional Skills Concordat offers the chance to be part of something big, to change the way in which we work together and to deliver the aspirations of the UK's Innovation Corridor as a truly inclusive global economy in which everyone can play their full part.









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