

Skills advisory panels

Who should read this briefing

This will be of particular interest to sustainability and transformation partnership (STP) and integrated care system (ICS) leaders, including those responsible for strategy and workforce, and NHS HR directors.

What this briefing is for

This briefing aims to provide an update on the skills advisory panels, which will play an important role in identifying, prioritising and addressing local skills gaps.

Introduction

Skills advisory panels were first referenced in the [UK Industrial strategy](#) (published in November 2017)* which set out the government's aim to 'generate good jobs and greater earning power for all'. Their primary purpose will be to provide strategic local leadership on skills and act as a key enabler in supporting areas to understand and address their workforce challenges.

Panels will be operational across England by October 2019 and will work with the full range of local partners to help colleges, universities and other providers deliver the skills required by employers, both now and in the future. With workforce, the biggest challenge facing NHS leaders, it is important that the NHS proactively engages with skills advisory panels to ensure they understand our strategic needs and are focused on addressing local skills gaps across health and care.

Key points

- Skills advisory panels (SAPs) will bring together local skills providers and employers, both public and private, to identify, prioritise and address key local workforce challenges.
- The functions of a SAP will be taken on locally by either the local enterprise partnership (LEPs) or mayoral combined authority (MCA). This could be as a new body or via the existing local employment and skills sub-board.
- SAPs will play an important role in identifying and addressing local skills and provision needs, including advising on the local deployment of financial and other such resources.
- The NHS will be classed as a high-value employer in every local area. Engaging, and influencing, the work of the SAPs – and by extension, LEPs and MCAs – should be a priority for every STP and ICS workforce plan.
- The NHS Confederation is the only national health body supporting NHS organisations to engage with LEPs and MCAs.

*The NHS Confederation published [UK](#) a briefing on the Industrial Strategy in December 2017.

Background

Skills are at the centre of government's devolution agenda. Local leaders are seeking to develop their own economy by aligning the needs of high-value local employers with the focus of their schools and further and higher education providers. To support this, the government is increasingly handing responsibility for prioritising, financing and directing many aspects of skills provision to the emerging mayoral combined authorities (MCAs) and local enterprise partnerships (LEPs).

Skills advisory panels (SAPs), a concept first announced in the Industrial strategy in November 2017, are seen as a critical step towards enabling MCAs and LEPs to provide the strategic local leadership necessary in this important area. Seven local areas have been piloting SAPs, with the government announcing in December 2018 that the policy is being expanded across England in 2019.

Every LEP or MCA area in England is in the process of developing a local industrial strategy, which will outline the long-term focus and needs of that particular local economy. Advancing a local skills system which provides for a more productive economy will be a critical part of every local industrial strategy and the skills advisory panels are expected determine the required analysis needed to fully inform their development.

The key responsibilities of a skills advisory panel

- provide strong leadership on skills in the local area, engaging with employers and providers and providing skills advice to the accountable board of the local enterprise partnership (LEP) or mayoral combined authorities (MCA)
- develop a clear understanding of current and future local skills needs and local labour market, and the present skills and employment support provision, by:
 - producing robust and authoritative evidence-based skills and labour market analysis which identifies existing local skills and employment challenges and key areas of future needs relating to projected local employment growth areas
 - developing a sophisticated understanding of both the local labour market and skills provision in the local area, including the extent to which labour mobility can address skills needs and the projected gaps between skills needs and provision
 - building knowledge of the range of local, regional and national employment provision that is planned
 - sharing analysis with wider employment and provider communities to ensure support and perspectives are reflected in local decisions around prioritisation.
 - develop a clear approach to addressing local skills and employment challenges by working with key local partners to agree shared approaches to addressing challenges identified by the analysis.
- act as co-ordinator of local skills providers, by:
 - fostering co-operation between providers and actively working to plan how providers will meet identified skills needs
 - encouraging local providers to reflect SAP analysis when planning for T-levels implementation and delivery, and to inform investments across the provider base to prepare for their roll-out.
- work closely with careers advisory services to ensure potential learners are informed about career routes within a local area and that all careers information and guidance is informed by up-to-date local labour market information
- raise the profile of apprenticeships with local employers and providers
- advise where skills and labour market resource should be directed to support local employers and residents
- inform the 'people' part of the local industrial strategy
- share analysis and best practice with central government and other SAPs to inform best practice and tackle wider skills challenges.

Expected structure and governance

The government expects SAPs to reflect the geography of the emerging local industrial strategies, with either the MCA or the LEP taking the lead. With some LEPs reviewing their footprints as part of a recent government review to strengthen their role, it may be unclear in parts of England who exactly to engage with. The NHS Confederation will be able to confirm local leadership where this is the case.

The analytical capability of SAPs will be crucial for their role and development and government has committed £75,000 to each SAP to support this, along with the publication of an analytical toolkit.

While the vast majority of LEPs and MCAs have some form of existing local skills board in operation which could take on the role of a SAP, the government has outlined new requirements to ensure they can fully perform the functions expected. It may be the case that in some LEP or MCA areas the SAP is a newly constituted board.

These new requirements are particularly clear when it comes to board membership, which is expected to number between 15 and 20 for each SAP. As well as all the main types of local education and employment services providers, the government has stressed the importance of ensuring wide employer engagement, with representatives from businesses of varying sizes and sectors prioritised. Similarly, local authorities and the community and voluntary sector will be routinely included on the SAP board. Local offices of government agencies such as the Education and Skills Funding Agency (EFSA), the Cities and Local Growth Unit (a joint team that sits across the Ministry for Housing, Communities and Local Government and the Department for Business, Energy and the Industrial Strategy) and JobCentre Plus will be invited to attend regularly.

The board members should be able to identify local skills priorities, based on analysis of the local area, and agree how these will be met through local education and training provision, both in the immediate future and over the next decade. Importantly, the government expects SAPs to advise on, and help implement, funding and investment decisions for local skills and employment provision.

Next steps and more information

The Department for Education will be working with local areas to support them in implementing these changes, which they expect will be in place by October 2019. The full extent of the local remit of SAPs, including further funding, will be dependent on progress. More information on SAPs, including the formal guidance issued in December 2018 can be found in [Gov.UK's Skills advisory panels \(SAPs\): Role and governance](#).

Skills advisory panels: A role for the NHS?

With workforce now the biggest concern of NHS leaders it is important that attention is given to both the changing focus of skills policy in England and also the role of our local partners in implementing it. SAPs will play the key role locally in identifying, prioritising and addressing skills gaps and, as such, many industries will be seeking to secure representation on their local panel.

In terms of numbers the local health and social care workforce will far outweigh these other sectors in most, if not all, parts of England and also represents on-going demand for a range of roles from sector entry-point to highly-skilled, requiring the full range of skills providers. Despite this, our particular challenges (and indeed how we work) are not well understood by LEPs or MCAs, meaning the opportunity to maximise our influence and secure vital support in addressing these needs may not be taken.

We recommend that all STP or ICS workforce strategies should include a specific focus on engaging their SAPs through the MCAs or LEPs.

The role of the NHS Confederation

The NHS Confederation is the only national health body supporting NHS organisations to engage with the local growth agenda, including local enterprise partnerships (LEPs) and mayoral combined authorities (MCAs).

For more information on this work please contact Michael Wood, local growth advisor at the NHS Confederation [✉ michael.wood@nhsconfed.org](mailto:michael.wood@nhsconfed.org)