



All change – let's make the most of the opportunities for Sussex!

The government recently launched its ambitious <u>Industrial Strategy</u> to drive productivity and growth. At the same time, the county of Sussex is preparing for <u>devolution</u> and <u>local government reorganisation</u> - different processes but both will bring about changes to service decision-making and council boundaries. Meanwhile, Sussex Chamber of Commerce is preparing to embark, along with the other 39 employer groups across England, on the development of a new Local Skills Improvement Plan (LSIP) to articulate the skills needs of Sussex businesses for the rest of the decade.

Following approval from the Department for Education (DfE), last week the Chamber published the <u>annual review</u> of <u>progress</u> made on priorities within the current LSIP. It shows that greater collaboration between businesses and local education and skills providers is starting to bear fruit, with additional courses developed to support green skills, entrepreneurship, and digital skills.

It also shows that the LSIP document and deep dives into key employment sectors has influenced the procurement of new Skills Bootcamp programmes across Sussex, enabling adults to upskill or reskill in key employment sectors including digital, agri-tech, early years, hospitality, and construction.

The Chamber does, however, recognise that there is more to do. After the summer we will be launching a consultation period for the next LSIP at our Sussex Skills 25 conference on 30 September 2025 at the Amex Stadium in Brighton (please book your free place here).

The Industrial Strategy does provide some areas that we could consider in this process - both systems change that the new mayor could grasp and key skills areas that providers and employers could work together on to co-create provision to meet future need. The rest of this article explores some of these.

One of the key powers a new Sussex mayor will have is localised control over c.£20-25m of Adult Skills Funding. This provides opportunities to prioritise this funding in key skills areas. Whilst much of this will be retained by existing providers in the near term, other devolved areas have increased the funding levels for key sectors to good effect and have created an innovation fund to test and trial new provision focused on identified skills shortage areas.

The Mayor could also leverage control of other existing elements of the skills system, for example focusing on the revised Growth and Skills Levy. This will replace the Apprenticeship Levy that employers pay when they have a payroll of over £3m p/a. Under the new levy, employers will be able to choose from a wider range of courses to upskill or retrain their staff, and recruit new staff. The Mayor could establish a public sector levy transfer system to pool some of this levy from public sector employers - who will never use their full levy – and transfer it to either





their supply chains or to any SME in Sussex, increasing the pool of funds available in the county. These transfer systems exist already but a single Sussex-wide one would be simpler.

Lifelong Learning Entitlement (LLE) starts from January 2027. This provides adults with access to flexible loans (up to £37,000) to study approved higher level modules and courses. These loans would enable them to build up skills and pay them back over time, like student loans for university. Employers need to use the LSIP 2.0 process to identify the key higher-level skills needed to drive the Sussex economy and then challenge the provider network to develop *modules* that support this skills development. This will build on great employer-provider relations and surely be quicker and cheaper for adults than completing a full higher-level qualification.

The Industrial Strategy also announced regional sector specific Centres of Technical Excellence in Construction, Advanced Manufacturing and Defence. Existing Further Education Colleges with a relevant sector specialism will are invited to bid to take a regional leadership role to devise new curriculum and drive recruitment of students to address key skills shortages. Which specialisms should Sussex providers apply for? How will these regional centres support Sussex providers and businesses? What skills programmes do they need to develop? This can all be a key focus of LSIP 2.0 discussion.

Al is already ubiquitous in discussions about skills and the changing world and focus of work. As this Forbes article suggests Al isn't coming for your job, but someone with Al skills just might and we need to prepare everyone for the current and future Al driven world. Whilst Brighton was frustratingly missed out from the key Digital and Technology Cities, how can employers and providers work together to support the upskilling of Sussex people in digital and Al skills? The excellent #Evolve25 conference organised by Silicon Brighton suggests we are a powerhouse in this space. So, can the future Mayor push for Sussex to become an Al Growth Zone, powered by Rampion II, to build on the existing tech cluster, the Institute of Technology's digital focus and the world-leading Quantum Computing work at University of Sussex?

Heraclitus stated that 'there is nothing permanent except change' and employers need to grasp all these changes as opportunities and influence skills providers to adapt to meet their demands faster than ever to enable Sussex to prosper.

So, we urge you to attend the **Sussex Skills 25 conference on 30 September** and participate in the wider consultation for the new Local Skills Improvement Plan between October 2025 and May 2026. Without your voice and influence nothing will change.

Let's work together to make change for the good of the employers and citizens of Sussex.

Book your FREE place at Sussex Skills 25 here.

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