Beyond Qualifications and Perceptions

Universities, devolution and the future of higher technical education in England

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Introduction

Universities and other higher education institutions (HEIs) are increasingly being asked to think and act in relation to 'place'. In this context, 'place' reflects a place-based approach in which government, local institutions and other partners work together around the distinctive needs, opportunities and characteristics of an area (Department for Levelling Up, Housing and Communities, 2024).

Universities have long contributed to their local and regional economies through education, research, innovation, employment, business engagement and their wider civic role. It is the architecture that is now changing around them.

Devolution, Local Growth Plans, Local Skills Improvement Plans (LSIPs), Skills England and changes to adult skills and apprenticeship policy are creating a more regionally differentiated system for economic development and skills in England. National government continues to determine much of the overall policy and funding framework, but regional institutions are acquiring greater influence over how economic priorities are interpreted, how skills needs are identified and, increasingly, how some forms of skills investment, commissioning and employer support are organised.

On 30 September, the Department for Education (DfE) confirmed that nationally procured Adult Skills Fund (ASF) contracts will expire in August 2027 and that it does not intend to undertake another national procurement for 2027/28. Instead, government intends to continue expanding the pathway towards devolution, with funding previously delivered through nationally procured contracts transferring to local areas to commission provision according to local skills needs (Department for Education, 2026).

On 7 October, government announced an additional £100 million to expand Mayoral Strategic Authority apprenticeship brokerage to all 14 areas with directly elected mayors. These services will provide locally tailored support to employers and connect young people, particularly those not in education, employment or training (NEET) or at risk of becoming NEET, with apprenticeship opportunities (Department for Education, 2026).

Skills England's Annual Skills Report 2026 provides a national evidence base on current and future skills needs (Skills England, 2026), while Local Growth Plans and their agreed shared priorities are providing a stronger framework through which Mayoral Strategic Authorities (MSAs) and government align regional economic priorities (Ministry of Housing, Communities and Local Government, 2026).

Taken together, these developments suggest that regional skills systems are moving beyond consultation and priority-setting towards greater involvement in intelligence, investment, brokerage and commissioning.

As regional skills systems acquire greater influence over priorities, funding, commissioning and brokerage, how effectively are higher-level technical, professional and managerial skills being identified, articulated and translated into viable provision, and how can universities demonstrate their response?

The analysis also draws on conversations with UVAC members and engagement through UVAC events and networks to test how these developments are being experienced in practice.



A changing regional architecture

The English devolution landscape remains complex and uneven. Strategic Authorities operate at different levels of maturity and with different powers. Some mayoral systems, including Greater Manchester Combined Authority (GMCA) and the West Midlands Combined Authority (WMCA), are well established. Others are considerably newer and other areas are moving towards mayoral arrangements during 2027 and 2028.

Government's *Rewiring the State* statement sets an ambition for every part of England either to have, or to be in the process of establishing, a Strategic Authority by the end of 2027, with Strategic Authorities in place across England by the end of 2028 (Cabinet Office, 2026).

This matters to higher education because devolution can no longer reasonably be considered an issue affecting only universities located within the longest established combined authorities.

For some universities, operating within a devolved regional system is already an established feature of their strategic environment. For others, that environment is now taking institutional form. Cheshire and Warrington Combined Authority, for example, is moving towards its first mayoral election in May 2027, while further mayoral arrangements are expected to develop during 2028.

Universities should not assume that the powers, priorities or maturity of one Strategic Authority can be transferred directly to another. Nor does mayoral status guarantee a mature or integrated skills system.

Strategic Authority status and why it matters

England's devolution framework distinguishes between different levels of Strategic Authority. The distinction is important because status affects the range and depth of powers available to an area, rather than simply describing its geography or institutional form.

Status	What it means for universities
Foundation Strategic Authority	The foundational level of the devolution framework, generally without a directly elected mayor and with a more limited range of devolved powers.
Mayoral Strategic Authority	Led by a directly elected mayor, with access to a broader range of devolved functions and funding.
Established Mayoral Strategic Authority	The most developed level, with access to the broadest range of devolved powers and, where applicable, an Integrated Settlement. The Greater London Authority also has established status.

The English Devolution and Community Empowerment Act 2026 has subsequently put Strategic Authorities on a statutory footing. For universities, the important point is that Strategic Authorities do not all possess the same powers, funding arrangements or institutional maturity. Their status therefore helps determine how far they can influence regional economic development, skills and related investment.



What is becoming increasingly clear, however, is that universities need to understand the regional systems within which they operate: their economic priorities, decision-making structures, employer relationships, skills intelligence and the mechanisms through which priorities can influence investment and provision.

For institutions operating across several Strategic Authority or LSIP areas, that creates an additional challenge. Regional differentiation may be desirable from the perspective of place, but it can increase complexity for institutions, employers and providers whose economic footprints do not correspond neatly to administrative boundaries.

From devolved funding to devolved demand

Much discussion about devolution understandably focuses on funding. For higher education, funding alone provides an incomplete picture.

The September 2026 announcement on the future of the Adult Skills Fund is significant because it demonstrates a continuing movement away from nationally procured provision towards commissioning informed by local assessment of skills need (Department for Education, 2026).

This should not be interpreted as the devolution of higher education funding. Universities remain autonomous institutions operating within national funding, regulatory and qualification systems, and much of the funding being devolved is directed towards skills, employment support and technical provision outside conventional university funding.

The significant question for higher education is: what happens to *demand*.

- Regional economic priorities influence investment.
- Investment creates occupational requirements.
- Occupational change creates demand for skills.

Strategic Authorities, employers and Employer Representative Bodies increasingly contribute to identifying those requirements, while regional brokerage and commissioning can influence how identified need is translated into participation and provision. The challenge is that each connection in this chain needs to be evidenced rather than assumed.

In this sense, England is increasingly devolving aspects of demand as well as devolving funding. A university does not necessarily need to receive devolved funding directly for regional devolution to influence the market for its provision.

Are higher-level skills visible?

Higher-level skills are increasingly visible, but their visibility, specificity and connection to provision vary considerably between places.



West Yorkshire provides a particularly explicit example of how higher-level skills can be connected to regional economic ambitions. Its Local Growth Plan estimates that closing the region's productivity gap would require 53,000 more people with Level 4 qualifications. The Combined Authority also identifies the need to stimulate demand for higher-level skills, develop technical pathways aligned with priority growth sectors and shift adult skills investment towards a higher-level skills profile. Higher education is positioned within this wider economic strategy, with the region's seven HE institutions identified as having a critical role in supporting high-growth sectors through skills development, innovation, knowledge exchange and enterprise (West Yorkshire Combined Authority, n.d.).

East Midlands Combined County Authority provides a different example of an increasingly explicit relationship between higher education and regional growth. Its Growth Plan seeks to increase the number of people with skilled qualifications by 210,000 and identifies a stronger local skills base, apprenticeships and graduate retention as important to regional growth. This relationship has been formalised through a Compact between the Combined County Authority and the region's universities, which includes commitments to develop higher education provision responsive to regional workforce needs, expand access to higher-level qualifications linked to regional priorities and scale degree apprenticeships and other skills programmes in priority sectors (East Midlands Combined County Authority, 2026).

Other areas articulate the issue differently. Regional priorities may focus on productivity, economic inactivity, talent pipelines, vacancies, innovation, in-work training or particular growth sectors without specifying qualification levels.

This does not demonstrate that higher-level skills are unimportant. In many cases the occupational and sectoral ambitions of regional economies are likely to require substantial numbers of people with advanced technical, professional and managerial capabilities. However, there is an important distinction between an inference that higher-level skills will be required and an explicit articulation of that requirement within regional planning. Where demand is not articulated clearly, there is a risk that the role of higher-level provision is assumed rather than planned.

It may therefore be more useful to distinguish between three forms of evidence:

Explicit: higher-level or technical qualifications, Levels 4–8, higher or degree apprenticeships or higher education are directly identified.

Implied: regional sector and occupational priorities strongly indicate a requirement for higher-level skills, but that requirement is not explicitly translated into levels or forms of provision.

No clear evidence: the connection between the economic priority and higher-level skills cannot be established from published evidence.

This is a more useful starting point than assuming either that higher education is absent from regional planning or that the presence of universities in regional strategies automatically means higher-level skills requirements are adequately understood.



LSIPs: a more explicit role for higher education

One of the most significant developments is the changing role of higher education within LSIPs.

The current guidance places HEIs *explicitly* within the LSIP process. LSIPs are intended to establish a shared understanding of technical skills needs from entry level through to Level 8 and to identify the actions required to address them. They are expected to bring about changes in technical education and training across these levels and create clearer progression pathways between them (Skills England, 2025).

In devolved areas, LSIPs are developed jointly by the Employer Representative Body (ERB) and the relevant Strategic Authority. The model is intended to combine employer intelligence with the Strategic Authority's economic insight, sector skills priorities and ability to influence and implement local interventions (Skills England, 2025).

HE providers are expected to help map technical skills needs at Levels 4–8, including future skills associated with technological change and research-led innovation. They should share information about existing provision, identify changes needed to improve responsiveness to local, regional and national skills needs, collaborate with FE and other HE providers where appropriate and contribute to measures demonstrating impact (Skills England, 2025).

This substantially changes the question for universities, from whether higher education should have a voice within local skills planning to how effectively it uses the role the policy architecture explicitly provides.

The challenging questions are:

> How effectively is that opportunity being used?
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> Are higher-level skills sufficiently reflected in the priorities and actions that emerge?
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> And can institutions demonstrate that engagement has resulted in changes to provision or other activity?

Conversations with UVAC members suggest that this starting point is uneven. While some universities have established relationships with LSIPs and regional partners, others are only now becoming more directly involved as the new framework places greater emphasis on HE engagement.

From engagement to evidence of response

Universities frequently have extensive regional relationships. They participate in boards and partnerships, work with employers, undertake research and innovation, collaborate with public bodies and contribute to civic initiatives.

Participation, however, is not in itself evidence of impact.

The developing LSIP framework provides a useful basis for moving the discussion from whether universities are engaged to what that engagement changes.



For a university, evidence of response might include changes to the mix or level of provision, new apprenticeship or higher technical routes, changes in delivery mode, greater flexibility for people already in employment, collaboration with other providers, new employer partnerships or decisions to redirect or discontinue provision where evidence of demand does not support it.

Universities themselves generate intelligence about technological change, graduate outcomes, employer behaviour and emerging occupations. They have extensive employer relationships and often operate across regional, national and international markets. They are also major research and innovation institutions.

The LSIP guidance explicitly recognises this wider contribution, describing higher education providers as “focal points for higher level technical skills, research and innovation” and identifying their industry partnerships, research capability and knowledge of graduate outcomes and future skills pipelines as relevant to regional skills planning (Skills England, 2025).

The challenge for universities is demonstrating how their distinctive knowledge and capabilities influence regional priorities whilst also showing how regional intelligence informs institutional decisions.

Employer demand: the missing link?

Regional plans frequently identify skills shortages or future skills requirements. These are important signals, but they do not necessarily constitute sufficient demand to sustain new provision.

This is particularly important where developing new programmes can require considerable institutional investment and where cohorts may need to reach a minimum scale to remain viable.

A Strategic Authority may identify an occupational shortage. Employers may agree that the shortage exists. That does not necessarily mean that enough employers are prepared to recruit apprentices, release employees for learning, co-invest in provision or otherwise create sufficient learner demand to support a new programme.

Individual SMEs may have relatively small requirements even where aggregate demand across a sector or region is substantial.

Conversations with members reinforce this challenge, particularly where demand is dispersed across smaller employers. They also point to the value of collaboration and shared workforce intelligence in establishing whether identified skills needs are sufficient to support sustainable provision.

Regional partnerships may therefore have an important role in *aggregating* demand: bringing together dispersed requirements from employers and translating them into a proposition against which providers can make informed investment decisions.

There is not yet sufficient evidence to conclude that this happens consistently across England. It should instead be regarded as an important question for the next stage of regional skills development.



For university leaders, it raises a practical challenge: when presented with evidence of regional skills need, what evidence is required before an institution can reasonably translate that need into sustainable provision?

Progression, young people and adults

The growing policy focus on young people who are NEET or at risk of becoming NEET is increasingly visible within the regional agenda.

The October 2026 expansion of Mayoral Strategic Authority apprenticeship brokerage is one example. The additional £100 million investment will support locally designed services intended to help employers create apprenticeship opportunities and connect young people aged 16–24 with vacancies. The first wave is expected to begin delivery in early 2027 (Department for Education, 2026).

For higher education, the significance is whether regional pathways enable progression into the higher-level technical and professional occupations required by regional economies rather than just the number of apprenticeships created.

The LSIP guidance requires consideration of progression pathways at and between different levels (Skills England, 2025). For universities, this creates an opportunity to consider higher education as part of a connected skills system rather than as a destination separated from FE, apprenticeships and employment.

That includes progression from Levels 2 and 3 into Levels 4–6, higher and degree apprenticeships, higher technical qualifications, professional learning and, where relevant, postgraduate and Level 7 provision.

The emphasis on young people should not, however, obscure the importance of adults already in the workforce.

Skills England identifies continued participation in higher-level education (Level 4+) as essential, particularly for health, STEM and digital, while also emphasising the growing importance of flexible and modular training for retraining, responding to AI adoption and enabling workers to move into priority sectors (Skills England, 2026).

The increasing regional role in adult skills therefore needs to be considered alongside the youth agenda. Regional economic growth will depend on new entrants to the labour market and the capacity of existing workers to acquire new technical, professional and managerial capabilities.

For universities, this raises questions about flexibility, modularity, workplace delivery and the accessibility of higher-level learning to people who may not see themselves as conventional higher education students.

Universities as economic partners, not simply providers

A consistent feature of regional economic planning is that universities are valued for considerably more than qualification delivery.



Greater Manchester Combined Authority, for example, positions its universities as regional economic and innovation assets, contributing research and innovation, attracting global talent, providing employers with a pipeline of highly skilled staff and supporting start-ups, spin-outs and scale-ups (Greater Manchester Combined Authority, n.d.).

East Midlands Combined County Authority explicitly links universities and other innovation assets with industry, research commercialisation and the adoption of innovation, including stronger university-industry R&D partnerships (East Midlands Combined County Authority, n.d.).

West Yorkshire similarly identifies its universities as having a critical role in strengthening high-growth sectors through spin-outs and graduate enterprise, knowledge exchange, innovation and skills development (West Yorkshire Combined Authority, n.d.).

This matters because universities may encounter different parts of the same Strategic Authority through different institutional relationships: skills, economic development, innovation, inward investment, employment, health or sector partnerships.

For a Vice-Chancellor, the question is whether institutional activity across skills, employer engagement, research, innovation, civic partnerships and economic development is sufficiently connected to understand and respond to the changing regional environment. This may also require universities to communicate their contribution differently.

Regional economic strategies generally begin with outcomes: productivity, investment, employment, innovation, business growth, economic participation and sector development. Qualifications are mechanisms through which some of these outcomes may be achieved rather than objectives in themselves. The more useful question is which economic and workforce challenges their capabilities can help address.

Regional differentiation and the next wave of devolution

The geography of devolution is still developing.

Government's ambition is for every part of England to have, or be establishing, a Strategic Authority by the end of 2027 and for Strategic Authorities to be in place everywhere by the end of 2028 (Cabinet Office, 2026).

Cheshire and Warrington illustrates the more immediate transition. Its Combined Authority was established in February 2026, with the first mayoral election to take place in May 2027 as further responsibilities are devolved to the new regional authority (Cheshire & Warrington Combined Authority, 2026).

Greater Essex provides one example of the next phase. A new Strategic Authority is being established across Essex, Southend-on-Sea and Thurrock, with the first mayoral election scheduled for May 2028 and functions including skills and economic growth. Greater Essex is one of four areas currently scheduled to hold inaugural mayoral elections in 2028, illustrating the continuing expansion of devolved regional skills systems across England (Essex County Council, 2026).



For universities in these areas, universities can bring evidence about employers, future occupations, innovation, research and higher-level skills into discussions while regional systems are developing.

The experience of established mayoral areas may provide useful learning, but it should not become a template imposed on emerging regions. Economic structures, employer bases, institutional capacity and higher education provision vary substantially across England.

Devolution therefore increases the importance of place while simultaneously increasing the need for national learning across places.

A national and regional system

Regionalisation does not remove the need for national coherence.

Universities frequently recruit students, employ staff, undertake research and work with employers across multiple regional boundaries. Large employers may operate nationally or across several Strategic Authority areas. Occupational standards, apprenticeship policy and much higher education funding and regulation remain national.

Skills England's Annual Skills Report describes LSIPs, Local Growth Plans and Strategic Authority intelligence as sources that can collectively inform both local intervention and national understanding of skills need (Skills England, 2026).

This suggests that the developing system should be understood as one of interaction between national intelligence, regional economic priorities, employer evidence and provider expertise.

Universities potentially sit at several points within this system. Their regional relationships give them access to place-based intelligence, while their national and international activities allow them to identify wider technological, occupational and economic change.

That combination may be one of higher education's most valuable contributions to the developing regional skills architecture.

The evidence suggests that the next phase of devolution presents a different leadership challenge: whether the institution understands how regional economic and skills systems affect its strategy and whether it can demonstrate its contribution to them.

Conclusion

Higher education is increasingly recognised within the architecture itself. The new LSIP framework explicitly includes HE, extends consideration of technical skills through Level 8 and expects providers to contribute intelligence, identify changes to provision and help demonstrate impact.

At the same time, developments in late September and early October 2026 demonstrate that regionalisation is becoming more operational. Adult skills commissioning is moving further towards local decision-making, the mayoral apprenticeship brokerage is expanding and Local Growth Plans are creating a stronger connection between economic priorities and regional intervention.



Higher-level skills are not articulated consistently across regions. Identifying a skills need does not automatically create viable employer demand. Participation in regional structures does not necessarily demonstrate institutional impact. And devolution does not remove the need for national coherence.

The challenge for the next phase is to identify and aggregate regional demand for higher-level technical, professional and managerial skills, translate that demand into viable provision and demonstrate how universities have responded.

For university leaders, this requires a shift in perspective: from asking what qualifications the university can offer a region to understanding what the regional economy needs to achieve, the higher-level skills and capabilities required to deliver it and the distinctive contribution the university can make. In a more devolved skills system, the opportunity for universities is to help shape and articulate demand, translate regional priorities into viable provision and demonstrate their contribution to skills, innovation, productivity and inclusive growth.

Questions for university leaders to consider

Do we understand the economic and skills priorities of every Strategic Authority and LSIP area in which we have a significant footprint?

Can we demonstrate where regional intelligence has changed our provision, delivery or employer engagement?

Do we have robust evidence of employer demand before investing in new provision?

Are our skills, research, innovation, employer and civic relationships sufficiently connected to present a coherent institutional contribution to place?

A rapidly evolving policy landscape

This paper reflects the policy landscape as of 16th October 2026. Further developments are expected over the coming months, including the Autumn Budget, the final recommendations from the Young People and Work review led by Alan Milburn and continuing development of regional growth and skills policy. UVAC will continue to test the implications of these changes with members and partners, including through its policy and conference activity, and this analysis will be updated as the devolution and skills landscape evolves.

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