

Skills and Education



ACHIEVING THE VISION

To achieve the vision, the region needs to focus on five key objectives:

- 1 **Tackle the lack of basic skills and qualifications** to improve employability and reduce worklessness.
- 2 **Meet the skills needs of sectors and growth opportunities** - essential to support expansion.
- 3 **Invest in workforce development** - the development of intermediate and higher level skills in the current workforce is a key driver of productivity and economic growth.
- 4 **Develop leadership, management and enterprise skills** - crucial to company survival, innovation and productivity improvement.
- 5 **Develop the educational infrastructure and skills of the future workforce** - ensuring young people are developing the skills they need for employment and progression to Higher Education.

These objectives are expanded on in the tables on pages 28 to 30. The tables list the key actions required, with the transformational actions highlighted. Some actions elsewhere in the RES closely relate to specific objectives in this chapter. These actions are shown as colour-coded numbered links.

NORTHWEST CONTEXT

The skills base of the workforce is critical to the economic development of the region. The Northwest has a skilled population and the number of people with Level 2 and 3 skills is comparable with the rest of England. However, we have a larger proportion of people with no qualifications. This issue is strongly linked to worklessness and concentrated in just nine districts.

Level 4 and 5 skills are required for growth in the knowledge economy. However, the region has fewer people with Level 4 skills than the England average. Although the training of new graduates and their retention in the region is high, the proportion of the existing workforce with the higher level skills required for the knowledge economy is inadequate.

The working population of the future will be made up of more older people and fewer younger people due to demographic change. This has implications for the kind of skills development required. The focus needs to be on getting inactive people into work to ensure a sufficient labour supply.

Employers are less likely to train staff than elsewhere in the UK. In addition, there is evidence of lower levels of entrepreneurial skills and poorer management skills. There is also some evidence that people do not acquire skills because employers do not demand them.

A key influence on skills development is the Regional Skills Partnership (RSP), established as part of the Skills White Paper in 2003 to have strategic oversight for the Northwest. It is responsible for ensuring that learning provision enables people to gain the skills that employers need. Members of the RSP are the NWDA, employer organisations, the Learning and Skills Council, Job Centre Plus, Skills for Business (the Sector Skills Councils), Local Authorities, Higher Education and the Trades Union Congress.

Skills Levels	
Below Level 1 Basic Level	Basic Skills in Literacy, Language, Numeracy and I.T
Level 1 Entry Level	Equivalent to 1 GCSE Grade D or below
Level 2 Foundation Level	Equivalent to 5 GCSEs Grades A-C
Level 3 Intermediate Level	Equivalent to 2 A Levels or Craft/Advanced Technician skills
Level 4 Higher	Graduate qualifications or equivalent
Level 5 Higher	Post Graduate or Professional Qualifications

Northwest facts

- The Northwest would need to reduce the number of people with no qualifications by 16% (120,000) to match the England average.
- Liverpool and Manchester account for half of this figure.
- Approximately half of school leavers at 16 lack a Level 2 qualification.
- Graduates are under-represented in the workforce. 26.9% of those active in the labour market are qualified to Level 4, compared to an England average of 28.3% - a gap of 80,000 people.
- Population projections show a 12% drop in the number of young people in the region compared to an England average of 7%.

ACTIONS	REASON	LEAD
Skills And Education (The Regional Skills Partnership has been asked to take an overview of delivery against all the actions in this chapter)		
Tackle lack of basic skills/qualifications: 43 44		
26. Deliver the basic skills required by employers for those individuals without qualifications with emphasis on the districts of Liverpool, Manchester, Knowsley, Oldham, Tameside, St. Helens, Salford, Halton and Blackpool	All sectors report a lack of the basic skills required to work, amongst some people, as a major barrier to growth. The districts listed have the highest rates of working age population without qualifications	LSC Jobcentre Plus
Meet skills needs of sectors and growth opportunities: 8		
27. Deliver the skills required by priority sectors, including: <ul style="list-style-type: none"> ▶ Energy and Environmental Technologies: <i>deliver the National Nuclear Skills Academy</i> ▶ Advanced Engineering & Materials: <i>extend "Grow Your Future Workforce" which delivers more science and engineering skills</i> ▶ Digital and Creative Industries: <i>digital content development skills to support the Media Enterprise Zone, linked to the BBC relocation</i> ▶ Business and Professional Services: <i>support the development of the regional arm of the Financial Services National Skills Academy</i> 	Developing appropriate skills for priority sectors is essential to support growth	Sector Skills Councils
28. Deliver the skills required to maximise the economic impact of key growth opportunities, including: <ul style="list-style-type: none"> ▶ Liverpool European Capital of Culture: <i>event management and skills of freelance workers in creative industries</i> ▶ Ports/Airports: <i>skills to support the growth of these key regional assets</i> ▶ Strategic Regional Sites: <i>skills to link local people, many in deprived areas, to new employment sites</i> 	Exploiting growth, including supply chain opportunities, will be crucial to the future of the region. Appropriate skills are essential to future growth	Sub-Regional Partnerships
29. Develop programmes to enable workers in sectors undergoing significant structural change to move into growth sectors, including supporting second vocationally relevant qualifications	The region needs to support people in adapting to structural change in the economy	LSC
30. Develop a skilled workforce in rural areas to enable business to diversify and expand	Business change in rural areas is a key issue to be addressed and must be supported by appropriate skills development	Sub-Regional Partnerships

ACTIONS	REASON	LEAD
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Skills And Education (continued)

Invest in workforce development:

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<p>31. Develop skills in the current workforce focused on:</p> <ul style="list-style-type: none"> ▶ Intermediate level skills: <i>including stimulating employer investment and the further development of apprenticeships</i> ▶ Higher level skills: <i>including further development of foundation degrees</i> ▶ Linkages to backfill vacancies, created as people progress to higher level jobs, from workless people 	<p>Intermediate and higher level skills for knowledge economy jobs are key drivers of productivity, economic growth and GVA. Skills need developing in the existing workforce, including vocational progression routes into HE aligned to sectoral priorities. This will also ease recruitment and congestion, as employers are currently recruiting from ever greater distances. Linkages to workless people will help tackle worklessness</p>	<p>RSP Employers</p>
<p>32. Support the roll-out of the National Employer Training Programme (“Train to Gain”) to deliver basic through to intermediate level skills, and a skills brokerage</p>	<p>Investment in learning provision to meet employer needs will boost recruitment and lead to lifelong learning, reducing long-term skills issues</p>	<p>LSC</p>
<p>33. Support key developments in business with appropriate skills:</p> <ul style="list-style-type: none"> ▶ Language skills (<i>to compete internationally</i>) ▶ IT and digital technologies skills (<i>including developing delivery of the ITQ - the e-skills Information Technology qualification</i>) ▶ Business Improvement Techniques (<i>to deliver process and product/service innovation</i>) 	<p>The global market requires more people to have language skills, which are currently under-developed in the region</p> <p>IT skills will help companies maximise the benefits of IT, in line with the Northwest ICT Strategy, and help ensure no “digital divide”</p> <p>Business Improvement Techniques (identified by Sector Skills Councils) will support innovation in its widest sense - a key driver for productivity growth</p>	<p>LSC</p>
<p>34. Develop provision to overcome skills disparities experienced by:</p> <ul style="list-style-type: none"> ▶ BME communities ▶ Women ▶ Disabled people ▶ The over 50s 	<p>There is considerable potential economic gain for the region by enabling people from these groups to (re-)enter and progress in the labour market. It will also expand the size of the workforce</p>	<p>Regional Skills Partnership</p>

ACTIONS	REASON	LEAD
Skills And Education (continued)		
Develop leadership, management and enterprise skills:		
35. Develop world class management/leadership and corporate social responsibility/environmental management skills, by: <ul style="list-style-type: none"> ▶ Focusing support on managers of companies looking to grow and 1st line management/supervisory staff with no formal management training ▶ Developing the Northern Leadership Academy, strengthening the network of Leadership Centres and Development Programmes, and developing mentoring opportunities 	Research shows management/leadership and “work organisation” skills are crucial for companies, ensuring the skills/ideas of the whole workforce are used effectively. Key issues include developing the demand for leadership skills and considering making leadership development a condition of taking up business support grants	<div style="text-align: right;">3 23 107</div> <ul style="list-style-type: none"> ▶ Skills for Business ▶ NWDA
36. Develop enterprise skills: <ul style="list-style-type: none"> ▶ In schools, FE and HE, including the Northern Enterprise in Education Initiative ▶ For people considering starting businesses 	Enhancing entrepreneurship and knowledge-based business start-up, particularly among young people, is essential to future growth. Key issues are skills support and support to FE and HE to embed enterprise into the curriculum	<ul style="list-style-type: none"> ▶ Local Authorities/AOC/NWUA ▶ Business Link
Develop education infrastructure, and skills of the future workforce:		
37. Develop educational attainment, vocational and workplace learning opportunities, progression routes between school/FE/HE, and high quality careers information, focused on the skills of 14-19 year olds	Ensures young people are getting the skills they need to work and to progress to HE, securing the future workforce. Key issues include areas of low achievement at 16 and development/delivery of area learner entitlements	LSC/ Local Authorities
38. Develop the role of HE in contributing to the transformation of the economy by: <ul style="list-style-type: none"> ▶ developing the University for Cumbria ▶ ensuring provision of HE opportunities in East Lancashire as part of a wider lifelong learning investment 	Limited HE provision in Cumbria is a particular issue in retaining people and moving the economy to higher value-added employment. HE opportunities in East Lancashire help tackle the low wage, low skills economy and the currently limited HE presence	HEFCE
39. Increase the number of people studying higher level skills in science, engineering and technology (especially from state schools)	Innovation in technology and process development is key for competitive capability. The number of people from state schools progressing to higher level study in these subjects remains low	AOC/ NWUA
40. Support providers of post 16 learning to deliver higher quality provision and a “kite-mark” to recognise providers responsive to employer needs	Quality improvements will deliver more satisfied customers and the kite-mark will help employers more easily source the provision they need	LSC

KEY SOCIAL AND ENVIRONMENTAL OUTCOMES

According to independent assessment, implementation of the actions above is likely to lead to the following outcomes when measured against the UK Priorities for Sustainable Development.

a) Sustainable Consumption and Production

The commitment to raising basic skills and qualification levels, combined with the emphasis on those areas of the region with the greatest under-performance, should provide greater opportunities for all communities to take an active role in the economy. These actions should be co-ordinated with improvements to environmental and social conditions to encourage people to remain in their communities once retrained (see People and Jobs chapter). Skills support in leadership, enterprise and management should increase awareness of sustainable procurement and environmental management issues.

b) Climate Change and Energy

Improving the skills of the local workforce will allow them to take advantage of new economic opportunities within or close to their neighbourhoods. This will reduce the need for travel and minimise the corresponding increase in carbon dioxide emissions.

c) Natural Resource Protection and Environmental Enhancement

Actions to develop skills in environmental management should enable business managers to better identify the negative impacts of their activities on the environment, including those contributing to climate change. At the same time, it should raise awareness of the opportunities for reducing those negative impacts.

d) Sustainable Communities

Actions to deliver a better educated and trained workforce should provide all communities with greater access to employment opportunities. Training should be provided prior to, or in tandem with, specific economic development opportunities so that commuting from other parts of the region is discouraged and accessibility for the local workforce maximised. A better educated workforce should also be healthier one. The proposed University of Cumbria, and the aim to improve Higher Education provision in East Lancashire, will provide better access to higher education opportunities in areas of the region where provision is currently lacking.