Breckland Skills Road Map

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Partnership Manager
Making Norfolk Famous for Learning and Skills

Or

Helping Businesses to Grow and Prosper in Norfolk – Through People
Our Ambition – Why Not?

“We need to raise our aspirations, be more ambitious and seek, where possible, to move towards an economy with higher levels of value-added, higher margins, more sophisticated products and services, higher levels of innovation and creativity and, as a result, higher skill levels.

Skills are both a means to – and the product of - a ‘high road’ economy.

Such an economy would not only be higher skilled, but higher profit and higher wage with better quality jobs and a greater probability of adapting successfully to the new world order.

Management and leadership are key to this agenda.
The Starting Point or Propositions

1. There is growing support for the relationship between:
   • the level of skills within an economy;
   • GVA per head; and
   • levels of prosperity more generally

2. Economies – be that national, regional or sub-regional – that want to be ahead of the game will only do so on the basis of the skills, knowledge and talents of their workforce

3. In times of economic pressure, the importance of skills grows, not diminishes
The value of skills:

• People with no qualifications earn an average of £8 per hour - only 48% of them have a job

• People with a degree earn £16 per hour on average – nearly 87% of them have a job

• UK Commission for Employment and Skills
The Starting Point or Proposition

Norfolk has made good progress in recent years…but we are, in summary, fairly described overall as a low wage, low GVA per head and low skill economy.

<table>
<thead>
<tr>
<th>Area</th>
<th>GVA per Head (£)</th>
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</thead>
<tbody>
<tr>
<td>South Norfolk</td>
<td>£435</td>
</tr>
<tr>
<td>Broadland</td>
<td>£429</td>
</tr>
<tr>
<td>King’s Lynn and West Norfolk</td>
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<td>Great Yarmouth</td>
<td>£409</td>
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<td>Norfolk</td>
<td>£408</td>
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<td>Norwich</td>
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<td>North Norfolk</td>
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<tr>
<td>Breckland</td>
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<tr>
<td>East of England</td>
<td>£479</td>
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<tr>
<td>England</td>
<td>£463</td>
</tr>
</tbody>
</table>
The Starting Point or Proposition

Weekly Wage Rates vs Qualified to Level 3

- **Ave Weekly Wage (£000)**
- **Percentage 19-59/64 qualified to at least level 3**
The Leitch Challenge

Regional GVA per hour worked compared to the UK

% point differences in Employment rate compared to the UK average
The Prizes

Increasing the quantity and level of skills could deliver

- £1 billion into the Norfolk economy,
- an additional 2,500 new jobs and
- a productivity gain per employee of around £1,800

These prizes are significant and far too important for us to fail to seize.

If we get it right, we could also impact on some of Norfolk’s wider ambitions and challenges - amongst them low wages, affordable housing, worklessness and poor health etc...
UK Productivity

• UK productivity levels are currently 25% below the US

• each percentage point increase is worth £10 billion to the UK economy

• increasing training increases productivity: training 300,000 more workers could add £8 billion to GDP

• UK Commission for Employment and Skills
Our Assets

• Strong FE & WBL network
• World class HE & strong distributed HE
• Good sector alignment & consortium e.g. 7 CoVEs and 3 Skills Academies
• Strongly rising participation & ambition amongst young people
• Strengthening private sector deliverers
• Strong partnerships & county vision/buy-in
• Strong civic leadership
• Strong & influential Chamber and SREP
• Strong business leadership
• Some important & growing sectors/opportunities
• Collective ambition & civic pride

But we need them all, because……
The Leitch Challenge

In Norfolk this could mean

Over 30,000 additional literacy attainments
Over 60,000 additional numeracy attainments
Nearly 80,000 Level 2 attainments
Over 25,000 Level 3 attainments
Over 80,000 Level 4+ attainments

In all > 270,000 attainments .... > 1 for every second adult!

Just for the LAA, we need to at least triple the annual delivery of skills
The LAA Challenge

PSA Target - working age adults qualified to level 2

- 2005: 60%
- 2006: 62%
- 2007: 64%
- 2008: 66%
- 2009: 68%
- 2010: 70%
- 2011: 72%

Qualified to at least level 2

- 2005: 60%
- 2006: 62%
- 2007: 66%
- 2008: 68%
- 2009: 70%
- 2010: 72%
- 2011: 74%

Achieved

Target

PSA Target
The LAA Challenge

Baseline c. 306,204

Additional qualifications 2007-2011 (level 2 & level 3)

Learners

Baseline c. 306,204

Additional L2

Additional L3
The Breckland economy:

Context
Breckland


- Employed: 70%
- Self-employed: 10%
- Unemployed: 4%
- Economically inactive: 5%
- Of whom, wanting a job: 16%
- Of whom, not wanting a job: 11%
Breckland – Employee Jobs 2006
42,100

31% Part-time
69% Full-time
<table>
<thead>
<tr>
<th>Industry</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>8300</td>
</tr>
<tr>
<td>Construction</td>
<td>2400</td>
</tr>
<tr>
<td>Distribution, hotels and restaurants</td>
<td>10300</td>
</tr>
<tr>
<td>Transport &amp; communications</td>
<td>2500</td>
</tr>
<tr>
<td>Finance, IT, other business activities</td>
<td>5800</td>
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<tr>
<td>Public admin, education &amp; health</td>
<td>8800</td>
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<tr>
<td>Other services</td>
<td>1800</td>
</tr>
<tr>
<td>Tourism related</td>
<td>3000</td>
</tr>
</tbody>
</table>
Breckland

90% of businesses are small or medium sized.

Importance of Rural Enterprise Valley (REV) in 2007/08 designed to promote Norfolk’s world-class engineering advanced manufacturing and motorsport sectors to build business communities – increasing investment, collaboration, skills and jobs
Breckland: Demand Side Review
Public Services, Health and Social Care

• Patterns of Restructuring, Localisation and Outsourcing
• Aging workforce, fast changing skills sets
• Public sector growing skills demand: change management, community engagement, managing diversity, partnership working, project management, performance management, procurement, client-side management, maximising use of technology
• Growth in Associate Professional roles
• Local Recruitment ‘circuit’ aid recruitment for higher level skills – but more difficult to recruit from out of area
• ‘Golden Handcuffs’ career progression limited
• Skills Gaps: Teachers (math, science, heads); Social and Youth Worker
Skills Gaps:
- Teachers (math, science, heads)
- Social and Youth Workers
- Town Planners and Build Environment
- Certain Health Professionals
- Managers (large employers): negatives- schools, housing, shopping entertainment, career profession
- Career Progression Opps (staying in area): positives- rural life, safety, existing social networks, big fish small pond.
- High Turnover: care workers, frontline workers, cleaners, younger admin staff
Manufacturing and Engineering

Food Manufacturing – industry pressures:
Competitive pressure – oversupply, consolidation
Changing customer demand – new demographic, lifestyle
Regulation
Negative image of industry

Food Manufacturing – responses
Be cheaper – cost control
Be better – differentiation and quality
Be first – innovation, product development, high VA
Manufacturing and Engineering

Engineering Manufacturing – industry pressures:
• Low cost overseas production
• Rising commodity and energy prices
• Separation of design and production

Engineering Manufacturing – industry pressures:
• Partnership and working with customers – solutions driven
• Packaging products with service (technical support, servicing, training)
• Design, innovation, product development
• Higher level technical skills
Manufacturing and Engineering

Retention – skills and staff in a contained labour market

Low turnover – loyal workforce – but lacking ambition
Limited progression – ‘dead men’s shoes’ – but progression through the ranks (long service vs institutionalising?)
‘Golden Handcuffs’ for highly skilled staff
Less skilled or less ‘reliable’ workers’ are recycled
Higher post-recruitment turnover, lower skilled, low pay, young males, working conditions, seasonal or casuals

Aging workforce – skills replacement issues
Limited succession planning
Volume of apprenticeships not sufficient
Retail

Norfolk employs 42,500 retail worker: 61% FT, 39% PT
4100 business – mostly small business (<10)
2/3 women, 2/3 part time
Norwich 9 out of top 50 shopping centre (footfall)
32% of employees are under 24

Retail provides an important economic role:
Sustains rural communities
Redevelopment of market towns
Flexibility in working hours
Provider of employment in larger towns
Attracts workers for other sectors
Retail

Lower than national average qualified to level 3
Higher than national average qualified to level 2
Higher than national average qualified at level 2 or not qualified

Sector has low commitment to training – 42% business don’t train staff, only 25% have training budgets

Managerial (19% of emp.) – 36% hold level 3 or higher – 11% no quals

Sales and customer service (48% of emp.) - 31% hold level 2 or higher – 15% with no quals
Retail

3 biggest skills needs:
• Oral communication
• Customer handling
• Team working

New skills set for store managers:
• Leading and developing
• Setting and monitoring customer service policies
• IT
• Strategic planning and financial management

Small business need: (public provision reliant)
• Marketing and business planning
• Visual merchandising
• Security and crime prevention
• IT
Retail

Sector has a 40% staff turnover rate

Poor industry image - 56% of career advisors do not think retail offers career development opportunities
Construction

94% micro-businesses
87% full-time workers
80% male
60% aged 25-44; 30% 50+

Fragmented industry – heavy reliance on sub-contracted workforce (SMEs) – short term project based

Difficult to encourage owners and manager to engage in workforce development or in their own life long learning (providing cover –time and income lost) – bite sized provision

Cyclical employment – high peaks and low troughs – low job security
Construction

Shift to prefabricated & preassembly- impact on skills
(Upskilling of site and construction managers – IT, coms, planning, QC, general business skills)
(down-skilling of craft workers)

Olympics, Thames Gateway, Norwich Growth Point - skills drain or opportunity – competition for skilled labour?

Perception: hard work, poor prospects for progression – lack of young entrants – poor work conditions

Low skills equilibrium – reduced costs of low skilled route
Construction

Pre-’crash’ scenario (27% employment growth 2005-2011) - increasing need for professional jobs, electrical trades, wood trades and interior fit-out, bricklayers and building envelop specialists?

32% of future recruits are required for professional and management levels – construction managers, architects and technical staff, senior execs, business process managers, IT

Trade Skills in demand will include bricklayers, cladders roofers painters and decorators, scaffolders and wood trades

Need for succession planning (30% over 50)
Construction

Widespread managerial skills gap

Retention would improve if basic skills assessed for entrants

Demand for apprenticeships not met with employer placements

Within skilled trades there is greater need for generic attributes such as communication, team building and working skills
Logistics
87% micro businesses (1-10 employees)
80% male employees
85% full time

Difficult to encourage owners and manager to engage in workforce development or in their own life long learning (providing cover –time and income lost) – bite sized provision – see construction.

Drivers of change:
• UK Gov and EU policy major driver of change – safety and environment – rail, water vs road, working hours
• E-commerce & home shopping – direct to consumer
• Technology – computerised delivery tracking, stock management systems, etc
Logistics

High staff turnover – deterring skills investment
Lack of progression routes
Lack of new entrants – esp. women
Poor working conditions
Impact of fuel costs - esp. micro businesses

49% of regional logistic workers are qualified to below level 2 only (31% regional average)
Only 20% have achieved level 2

Workforce development priorities:
• IT
• Communications (written and oral)
• Team work, customer service
• Lack of HGV drivers
• Widespread lack of managerial skills
Logistics

Predicted increase in need for management, clerical and administrative roles

EU Working Directive - more drivers (+ 50,000 UK 2014)

Retail distribution sector growth anticipated
Hospitality, Tourism and Leisure

78% micro-businesses
45% full-time workers
52% female
1/3 under 25 years
High representation of ethnic minorities

Diverse sector: pubs, gambling, hotels, self catering accommodation, contract food, holiday parks, corporate entertainment, etc.

Sector activity determined by demand in 2 broad markets:
• demand for hospitality from tourists and business visitors
• within county demand for services – domestic and business

Sector inherently linked to strength of economy and consumer confidence
Hospitality, Tourism and Leisure

Sector sensitive shocks – weather, terrorism, foot and mouth, bird flu, etc

Very high staff turnover (30%) – 70% of recruitment is to replace existing staff
Low rates of pay
Unsocial hours
Seasonal work – casual work
Low training provision
Low skills levels
Non-professional industry image

Difficult to encourage owners and manager to engage in workforce development or in their own life long learning (providing cover –time and income lost) – bite sized provision
Hospitality, Tourism and Leisure

Recognised that skills supply is insufficient to meet sector’s needs – loss of skills due to retiring or leaving sector, opportunities e.g Olympics, UK based holidaying – green travel

Lowest productivity of any UK sector – lack of management skills lie at the heart of this

Hard to fill vacancies: kitchen and catering assistance, bar staff, chefs and cooks, waiting staff, experienced managers

Regulation driving change: licensing laws, H&S, minimum wage, smoking ban, 24/7 society
Hospitality, Tourism and Leisure

Internet Booking and advanced technology for food preparations – increased ITC needs

70% of employees working front-of-house are under 25 – for 40% this is their first job – lack customer service and communication skills

Lack of career pathways

New methods of delivery and assessment required to support seasonal and part-time workers

ESOL provision for increasing migrant workers

(25% of hospitality business that don’t provide training ceased trading compared to 3% of those that did)
Hospitality, Tourism and Leisure

Significant portion of employees without level 2
Employers reluctant to train given high turnover
Temporary employment not seen as a career option
The industry requires a flexible approach to labour – but still requires to develop skills of core staff
80% of employer do not know how to access government skills funding!
Supply Side Review
Breckland: how do we compare (FE)?

FE 19+ FE by District

- Breckland
- Broadland
- Great Yarmouth
- King's Lynn and West Norfolk
- North Norfolk
- Norwich
- South Norfolk

Legend:
- 0506_F05
- 0607_F05
- 0708_F04
Breckland: how do we compare?

FE 19+ SFL in FE by District
Breckland: how do we compare (FE)?

FE 19+, FL2 in FE by District

FE 19+, FL2 in FE by District

- BRECKLAND
- BROADLAND
- GREAT YARMOUTH
- KING'S LYNN AND WEST NORFOLK
- NORTH NORFOLK
- NORWICH
- SOUTH NORFOLK
Breckland: how do we compare (FE)?

FE 19+, FL3 in FE by District
## Breckland: Who’s Delivering 19+ FE?

<table>
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<tr>
<th>19 + FE</th>
<th>07/08 F05</th>
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<tr>
<td>Cambridge Regional College</td>
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<td>College of West Anglia</td>
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<td>Easton College</td>
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<td>Great Yarmouth College</td>
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<td>Lowestoft College</td>
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<td>Norfolk County Council</td>
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<tr>
<td>North Herts College</td>
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<tr>
<td>Otley College</td>
<td>227</td>
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<tr>
<td>Paston College</td>
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<tr>
<td>Suffolk County Council</td>
<td>9</td>
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</table>

2351
Breckland: how do we compare?

19+ FE 2007 in Norfolk by SSA

- Agriculture, Horticulture and Animal Care
- Arts, Media and Publishing
- Business, Administration and Law
- Construction, Planning and the Built Environment
- Education and Training
- Engineering and Manufacturing Technologies
- Health, Public Services and Care
- History, Philosophy and Theology
- Information and Communication Technology
- Languages, Literature and Culture
- Learner Entitlement
- Leisure, Travel and Tourism
- Not Applicable
- Preparation for Life and Work
- Retail and Commercial Enterprise
- Science and Mathematics
- Social Sciences
Breckland: how do we compare (TTG)?

Train 2 Gain by Employer's District

<table>
<thead>
<tr>
<th>District</th>
<th>2006/07</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breckland</td>
<td></td>
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<tr>
<td>Broadland</td>
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<td>King's Lynn and West Norfolk</td>
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<td>North Norfolk</td>
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</tr>
<tr>
<td>South Norfolk</td>
<td></td>
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</tr>
</tbody>
</table>
Breckland: how do we compare (Apprenticeships)?

WBL 2007 Starts by District

NORTH NORFOLK | GREAT YARMOUTH | KING'S LYNN AND WEST NORFOLK | NORWICH | SOUTH NORFOLK | BROADLAND | BRECKLAND
Breckland: how do we compare (Apprenticeships)?

2007 19+ WBL BY SSA

Norfolk
Breckland: how do we compare (Apprenticeships)?

2007 19+ WBL by SSA

- Agriculture, Horticulture and Animal Care
- Business, Administration and Law
- Construction, Planning and the Built Environment
- Engineering and Manufacturing Technologies
- Health, Public Services and Care
- Information and Communication Technology
- Leisure, Travel and Tourism
- Retail and Commercial Enterprise
Breckland: how do we compare (Apprenticeships)?
Breckland: how do we compare (Apprenticeships)?

2007 19+ WBL by Level

2007 19+ WBL by Level

Advanced Apprenticeship

Apprenticeship
Breckland: how do we compare (Apprenticeships)?

2007 WBL by Age
Breckland: how do we compare (Apprenticeships)?
## Breckland: Who’s Delivering Apprenticeships?

<table>
<thead>
<tr>
<th>Institution Name</th>
<th>Number</th>
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</thead>
<tbody>
<tr>
<td>COLLEGE OF WEST ANGLIA</td>
<td>6</td>
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<tr>
<td>EASTON COLLEGE</td>
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</tr>
<tr>
<td>JHP GROUP LIMITED</td>
<td>34</td>
</tr>
<tr>
<td>OTLEY COLLEGE OF AGRICULTURE AND HORTICULTURE</td>
<td>4</td>
</tr>
<tr>
<td>PASTON COLLEGE</td>
<td>2</td>
</tr>
<tr>
<td>PROTOCOL SKILLS LIMITED</td>
<td>11</td>
</tr>
<tr>
<td>WEST SUFFOLK COLLEGE</td>
<td>9</td>
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<tr>
<td>YMCA TRAINING</td>
<td>4</td>
</tr>
<tr>
<td>CONSTANT BROWNING EDMONDS LIMITED</td>
<td>6</td>
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<tr>
<td>W S TRAINING LTD.</td>
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<tr>
<td>CITY COLLEGE, NORWICH</td>
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<td>NORFOLK TRAINING SERVICES LIMITED</td>
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<td>POULETEC TRAINING LIMITED</td>
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<td>VT TRAINING PLC</td>
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<tr>
<td>IN TRAINING (CBE) LTD</td>
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</table>
The Response - Some Early Thoughts

3 challenges

4 calls to action

But… if we are to succeed, we will need to do things very differently and form new and perhaps challenging alliances, new partnerships and dialogues.

All the necessary building blocks and opportunities are in place. But we need to join them up and deploy them perhaps in very new and different ways.
The Response - Some Early Thoughts

**Challenge 1** - At a headline level, we need to increase the overall quantity, level and quality of skills in the Norfolk economy…

**Challenge 2** - We will not do this unless the responses or solutions our providers make available - in terms of the content, design and delivery of programmes - are acutely sensitive or attuned to the demands or needs of employers.

**Challenge 3** - Finally, we also need to ensure that the offer we make available … reflects the very important sectoral and geographical dimensions, outlined in the analysis.
The Response 1 - Stimulating the Demand for Skills

Creating and Sustaining a Community of Interest in Skills.

Exploiting the Potential of Business facing Organisations
• Business-facing Protocols
• Skills Brand, Logo and Message

Getting the Messages Across
• Skills e-Newsletter
• high level and sustained media attention
• Skills Champions
• Beacon Employers
The Response 1 - Stimulating the Demand for Skills

Understanding Sectors and What They Need

- Sector Groups
- Sector Plans
- Sector Summits
- Focussed Campaigns

Leadership – Skills road map now ‘owned’ by County Strategic Partnership

Skills and Our Ambitions Around 14 to 19

Skills and GVA – A Local Longitudinal Study

Higher Education – Higher Level Skills and Knowledge Transfer

Norfolk as a Leitch Test bed Area
The Response 2 - Making Skills Really Easy to Access

Making the Process Streamlined

A Web-based Employer Guide to Training

Ongoing Monitoring and Evaluation

End-to-End Programmes

The Response 3 - Skills and Economic Development

The Response 4 – Skills and Worklessness
Skills Activism

April 2009, John Denham, DIUS Secretary: ‘we need to understand
• what drives employer spending on skills

• whether a system that responds to the demands of individual employers will produce the critical mass of learners with the right skills

• whether government and business should work more effectively together in areas of strategic need

• whether national and local government themselves could do more to boost the demand for, and supply of, skilled labour’