

Learning and Skills Council Local Area Statement of Need

Dorset & Somerset

2008/09

December 2007

Of interest to everyone involved in improving skills and learning opportunities
across the South West region.

Introduction

The South West Regional Commissioning Plan describes the key challenges we face across the South West region and sets out the actions we will take forward to address these. This local area statement of need should be considered alongside the Regional Commissioning Plan, as it outlines the local priorities for Dorset and Somerset in relation to the challenges and issues identified for the region. The Plan and underpinning strategic analysis may be found on the LSC website at <http://www.lsc.gov.uk/regions/SouthWest/Aboutus/regionalannualplans/>.

Dorset & Somerset consists of 4 local authority areas: Somerset, Dorset, Bournemouth and Poole. Of the total population of 1.2 million, 43% live in Somerset; 33% in Dorset; 13% in Bournemouth and 11% in Poole. 23% are aged under 19, and 21% over 64¹. The area's youth population is projected to decline in the medium-term future, especially in Poole.² The adult working age population is expected to grow slowly over the same period except in Poole where it will decline³. The non-white population of 16,000 comprises 1.6% of the total aged 16+ and about half of these are resident in Bournemouth⁴. Of the working age population 17% (71,000) people consider themselves to be disabled, with almost half of these living in Somerset⁵.

84% of the working age population are economically active, compared to 77% nationally. The proportion of working age adults who are employees or self-employed is relatively high, whereas unemployment rates for adults are below average⁶.

84% of the half-million employees are employed in four broad industrial groups: Manufacturing; Distribution (including retail); hotels & restaurants; Public Services and Financial Services. 20% of all manufacturing jobs were lost between 1998 and 2005, offset by strong growth in Distribution (11,000 jobs); Financial Services (26,000) and Public Services (35,000)⁷.

The occupational structure broadly reflects the industrial structure⁸, with Bournemouth and Dorset both having relatively large proportions of employed residents working in jobs typically requiring graduate level qualifications. Somerset's economy includes a number of leading-edge companies but is characterised by a high proportion of semi- and unskilled jobs.

70% of the 53,000 employers have less than 5 employees, although the around 300 large employers (200+ employees) employ around one quarter of the work-force⁹. Bournemouth and Poole have relatively high proportions of jobs with large employers, whereas Dorset has a large proportion of micro-employer jobs. Skill gaps¹⁰ and skills shortage vacancies¹¹ are reported by 3.3% and 14.7% of the area's

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² Source: 2004-based sub-national population projections, ONS © Crown Copyright.

³ Source: 2004-based sub-national population projections, ONS © Crown Copyright.

⁴ Source: Annual Population Survey Dec. 2006, ONS © Crown Copyright

⁵ Source: Annual Population Survey Dec. 2006, ONS © Crown Copyright

⁶ Source: Annual Population Survey Dec. 2006, ONS © Crown Copyright

⁷ Source: Annual Business Inquiry 2005, Nomis®, ONS © Crown Copyright.

⁸ Source: Annual Population Survey Dec. 2006, ONS © Crown Copyright

⁹ Source: Annual Business Inquiry 2005, Nomis®, ONS © Crown Copyright.

¹⁰ Skills shortage vacancies – when employers find vacancies hard to fill and identify the reason as skills shortages.

employers, respectively. In both cases, this is a smaller proportion than the national or regional averages. The incidence of both skills shortage vacancies and skills gaps are showing a downward trend.

More than three quarters of the economically inactive population do not want jobs. Of those, most are disabled, with significant minorities of carers and people who are on long-term sick leave¹².

Over a quarter of adults are qualified to level 4, almost half level three qualifications and more than two-thirds holding level 2 qualifications, broadly in line with national averages. However, there are large numbers of adults without intermediate-level qualifications and almost 250,000 without level 2¹³. Weymouth, Bournemouth, Poole, Highbridge, Bridgwater and Chard have relatively high populations of poorly-qualified adults¹⁴.

Around 72,000 adults are estimated to have literacy skills below level 1 and 134,000 adults with numeracy skills below entry level 3. There are an estimated 4,000 resident adults for whom English is not a first language (recent migration means this may be a gross under-estimate)¹⁵.

Both Dorset and Somerset have a growing economy, but recent performance is below potential and below national and regional performance, with relatively low levels of inward investment. Major development opportunities include regeneration of Poole town centre, the "Project Taunton" development as a sub-regional centre and the regeneration of the Morlands site at Glastonbury. Expansion of Bournemouth International airport will include opportunities for investment in the high knowledge sector.

New attractions are designed to increase Bournemouth's employment opportunities in tourism. The 2012 Olympic Games sailing events will be based in Weymouth and Portland and we are working with partners to understand and respond to the opportunities this brings, before, during and after the Games. The impact of migrant labour is an increasing feature and we need to understand the impact of EU migrant workers on the local skills agenda.

Our challenge for 2008/09 and beyond is to respond to the LSC's annual statement of priorities "Better Skills, Better Jobs, Better Lives"
<http://readingroom.lsc.gov.uk/lsc/National/nat-statementofpriorities-nov07.pdf>
within the context of the local needs. The following pages summarise the challenges, key actions and partnership working in response to the needs of Dorset and Somerset.

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¹¹ Skills gaps – employers unable to deliver business objectives due to skills deficiencies in their current work-forces.

¹² Source: Annual Population Survey Dec. 2006, ONS © Crown Copyright

¹³ Source: Annual Population Survey Dec. 2006, ONS © Crown Copyright

¹⁴ Source: 2001 Census, Nomis®, ONS © Crown Copyright.

¹⁵ Source: DfES Skills for Life Survey 2003, © Crown Copyright.

Targets

Initial modelling suggests that to achieve the SW region's participation and achievement targets, between 2007/08 and 2008/09:

- 16-18 participation will remain unchanged overall: a fall of 166 and 8 in FE and School Sixth Forms respectively, offset by an increase of 242 Work-based Learning and E2E.
- Adult Level 2 participation to rise by 3,543 or 46%
- Adult level 3 participation to rise by 1,261 or 23%
- Leitch Priority Skills for Life participation to rise by 4,976 aims or 56%
- Other Skills for Life participation to rise by 7,588 aims or 33%

Challenges, key actions and measures of success for Dorset and Somerset

Priority: Creating Demand among Young People
1. Our key challenge is to deliver the entitlement and the September guarantee at age 16 and 17 within a tight funding settlement.
2. Making use of finite funding to deliver priorities by raising achievement, completion rates and only funding effective provision.
3. Roll out Diplomas, by learning from those who were successful at Gateway 1. This shared experience has enabled other consortia to develop well formed bids for Gateway 2.
4. Work with local authorities, health services, police and voluntary and community sector to deliver Children and Young People's 2007/08 Plans across the area.
5. Continue to work with local authorities to offer support and challenge to raise quality in school sixth forms through the active involvement of School Improvement Partners.
6. Implement Action Plans to raise awareness of Level 2 at 19 targets with providers and partners, and gain commitment to joint strategy as well as benchmarking performance.
7. NEETs are a priority across the area. All Local Authorities are working to increase schools awareness and ownership. September Guarantee is being monitored by Connexions and Partnership Teams. Schools are being encouraged to improve IAG so that learners plan more realistically for their future.
8. Align pre-level 1 and foundation provision and increase progression from Entry to Employment and Level 1. Work with providers in Dorset and Somerset has led to improved progression.
9. The take up of the Education Maintenance Allowance to September (06/07) in Dorset and Somerset was above both SW and national figures.
10. Dorset, including Bournemouth and Poole has an unusually high proportion (46%) of post-16 learning in schools and this has an impact on the ability of FE 16-18 provision to grow. The need for more robust consortium working is now recognised and there is now

a growing willingness to address this issue.
11. Apprenticeships: we will work with WBL providers to: -analyse market penetration by sector and increase employer engagement and local sector penetration. -understand and appreciate how growth is achieved in line with Leitch targets. -increase completion rates
12. We will work with partners and providers, to engage more young people in apprenticeships, and support the roll out of the Apprenticeship matching service.
13. Work with brokers and providers to embed national policies for all people under 25 to undertake apprenticeship as the preferred route.
14. Work with providers, particularly Colleges to embed Programme Led Apprenticeships
15. Embed pre-apprenticeship provision within the Foundation Learning Tier progression pathway into apprenticeships. Ensure that resources already allocated to facilitate this are effectively deployed.
16. The area prospectus has now gone live across Dorset and Somerset with appropriate provider training and marketing. Plans are ongoing to expand the information and establish links with neighbouring areas and the Apprenticeship matching service.
Priority: Creating Demand among Adults
17. Our highest priority is to promote Train to Gain as a major opportunity for providers to increase employer engagement, and as a catalyst for skills development for hard to reach employees and employers. We need massive growth and to capitalise on new flexibilities being introduced.
18. Embed skills for life in all delivery and manage the impact of Leitch targets (entry level 3 numeracy; level 1 literacy), as the threshold for functionality. We need to significantly increase provision to deliver these 2020 targets by embedding Skills for Life in vocational provision. We also need to increase the proportion of numeracy courses offered in line with national priorities.
19. We will continue to focus on what learning we are able to deliver for adults and still ensure that colleges have a wider offer. Income generation by providers will increase their ability to widen the range of full-cost and part-subsidised provision.
20. We need to engage in learning those most excluded from the labour market, ensuring that providers charge those who can afford to pay and target public funding on those who cannot. Develop joint actions with local authority, health service, police and voluntary and community sector to engage vulnerable young people including care leavers, disaffected young people and those known to the Youth Offending Teams.
21. Focus on progression into learning, through learning and into employment. Strengthen our partnership with Jobcentre Plus to fully integrate employment and skills at all levels.
22. Promote demand led funding to ensure a sharper focus on priorities and increased individual and employer contribution.
23. We will embed Adult Apprenticeships within the Apprenticeship family
24. Work with WBL providers to prioritise: recruitment processes; quality of provision; success rates and employer satisfaction.
25. Adult Learning Grant – raise awareness among priority groups and use ESF or other funding to remove additional barriers to learning
26. Work with colleges and providers to individualise learning plans to meet the personal circumstances of each learner
27. Work with local next step providers to continue to develop the IAG service based on recommendations made in the Leitch Report in preparation of the roll out of the new Adult Careers Service in 2010/11.
Priority: Creating Demand among Employers
28. Introduce new flexibilities in Train to Gain as detailed in the Plan for Growth to enhance the service to employers and employees to provide a seamless service, from pre-recruitment to support for higher skills, management and leadership.
29. Establish the new Training Quality Standard as a key capacity activity for employer responsive providers and the route to specialist status.
30. Through Employer Engagement ensure that providers are ready to deliver to employers who sign up to Skills for Jobs status.
31. Achieve greater market penetration of large employers particularly in the public sector,

in order to create sufficient opportunities to meet our Skills for Life, first Level 2 and Apprenticeship targets.
32. Influence a change of culture on the part of employers and individuals, so they increase their own financial investment in learning, particularly at levels 3 and. Through the purchasing power of employers and individuals increase choice and both quality and flexibility of provision.
33. Promote <i>Train to Gain</i> as a major opportunity for providers to grow their business with employers, and as a catalyst for skills development by hard to reach employees and hard to reach employers.
Priority: Transforming the FE sector:
34. Continue to encourage providers' increased responsiveness including greater emphasis on fees and full cost work.
35. Continue with our role of market maker, intervening where the market is not responding to the needs of young people, adults and employers.
36. Implement local capital plans aligning LSC and local authority investment strategies, recognising the impact of the Children and Young People's Plans and taking account of "Building Schools for the Future", area reviews of demographic change, 16-19 Capital Fund and RDA capital development and other economic initiatives.
37. Bournemouth and Poole College have submitted a £100m plus capital bid to transform the learning environment in Poole and Bournemouth. Kingston Maurward College are considering further development following the recent opening of a new learning centre.
38. Implement capital strategies for all 5 Somerset Colleges including Nuclear Skills Academy hub at Bridgwater College. Fund 16-19 Vocational Centre at Minehead.
Priority: Better Skills, Better Jobs, Better Lives
39. Work with all providers to respond to the challenges identified by Leitch and with employers and partners to raise awareness of learning and skills development opportunities, including replacing skills lost through retirement in an ageing population.
40. Work is ongoing to embed Adult Safeguarded Learning within the framework of local community strategies and area agreements, and PCDL partnerships will need to ensure best use of funding opportunities.
41. Work with Local Authorities, Connexions and providers to co-ordinate transition and progression of learners with learning difficulties and/or disabilities into learning which will lead to employment as our response to the Learning for Living and Work Strategy.
42. ESOL – there are localities in the area with significant demand for English language learning to allow full participation in society and work.
43. Work with partners and services such as Adult Careers Service, Skills for Jobs, Skills Accounts, Employability Skills, Local Employment Partnerships to deliver a single customer journey from worklessness or low skills to sustainable employment and opportunity for progression.
44. Through regional arrangements Offender Learning and Skills Service (OLASS) delivers learning, advice and wider development activities for those in custody. We also have local partnership agreements to work with offenders in the community for advice & guidance services and Skills for Life.

Partnership Working

Local Area Agreement

- The LSC has taken a lead in the Enterprise and Economic Development block in particular, and is involved in sub outcomes relating to:
 - increased investment levels and business competitiveness
 - increased growth and sustainability in small business
 - more sustainable rural economy through Rural Renaissance initiatives
 - reduced worklessness and increase skills levels – leading to a Multi-Area Agreement (MAA) project for assisting disadvantaged people into work across two local authority areas
- Targets include:
 - Skills for Life to level 2
 - reduce economic inactivity rate to South West average
 - employer engagement in skills
 - Train to Gain
- We have been fully involved in the Children and Young People's block where a key target is to reduce young people classified as NEET
- We are working closely with the local authorities to set up an Employment and Skills Groups where these do not already exist. In Dorset this will become a subgroup of the MAA Board. Dorset has been identified as one of 13 areas who will proceed with a Multi-Area Agreement covering the Bournemouth/Poole conurbation.

Joint working with local authorities

- Initial work has commenced on a new Vision for 0-19 year olds on the Isle of Portland. This is likely to include Academy status for schools with additional training facilities across the Isle.
- The LSC is working closely with Local Authorities' Drug Action Teams in Dorset to develop career pathways and recruit young people into the sector with the goal of introducing Apprenticeships in Community Justice.
- We are funding a 16-19 Vocational Centre in West Somerset in a remote rural area as part of a regeneration project and are closely involved in the Building Schools for the Future initiative in Bridgwater.

Engaging economically inactive adults to return to work

- We have worked closely with Jobcentre Plus (JCP) on areas of joint planning including training provision for lone parents, deprived area initiatives, Employment Routeways and establishing links between Skills for Jobs activities with Local Employment Partnerships. The LSC will also be supporting JCP in briefing employers involved in the Local Employer Partnerships.

Sector Skills

- Colleges and other providers are engaged in the shift to industry-preferred qualifications identified in Sector Skills Agreements (particularly in our priority sectors of construction, health and social care, engineering, manufacturing and public sector). This is supported by Train to Gain and our network of 13 Centres of Vocational Excellence across Dorset and Somerset.
- Bridgwater College is leading the south west hub of the Nuclear Skills Academy and proposals are being developed for a Construction Skills Academy in Taunton

Community Engagement

- The LSC is driving the development of 3 Personal and Community Development Learning (PCDL) Partnerships across the area with clear links to Community Strategies, Local Strategic Partnership Theme Groups and LAAs. These Partnerships are in the process of being further developed and will be self-supporting
- The LSC is working in Partnership with the Third Sector to drive up demand for skills training, upskill the workforce and set up referral processes for clients with low skills

Olympics

- LSC is involved in all the key business leaders groups looking at the 2012 events and the legacy, including a theme group led by the MAA Board. We have launched several 'showcase' ESF programmes aimed at upskilling / preparing business for the event and engaging disadvantaged people.

Partner of Choice

- The first 2 Partner of Choice agreements have been negotiated – this will give the LSC better access to labour market information and cement joint working with Local Authorities and Dorset Business (Chamber of Commerce).