

SW REGION SECTOR SUMMARY

E-SKILLS

SECTOR FOOTPRINT

e-skills UK is the Sector Skills Council for IT and Telecoms and Lead Body for Contact Centres (www.e-skills.com).

The sector includes:

- IT Users – those who need skills in the use of IT or technology for their day-to-day activity and work
- IT and Telecoms – those whose primary job is in the IT or Telecoms industry
- IT professionals – those who work as IT professionals in the other sectors of the economy

E-SKILLS UK SKILLS LABOUR MARKET

Source: e-skills 'IT Insights: Regional Skills in the South West' and SSDA Fact sheet; SLIM SW Sector Balance Sheet, June 2008, NESS 2007 data derived from LSC SW research team.

Sector size & business unit size

- 35,746 employees in the IT industry in SW, plus another 44,234 IT professionals in other sectors (figures do not account for IT users across all sectors or Telecoms industry).
- 1 in 34 employees in all sectors in SW are IT professionals.
- 95% of ICT businesses employ 10 or less.
- The ICT sector is concentrated in the North and East of the region – the Bristol area accounts for almost a third of the sector employment.
- Hardware production is mainly based in Wilts & Swindon (20% of ICT employees).
- The SW is predicted to see a modest decline in its share of the total UK IT workforce over the next 10 years.
- The SW workforce is still growing, but not at the same rate as elsewhere in the UK.
- Forecasts of employment growth suggest that from 2004 – 2014, 12,000 extra jobs will be created. In addition, 23,000 jobs will need to be filled due to replacement demand (those leaving the sector or retiring).
- 70% of the UK workforce needs IT user skills (1.6m in the SW) of which 23% have skills gaps, which in future will need to be developed to higher levels as users will take over areas of IT previously handled by IT professionals, particularly in the access and analysis of information.

Profile of the Workforce

- The sector has comparatively few workers aged 50 and over at 14% of the workforce compared to 30% regionally. 77% are aged between 25 and 49 compared to 57% for the SW as a whole.

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- 95% white.
- Just under three quarters (74%) of workers within the e-skills sector in the SW are male compared to an average for all sectors in the region of just over half.
- 63% of the workforce in the e-skills sector are managers and senior officials or professional workers, a higher proportion than the 28% seen for the region as a whole.

Vacancies & recruitment

- Employing establishments within e-skills UK in the SW reported 2,000 vacancies in 2007, accounting for 3% of the total number of vacancies in the region.
- Of those vacancies 33% were hard-to-fill, in line with overall average for the SW.
- In 2007 there were 500 vacancies that were as a result of skills shortage accounting for 25% of all vacancies. Skills shortage vacancies also account for 78% of all hard-to-fill vacancies, higher than the SW average of 62%.
- 11% of establishments in the SW related to e-skills reported that there were skills gaps amongst their existing workforce. This equates to a proportion of skills gaps to jobs of 14%, higher than the regional average of 6%.

Qualifications in the Workforce

- 57% of the e-skills workforce in the SW is qualified to Level 4+ compared to 31% for all industries in the region.
- 73% of the workforce is qualified at Level 3 or above.
- The SW has high skills gaps in the IT professional workforce (13% versus 9% in GB) of which IT systems/services development and implementation skills are the greatest.
- SW ICT is relatively highly productive – around 50% more productive than the SW average. However, productivity was only around 87% of the GB average in 2002. The sector is growing relatively slowly compared to the SW average and the national figure for ICT – productivity declined by 6% between 1998 and 2004.
- 70% of e-skills UK establishments in the SW provided on or off the job training in the 12 months prior to the NESS07 survey, marginally higher than the average for all industries as a whole in the SW (68%).

KEY DRIVERS AND ISSUES

Source: e-skills 'IT Insights: Regional Skills in the South West' and Sector Skills Agreement

- The LSC has recognised that ITQ is central to the sector and has committed via the Sector Skills Agreement (SSA) to support the roll out regionally and locally within normal funding and planning constraints
- In Jan 2006 the LSC, QCA (Qualifications and Curriculum Authority) and e-skills UK signed a concordat stating that ITQ is the preferred qualification for IT users and is eligible for LSC funding as a full Level 2. IT users working

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across all sectors, who do not have a full Level 2 qualification, could be targeted through Train to Gain provision.

- There is very little public investment in IT professionals due to differences between employer need (higher level skills and bite sized learning) and government policy – the LSC currently spends £3 for every £100 employers spend on IT professional training
- ICT is recognised as a priority in the SW Regional Economic Strategy
- The SSA identifies the following issues for the sector:
 - IAG (Information, Advice and Guidance) is poor - stereotypically white/male orientated
 - There is a vast assortment of IT qualifications on the National Qualifications Framework (NQF), but only approximately 20 of these contribute to ITQ
 - Employers recognise the need to up-skill IT users but have minimal understanding of training needs or solution, so ITQ must be marketed to gain employer commitment
- The SSA includes ITQ as a contribution to Skills for Life priorities
- e-skills UK is involved in the QCA test and trials to develop a unit-based qualification framework underpinned by a system of credit accumulation and transfer. The project will operate in 3 LSC regions (NE, SE and E) to explore the implications for unitised funding and innovative approaches to ITQ assessment
- There is significant public investment in IT user training. However, funding for IT user skills is typically linked to completion of qualifications at Levels 1 and 2 – employers are increasingly demanding bite-sized units at Level 3 and above
- There is significant IT user skills development in FE but this is mostly focused outside the workforce.

Local intelligence indicates:

- ECDL (European Computer Driving Licence) has been heavily promoted especially in the public sector and although stated as a module contributing to ITQ some providers continue to promote ECDL over ITQ
- Providers perceive an issue with double funding when ECDL, CLAIT (Computer Literacy and Information Technology), etc. are contributing modules to ITQ and are delivered and funded separately by the LSC
- Action needs to be taken to address the capacity and capability of providers to deliver ITQ.

NSAS/COVES /14-19 DIPLOMA/HE (NATIONAL SKILLS ACADEMIES AND CENTRES OF VOCATIONAL EXCELLENCE)

Following discussion with DfES, a National Skills Academy does not feature in the e-skills UK business model.

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CoVEs

- Cornwall College - ICT Networking Skills
- Gloscat - IT Services
- New College - ICT for Business

KEY EMPLOYERS

- Orange – Bristol
- NHS Connecting for Health
- Hewlett Packard – Bristol
- insurance and major finance/insurance companies (predominantly in the North and East of the SW Region).

LOCAL & REGIONAL PROJECTS/NETWORKS

Source: LSC area partnerships teams and SWRDA

- BDP - ITQ capacity development project & brokerage support
- Gloucestershire - Women in Computing. This project aims to provide a flexible workshop environment supported by a trainer, offering a blended learning solution in the Cheltenham and Tewkesbury area
- Cornwall Enterprise Company – development of Cornish ICT sector
- SW RDA Broadband Partnership Projects 'Connecting SW' with the aims of encouraging the take-up of broadband and increased use of ICT by businesses, including developing the skills of the workforce in order to better meet the ICT needs of employers in Somerset, Dorset, Gloucester and West of England areas.

SUMMARY OF SUPPLY

Source: LSC IPOL data (ILR extract)

Analysis of further education and work based data by Sector Skills Council footprint is not yet available for 2006/07. The data presented below relates to Train to Gain activity which can, in most cases, be attributed to a specific sector.

e-skills Starts 06/07		
Starts	NVQ for IT Professionals	2
	NVQ for IT Users (ITQ)	415
Total		417

SUMMARY OF DEMAND

Source: Sector Skills Agreement, Skills Balance Sheet, Working Futures

The net forecast of employment growth from 2004-2014 for the e-skills UK footprint (defined by Working Futures as the IT and Telecoms industry only) is 12,000. The forecast replacement demand for 2004-2014 is 23,000.

All information and data contained in this sector summary is accurate up to 31May 2008

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IT and Telecoms Professionals Employer requirements in 2007/08

Based on current skills gaps and future up-skilling

Level 2	1,090
Level 3	991
Level 4+	2,825
Total	4,956

Gaps defined in comparison to current supply and achievements

Current achievements	1,588
Current achievements as % of employer requirements	31
Current priority qualification achievements	321
Current priority Qualification achievements as % of employer requirements	6

To meet employer requirements LSC provision should fund priority IT, Telecoms and Contact qualifications (and units from them) as set out in the Sector Qualifications Strategy as follows:

- NVQ for IT Practitioner/ Professional at Levels 2, 3, 4 and 5
- Certificate for IT Practitioners (Software Development) Level 3
- Certificate for IT Practitioners (ICT Systems Support) Level 3
- Advanced Diploma in IT Practitioners (ICT Systems Support) Level 3
- BTEC National Diploma for IT Practitioners: software development Level 3
- BTEC National Certificate for IT Practitioners: software development Level 3
- BTEC National Award for IT Practitioners: software development Level 3
- BTEC National Diploma for IT Practitioners: ICT Systems support Level 3
- BTEC National Certificate for IT Practitioners: ICT Systems support Level 3
- BTEC National Award for IT Practitioners: ICT Systems support Level 3
- NVQ Level 2 for Communication Technology Practitioners – EDEXCEL
- NVQ Level 2 for Communication Technology Practitioner – C&G
- NVQ Level 3 for Communication Technology Professionals – EDEXCEL
- NVQ Level 3 for Communication Technology Professionals – C&G
- BTEC National Certificate in Telecommunications Level 3
- BTEC National Diploma in Telecommunications Level 3
- BTEC National Award in Telecommunications Level 3
- C&G Diploma in Communications Systems Level 3
- BTEC National Certificate in Communications Engineering Level 3
- BTEC National Award in Communications Electronic Engineering Level 3
- BTEC National Diploma in Communications Electronic Engineering Level 3
- Contact Centre Operations (OCR, C&G, Edexcel, EDI) Level 2
- Contact Centre Professional (OCR, C&G Edexcel, EDI) Level 3
- BTEC Advanced Certificate in Call Handling Operations Level 3
- Certificate in Contact Centres Level 3
- Certificate in Contact Centres Skills Level 3

Additionally, development of competencies in management and business skills for IT and Telecoms and Operational Management and Strategic Management for Contact Centres roles are considered a priority. SW's 33,500 business managers (the majority of which are not in IT businesses) need higher levels of ICT skill and

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knowledge to enable them to make realistic and economic decisions about ICT procurement in their companies.

IT Users – Employer requirements in 2007/08

Based on current skills gaps and future up-skilling

Level 2	188,364
Level 3	105,954
Total	294,318

Gaps defined in comparison to current supply and achievements

Current achievements	45,820
Current achievements as % of employer requirements	20
Current priority qualification achievements	11,250
Current priority Qualification achievements as % of employer requirements	4

To meet employer requirements LSC provision should fund priority IT User qualifications (and units from them) as set out in the Sector Qualifications Strategy as follows:

- NVQ Level 1 for IT Users (Edexcel, C&G, OCR, BCS)
- NVQ Level 2 for IT Users (Edexcel, C&G, OCR, BCS)
- NVQ Level 3 for IT Users (Edexcel, C&G, OCR, BCS)
- GOAL NVQ Levels 1 ,2 and 3 for IT Users
- Certificate for users (CLAIT Advanced) Level 3 (OCR)
- Certificate for IT Users Level 3 (EDI)
- Advanced Diploma for IT Users Level 3 (C&G)
- BTEC National Award for IT Practitioners (general) Level 3
- Advanced Diploma in IT Practitioners (ICT Systems Support) Level 3 (C&G)
- Certificate in using ICT Level 3 (BCS)

ITQ contributing Qualifications and units from them (list can be found on <http://itq.e-skills.com/ITQ-qualification/1993>)