

Adult level 3 qualifications



Leading learning and skills

January 2009

Information Service

Purpose: This document forms the adult level 3 qualifications section of the South West Strategic Analysis 2008. The Strategic Analysis is the annual 'stock-take' analysis and considers labour market intelligence, performance information and Government policy to develop a full strategic picture of current education and training marketplace. The analysis is supported by national skills research (including Skills in England Report 2007, National Employer Skills Survey and Working Futures). The stock-take provides the intelligence to confirm our strategies and priorities.

Theme: Adult level 3 qualifications

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Key Points

- > In response to the Leitch Review, the government has set ambitious PSA targets to improve the skills of the workforce. PSA2 requires 56% of the adult workforce (aged 19+) in England to be qualified to Level 3 by 2011; up from the latest position (2007) of 49%.
- > In the South West, 53% of the region's working age population (0.58m people) are qualified to Level 3 or above; 4% higher than the English average.
- > Within the region, baseline positions vary considerably with highs of 60% and 57% in Bath and North East Somerset and Gloucestershire respectively, contrasting with lows in Swindon, Torbay and Plymouth which are some 10% below the target.
- > Different labour market groups have very different qualification profiles. Whereas 56% of those in work are qualified to Level 3 and above, only 43% of the unemployed are qualified to this level. Men tend to be better qualified than women and full time workers possess higher qualifications than part time workers.
- > Since Level 2 qualifications are the usual pre-requisite for people embarking on Level 3 qualifications, it is useful to understand the characteristics of those whose highest qualification is currently Level 2 (not Level 2+). By occupation, those in Personal Service, Sales and Process, Plant and Machinery occupations are most likely to possess Level 2 qualifications. Perhaps surprisingly, 1 in 5 managers are only qualified to Level 2. 30% of all Level 2 jobs in the region are in the Retail and Construction sectors.
- > Demand for Level 3 skills is highest in employment covered by Construction Skills, Semta, People 1st and Skills for Care.
- > Data from the National Employers Skills Survey 2007 shows the extent to which employers develop the skills and qualifications of their staff. Overall, 68% of establishments in the South West provided training for one or more of their employees in the past year, slightly above the national average of 67%.
- > However, some of the key sectors in terms of Level 3 recruitment - Construction Skills and Skillsmart Retail – have below average rates of training.
- > Skillsmart Retail employers make little use of the FE sector for training and only train low proportions of their staff towards qualifications.
- > On average, just 6% of employers who train their staff train them to a qualification. Of those being trained towards an NVQ, 47% of trainees were training towards a Level 2 qualification and 45% to a Level 3 qualification.
- > The Comprehensive Spending Review 2007 made it clear that the Train to Gain programme is to be the main form of inducement to employers to boost the qualifications of the adult population. Findings from the National Employers Skills

Survey 2007 show that there will be a need to improve the awareness and take up of Train to Gain across the economy. In 2007, just over 1 in 4 employers in the South West were aware of Train to Gain and 1 in 20 had been involved with it.

- > Awareness and use of Train to Gain was highest in the health and education sectors (Lifelong Learning UK, Skills for Care and Development, and Skills for Health). Lowest levels of awareness were evident in employers covered by Energy and Utility Skills, Lantra and Automotive Skills.
- > Data on individual skills development shows that the number of LSC funded learners in FE has fallen year on year, but of the total, a far greater proportion are studying for Level 3 qualifications (23%) than three years ago (16%). Almost half of the learners enrolled on Level 3 courses are from Cornwall, Devon, Gloucestershire and Somerset.
- > Despite the demand for Level 3 skills in the construction and retail sectors, learning in these subjects via FE is weighted far more to Level 2 than Level 3.
- > 37% of WBL starts are at Level 3. Of these, starts are dominated by Health, Public Services and Care (21%), Engineering and Manufacturing Technologies (18%), Business, Administration and Law (17%) and Retail and Commercial Enterprise (16%) – all subject areas with significant demand for Level 3 qualifications.
- > The largest number of Level 3 WBL starts are to be found in Devon and Cornwall and Dorset which account for 40% of the total.
- > The Labour Force Survey provides additional useful background on the characteristics of learners studying for qualifications. It shows that although the impetus of the PSA target is to improve the skills of adults during their working life, 69% of those whose highest qualification is at Level 3 have gained their qualification before the age 19.

The need for higher level skills and qualifications

In recent decades, the UK economy has undergone fundamental changes in its occupational and industrial composition, with a fall in the proportion of employment accounted for by the manufacturing and primary sectors and a rise in service sector employment. Accompanying this trend, **there has been a rise in the demand for skilled workers**, reflecting not just the shifts in the occupational and industrial structure but also:

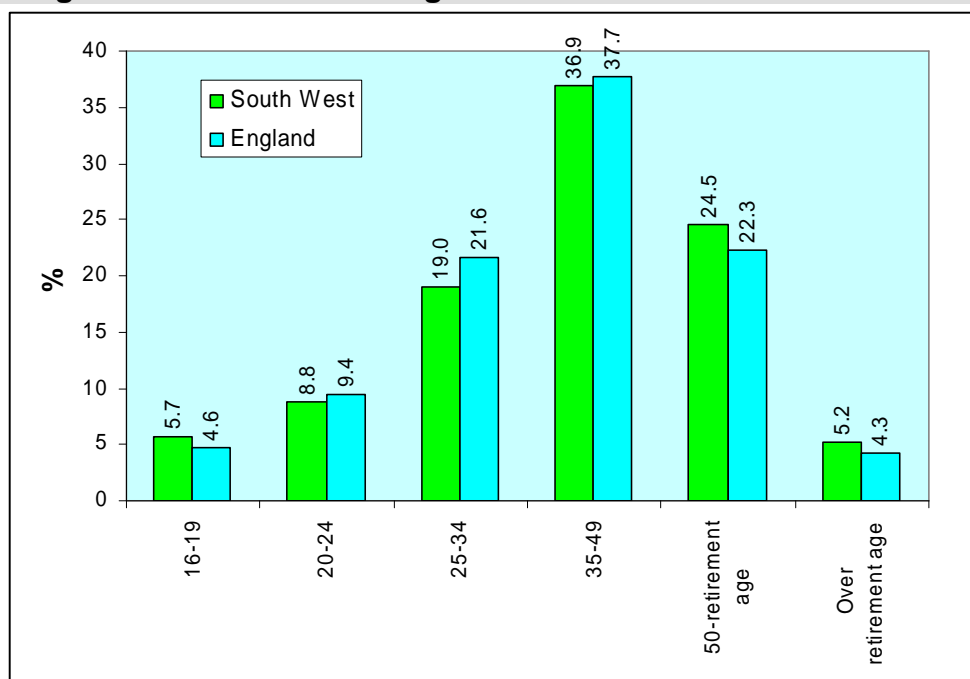
- > new technology;
- > the development of new working practices; and
- > intense global competition from the rising economies of India and China.

The rising demand for higher level skills and fall in demand for unskilled and unqualified labour means that by 2012 it has been estimated that **two thirds of jobs (new and existing) will require at least Level 3 qualifications**¹. Since the vast majority of those who will make up the workforce in 2012 are already in employment, many of the challenges to the skills and knowledge of the labour force will have to be met by adults already in work.

In the past, improvements to the skills base of the workforce have been assisted by a flow of highly qualified young people moving into work combined with a flow out of the workforce by older, less qualified people. However, the demographics of the workforce are changing; the proportion of older people in the workplace and the length of working lives are increasing, absolute numbers of young people are falling, yet at the same time the pace of change and innovation is accelerating. These demographics are particularly an issue for the South West which has an **older than average workforce** with smaller proportions of people in the prime working age categories of 24-49 and more people over 50:

¹ Skills: Getting on in Business, Getting on at Work, March 2005 DFES, p18

Figure 1: Age of the South West/England workforce



Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Over the coming years, considerable change is projected in the age profile of the regional workforce with significant implications for employers' skills needs. Broadly, **the workforce is ageing**, with a reduction in the number of available younger workers (who are projected to be down by 22,900 or 7% over the next 10 years) and a rise in the proportion of the population who are of retirement age (up 263,500 or 24%). From the perspective of the local labour market this means that, to an increasing extent, employers will need to meet their recruitment and skills needs from older workers. It will not be sufficient solely to rely on inflows of young people with relevant skills moving into the workforce over the long-term; employers have real and immediate needs which must to be met by developing the skills and aptitudes of the adult population. In turn, people without those skills and qualifications will find it increasingly difficult to find sustainable employment.

Against this backdrop, the Leitch Review² made a forceful case for the UK to take action to improve workforce skills since despite rising standards in school and unprecedented numbers progressing to higher education, the UK's skills base is mediocre by international standards. OECD comparisons of 30 countries show that the UK lies 17th in respect of low skills, 20th on intermediate skills and 11th on high skills. Thus it is at the **intermediate level or Level 3 where the country performs least well**.

² http://www.hm-treasury.gov.uk/leitch_review_index.htm

Policy context

The Government's acceptance of the Leitch Review recommendations led to a re-alignment of funding in the 2007 Comprehensive Spending Review to support moves to ensure that the UK will be a world leader in skills by 2020. Targets have been set for improvements at all qualification levels and of relevance here is the ambition to shift the balance of intermediate skills from Level 2 to Level 3. This will require the delivery of 1.9 million additional Level 3 qualifications over the period – more than doubling the current rate of attainment of adults.

Additionally, the Education and Skills Bill currently passing through the House of Lords proposes the first ever legal right to basic and intermediate skills and qualifications for adults. Alongside free provision for literacy, numeracy and Level 2 qualifications, all adults aged 19-25 will be entitled to free tuition for a first full Level 3 qualification (including Advanced Apprenticeships). In addition, Skills Accounts will give them the purchasing power to choose an accredited provider of their choice, underpinned by Adult Learning Grants and Career Development Loans for those who need them.

Public Service Agreements

To give impetus to the Government's vision for skills, a new Public Service Agreement (PSA2) aims to **'improve the skills of the population on the way to ensuring a world class skills base by 2020'**.

Indicator 3 requires **56% of adults (defined as 19+) to be qualified to at least full Level 3 by 2011**; up from the latest position of 49.2%. The government expects partners to achieve this through a twin track approach:

- > to tackle the barriers that may leave adults unconvinced of the benefits of learning or unable to find funding or a course that suits them; and
- > to address barriers that may discourage employers from training their low skilled people and investing in skills.

In the words of the Treasury itself, 'These are exceptionally demanding goals'.

The bulk of the increase in qualification attainment required to deliver the Level 3 target is expected to be delivered through Train to Gain, increasing from 12,000 full Level 3 achievements in 2007/08 to 152,000 by 2010-11; an increase which underlines the scale and direction of change needed.

What do the targets mean for the South West?

The current position

The South West region has a well-qualified working age population with the highest proportion of people with intermediate and graduate level skills outside London and

the South East. At the other end of the spectrum it also has one of the lowest proportions of people with no skills.

Latest available data shows that currently **53%** of the region's working age population (0.58m people) are qualified to Level 3 and above; 4% higher than the English average.

Figure 2: Level 3 qualifications of the working age population by region



Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Figure 3: Qualifications of the working age population in the regions; percentages

Qualifications ³	L4	L3	L2	< L2	No qualifications	All
Eastern	28	18	21	21	12	100
E. Midlands	28	19	20	20	13	100
London	40	14	16	17	13	100
North East	27	21	22	17	14	100
North West	28	19	21	18	15	100
South East	34	19	20	18	9	100
South West	32	21	20	19	9	100
West Midlands	27	18	20	18	17	100
Yorks & Humbs	26	19	1	20	14	100
England	31	18	20	19	13	100

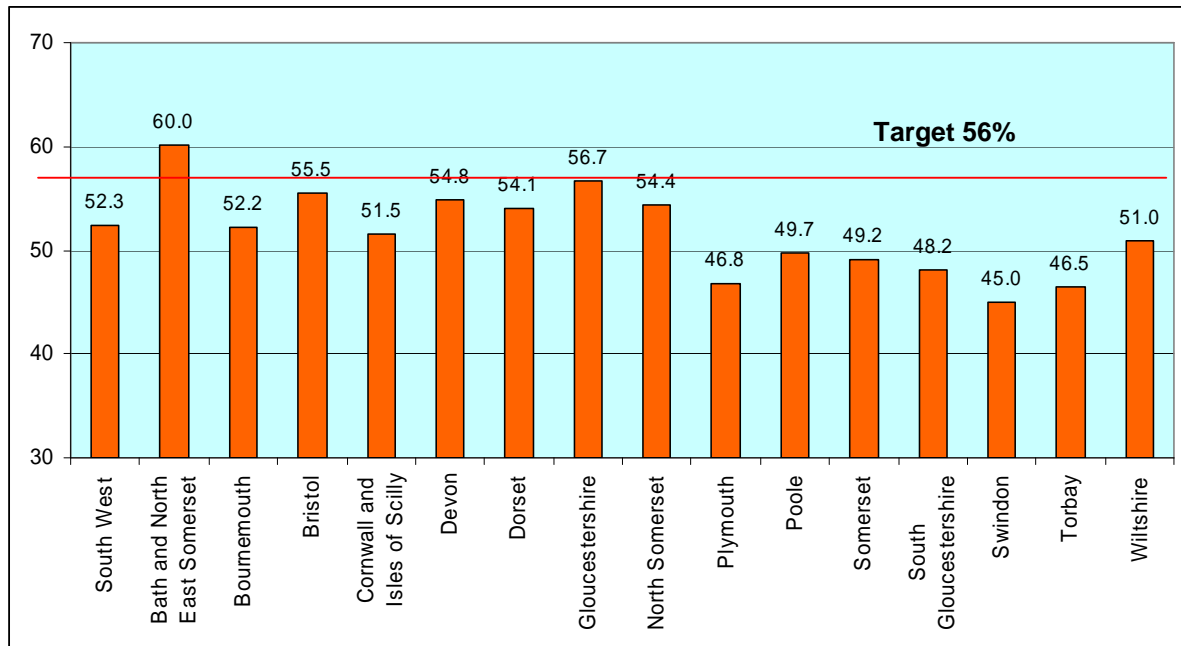
Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Qualifications of the population by Unitary Authority/County

As may be expected, there are significant differences in baseline positions in respect of Level 3 and above across the region. It can be seen that:

- > Two Authority areas are already above the target: Bath and North East Somerset and Gloucestershire.
- > At 55.5%, Bristol is close to achieving the target.
- > Lowest proportions of high level and intermediate skills by far, are to be found in the populations of Swindon, Torbay and Plymouth each of which are around 10% below the target.

Figure 4: Proportion of the working age population qualified to Level 3 and above by Unitary Authority/County.



Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Many factors such as socio-economic status and age underpin these differences in the qualifications base, but to a large extent, the qualifications of the population reflect the function and character of each local economy. Those economies with advanced industrial and service sectors requiring high levels of professional and technical skills, together with residential areas with fast communication links and hence commuter populations with high skill levels tend to have greater proportions of people with Level 3 and 4 skills and qualifications. Moreover, none of these figures are static and graduates, in particular, are highly mobile in their search for highly paid skilled employment.

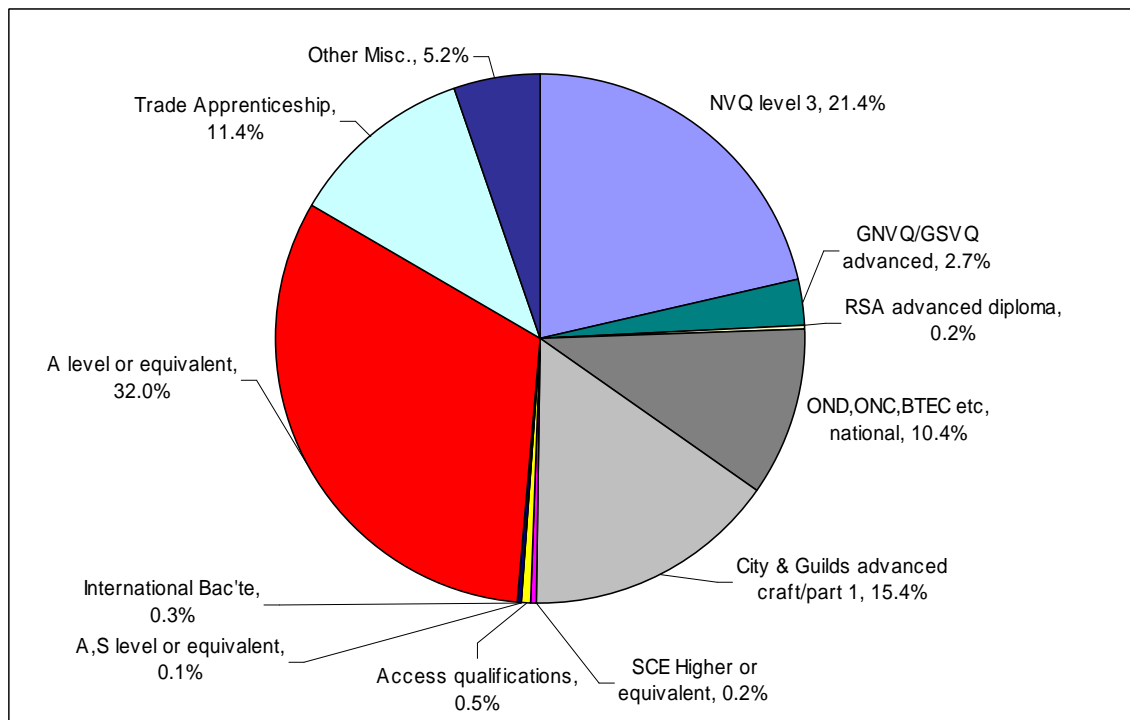
Composition of workforce qualifications at Level 3

Closer analysis of the composition of the qualification base of those with intermediate, Level 3 qualifications illustrates the complexity of different awards assigned to Level 3.

The most significant feature of the data is the contribution of 'A' levels which account for a third of qualifications at this level.

Of the vocational qualifications, NVQ 3, ONC/OND/ BTEC and City and Guilds are all significant. It can also be seen that 11.4% of the total is made up of Trade Apprenticeships. Apprenticeships were historically an important qualification for skilled workers and for the purposes of qualification analyses in this report the convention of assigning half of those with Apprenticeships to Level 2 and half to Level 3 has been followed.

Figure 5: Highest qualification of those with Level 3 qualifications in the South West



Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Through time, it might be expected that the academic share of the total will diminish as more people undertake vocational qualifications to improve their work-related skills.

Progress required to meet Target

In the South West, the population aged 20 to retirement age is estimated to be 2.8 million. Of these, 1.5 million are qualified to Level 3 and above:

Figure 6: Qualifications of the working age population in the South West; numbers

Highest qualification	Numbers
L4 +	886,000
L3	577,320
L2	565,645
<L2	767,635
Total	2,796,600

Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

To achieve a target of 56% qualified to Level 3, therefore, approximately 34,200 adults per year will need to gain a Level 3 qualification or above. Latest data from learners in Further Education and Work-Based Learning indicate that in 2007/08 an additional 26,000 Level 3 qualifications were delivered to people aged over 19, suggesting that future progress may need to accelerate.

Of course, there are a number of additional factors in workforce upskilling:

- > as older workers, who traditionally have lower formal qualifications, leave the workforce through retirement, the pool of lower qualified labour reduces;
- > in turn, they are replaced by younger workers who tend to possess better qualifications entering the labour force
- > additionally, inward migration can raise the qualification base.

The demand for Level 3 qualifications: Characteristics of those with Level 2 qualifications

Since Level 2 qualifications are the usual pre-requisite for people embarking on Level 3 qualifications, it is useful to understand the characteristics of those whose highest qualification is currently Level 2 (not Level 2+) to enable the LSC, its partners and providers focus interventions in areas which will contribute towards target achievement.

Broadly, there are **0.56 million** people in the South West with Level 2 qualifications, equivalent to **20%** of the population aged 19 to retirement age.

The following sections explore their main characteristics.

Level 2 population by geography

By geography, there is far less differentiation between different authority areas at Level 2 than might have been expected given the wide differentials at Level 3 and above. As can be seen, all authority areas are clustered around the average of 20%, however, the large variation in the population size of different authorities means that five areas (Devon, Gloucestershire, Cornwall and the Isles of Scilly, Somerset and Wiltshire) account for more than half of all people with Level 2 in the region. Clearly, action to improve the qualification base in these areas will contribute significantly to the achievement of government targets.

Figure 7: Numbers and proportions of the working age population with Level 2 qualifications as their highest qualification.

Unitary Authority/County	Nos with Level 2 qualifications only	% of working age population with Level 2 only	% of total Level 2 population only
Devon	76,555	19.4	13.5
Gloucestershire	62,170	19.6	11.0
Cornwall and Isles of Scilly	58,165	20.9	10.3
Somerset	55,585	21.0	9.8
Wiltshire	50,360	20.9	8.9
Bristol	46,265	17.7	8.2
Dorset	39,360	19.9	7.0
South Gloucestershire	32,195	22.5	5.7
Plymouth	30,900	21.9	5.5
Swindon	24,470	22.2	4.3
North Somerset	20,575	18.8	3.6
Bath and North East Somerset	18,515	19.1	3.3
Bournemouth	18,060	20.4	3.2
Torbay	14,775	22.6	2.6
Poole	13,090	18.8	2.3
South West	565,645	20.2	100.0

Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Level 2 population by age and gender

As is well known, there are significant differentials in the stock of qualifications by age group with younger people generally better qualified than older people reflecting the rapid expansion of higher education over recent decades. This has led to higher proportions educated to degree level entering the workforce and as a result, the qualification stock peaks amongst the 25-34 age group. In contrast, older workers, who have had very different patterns of education, are most likely to have lower qualifications below Level 2 or none at all. In between the higher and lower qualification levels, the proportions of the population possessing Level 2 as their highest qualification is remarkably constant ranging from 18% -22%.

Figure 8: Highest qualifications of the working age population by age; percentages

Highest qualification	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	Total
Level 3 and above	56	61	59	50	54	51	50	47	53	53
Level 2	22	21	18	21	19	21	21	19	18	20
Below Level 2	22	18	23	29	27	28	28	33	29	27
	100	100	100	100	100	100	100	100	100	100

Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

In general, men are better qualified than women, as a consequence, there are fewer men whose highest qualification is Level 2 (17%) than women (21%):

Figure 9: Highest qualifications of the working age population by gender; percentages

Highest qualification	Male	Female	All
Level 3 and above	56	50	53
Level 2	17	21	20
Below 2	27	29	27
	100	100	100

Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Level 2 population by economic status

Although the proportions of the economically active (20%) and inactive (18%) possessing Level 2 qualifications are similar, the reasons for this are very different. Among the economically active, the majority have continued with their education and learning and therefore tend to be better qualified, leaving a minority with qualifications at Level 2 or below. In contrast, among the economically inactive, significant numbers have not obtained any qualifications at all and 4 out of 10 are qualified to below Level 2. Closer analysis of the data shows that the early retired and student populations boost the qualification profile of the inactive and that some workforce groups – the long-term sick and those who are looking after the home or family - are almost twice as likely to have no or low qualifications (< Level 2) as the economically active.

Figure 8: Highest qualifications of the working age population by economic status; percentages

	Below L2	Level 2	Level 3+
Self-employed	23	21	57
Full-time work	23	19	58
Part-time work	28	22	50
Unemployed	44	13	43
Looking after home/family	51	25	24
Long-term sick/disabled	59	15	26
Early retired	26	15	59
Non-working student	13	35	52
Active	25	20	56
Inactive	41	18	41
All	27	20	53

Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Within the working age population, various sub-groups have very different qualification profiles. The main points to note are:

- > The qualifications of the workforce are much higher than those out of work through unemployment or economic inactivity.
- > At Level 3 and above there is a difference of fifteen percentage points between the employed and inactive, and twelve percentage points between those in work and the ILO unemployed, suggesting that those out of the workplace are little equipped to fill employers rising skills demands at Level 3 and above. Only 13% of the unemployed possess a Level 2 qualification, most are qualified to below that level.
- > It is important to note that the percentages of unemployed and inactive people qualified to **below** Level 2 are considerable, suggesting that significant minorities have far greater distance to travel to achieve Level 3 and that in the short-term, any significant increase in Level 3 qualifications is likely to come from the working population.
- > Among those in work, part-time workers are less qualified than full-time workers.

- > Strong contrasts are evident by disability with over half of those with a disability or permanently sick being qualified to below Level 2 or in many cases, not at all (25% have no qualifications).

Notwithstanding the higher proportions of Level 2s amongst the inactive, **71% of those possessing Level 2 as their highest qualification are in the workforce** as employees or self-employed.

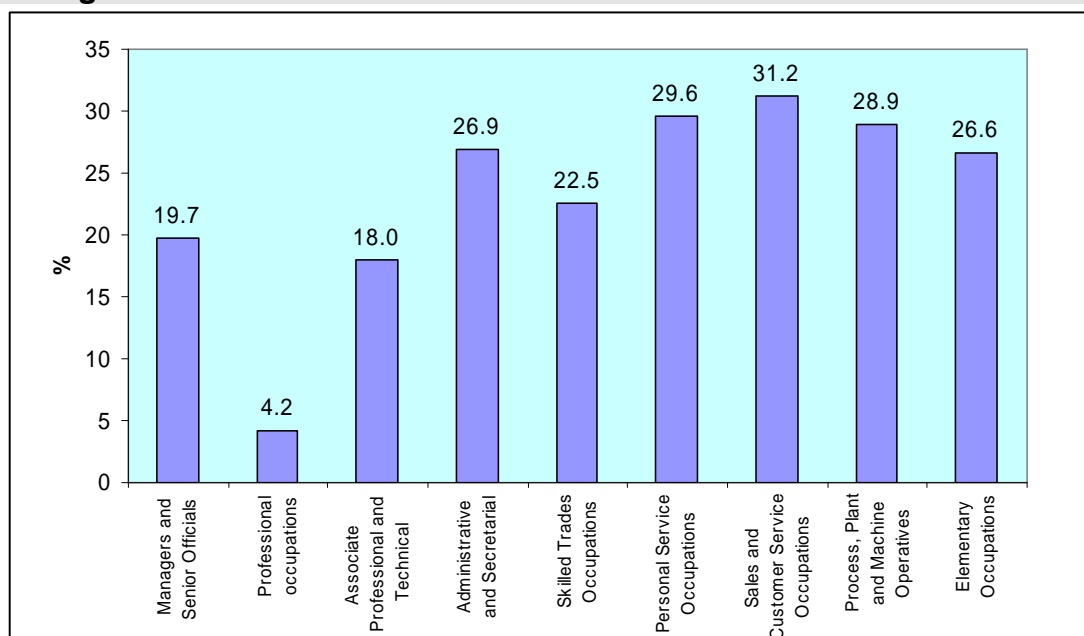
Level 2 population by occupation

Analysis of qualifications by occupation shows wide variation, with Level 2 qualifications clustered around the **Personal Service, Sales and Process, Plant and Machinery occupations**.

As may be expected, few people classed as Professionals hold Level 2 as their highest qualification.

It must be assumed that the relatively high proportion of workers with Level 2 qualifications in Elementary occupations are to a certain extent being 'drawn down' to cover skills gaps or are otherwise working at levels below their skills level and there is some possibility that their skills are not being fully used:

Figure 9: Proportions of the workforce qualified to Level 2 by occupation; percentages



Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Focussing on the Level 2 cohort itself, perhaps the most significant feature of the data relates to managers' qualifications. Numerically, **Managers and Senior Officials are the largest group with Level 2 qualifications**:

Figure 10: The Level 2 cohort by occupation; numbers and percentages

	Nos with L2 qualifications as highest qualification	% with L2 qualifications as highest qualification
Managers and Senior Officials	74,556	14
Professional occupations	12,020	2
Associate Professional and Technical	62,387	12
Administrative and Secretarial	73,112	14
Skilled Trades Occupations	66,255	13
Personal Service Occupations	58,126	11
Sales and Customer Service Occupations	56,899	11
Process, Plant and Machine Operatives	42,107	8
Elementary Occupations	74,316	14
Total	519,778	100

Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

Managers are one of the most rapidly growing groups in the workforce and yet there have long been concerns about their overall quality particularly compared to their international competitors, not just in the South West, but nationwide. Of course, the Managerial category includes proprietors and shopkeepers and it would not be expected that the manager of a corner shop would have the same skills or qualifications as a corporate chief executive. But, owner-managers are potentially a very important group and research⁴ has shown that the low quality of small business owner managers, “in basic managerial skills and in the areas of finance and long-term planning” is a key barrier to small business growth. Locally, the South West Regional Skills Partnership has identified leadership and management skills as a priority for the region.

Of course, qualifications are not the same as skills and competences and there is a wide range of dimensions to management skills. But given the rapidly changing demands on managers at all levels, whatever weight is given to the distinction between qualifications, skills and experience, it would be hard to argue from the evidence presented that it is desirable that managers make up such a significant number of those with low level intermediate skills.

Level 2 population by sector

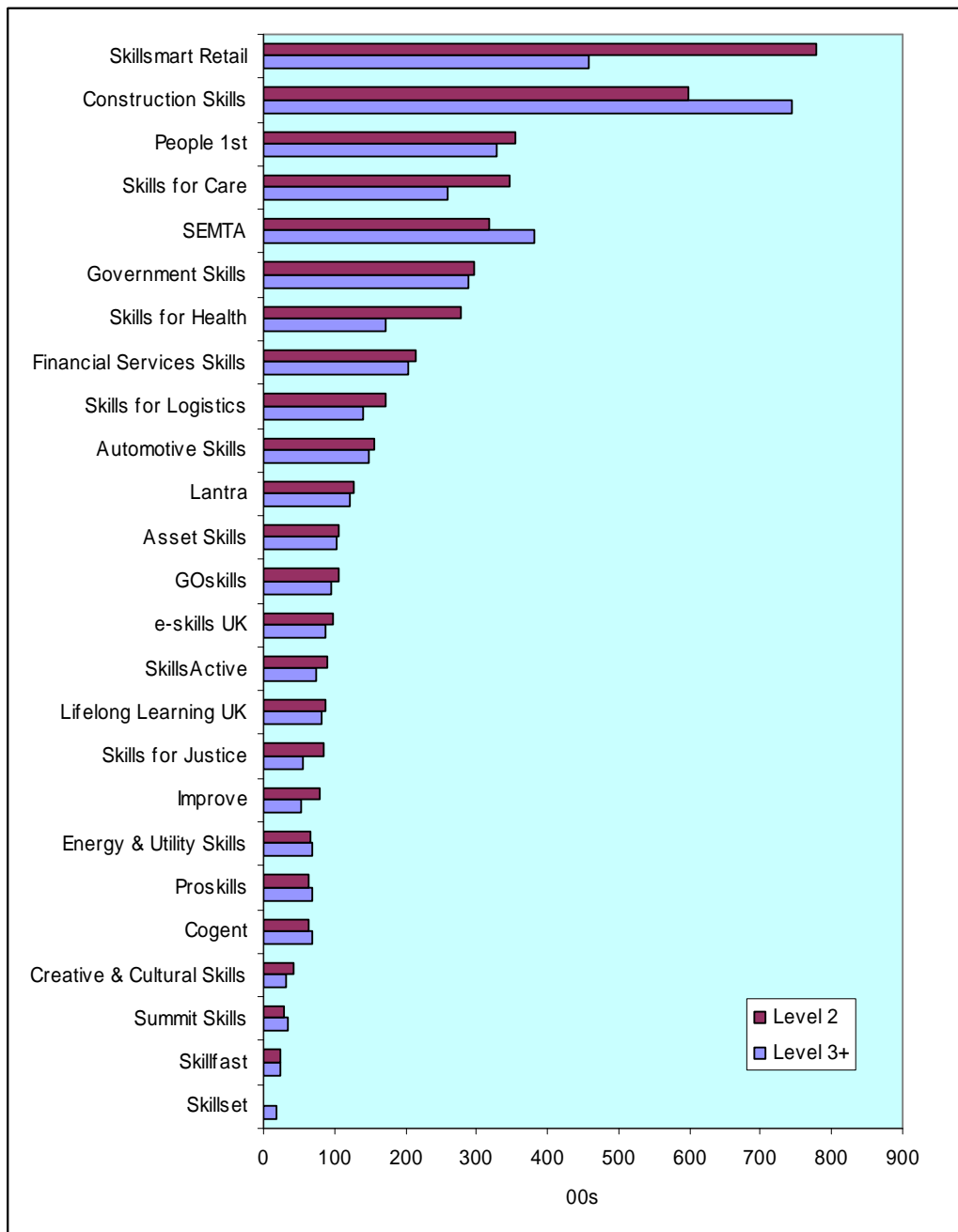
It follows that where intermediate jobs form high proportions of the workforce in particular sectors then the demand for staff with Level 2 and 3 qualifications in those sectors is highest. Accordingly, **30% of all Level 2 jobs in the South West are in the retail and construction sectors**. However, in Skillsmart Retail people with Level 2 outnumber those with Level 3, whereas in ConstructionSkills the situation is reversed.

Overall, the following 8 of the 25 SSCs account for 70% of all Level 2 jobs:

⁴ Bosworth D & Jacobs C ‘Management attitudes, behaviour and abilities’ in Barber, Metcalf and Porteous (eds) ‘Barriers to growth in small firms’

- > Skillsmart Retail (17% of total)
- > ConstructionSkills (13%)
- > People 1st (8%)
- > Skills for Care (8%)
- > Semta (7%)
- > Government Skills (6%)
- > Skills for Health (6%)
- > Financial Services (5%)

Figure 11: Proportions of the workforce qualified to Level 2 by occupation; percentages



Source: Annual Population Survey 2006

Employer demand for intermediate skills

Since most progress towards the PSA target is expected to be achieved through workforce development via Train to Gain, then it is useful to identify which industries make the most use of staff with Level 3 qualifications; in other words which types of employers are likely to be most in need of qualifications at Level 3?

On average, 21% of the workforce possesses Level 3 qualifications as their highest qualification, but around this average there are wide variations. In the broadest terms, the demand for skills at Level 3 is associated with **Manufacturing, Construction, Finance and Business Services and the public sector**.

At a more detailed sectoral level, some of the largest proportions of the workforce with Level 3 qualifications are to be found in sectors with relatively small employment totals, for example, 29% of staff employed in businesses covered by Summit Skills have Level 3 qualifications, but the sector employs fewer than 1% of the total workforce. No matter how successful providers are in generating demand from this sector, in terms of volume, there would be little impact on target achievement.

More usefully therefore, SSCs can be examined by combining the size of different industries with the density of intermediate skills use to assess whether they have greater or lesser overall demand for staff with Level 3. In the chart below, SSCs have been classified as to whether they have above or below average density of staff with Level 3 qualifications and whether the sector employs more than 100,000 people.

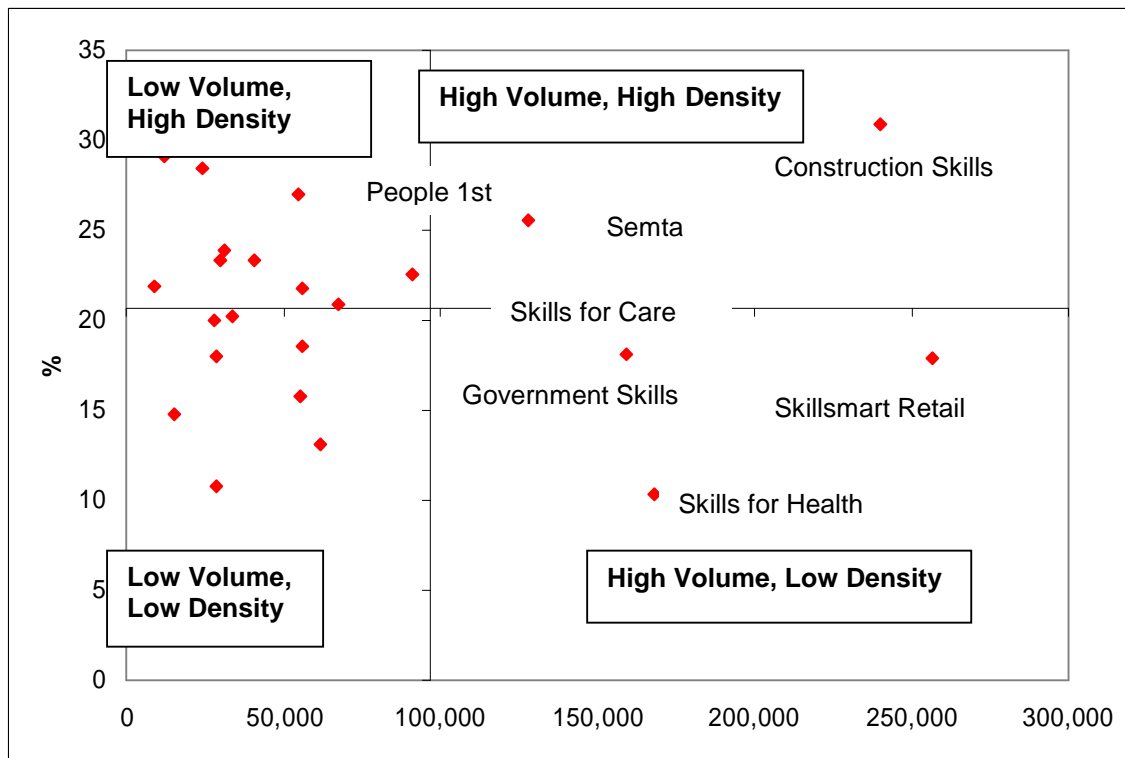
In the top right hand quadrant are SSCs with high volumes and a high density of Level 3 skills demand. Thus, **ConstructionSkills** not only has the highest density of staff with Level 3 qualifications but it is also a significant employer (including the self employed) in terms of numbers of staff.

In the lower right hand quadrant are employers in **Skillsmart Retail, Skills for Health and Government Skills**, each of which has below average demand for staff with Level 3 but which nevertheless employ significant numbers of staff at this level because of their workforce size.

SSCs with few jobs but a high density of staff with Level 3 qualifications are shown in the top left quadrant and include Financial Services, Automotive Services and Summit Skills.

The lower left quadrant includes SSCs which do not employ many staff and where the workforce tends to be polarised, either with employers seeking very highly qualified staff, for example Lifelong Learning UK or where there are significant proportions of workers with no qualifications such as Skillsfast.

Figure 12: SSCs profiled by number and density of staff with Level 3 qualifications.

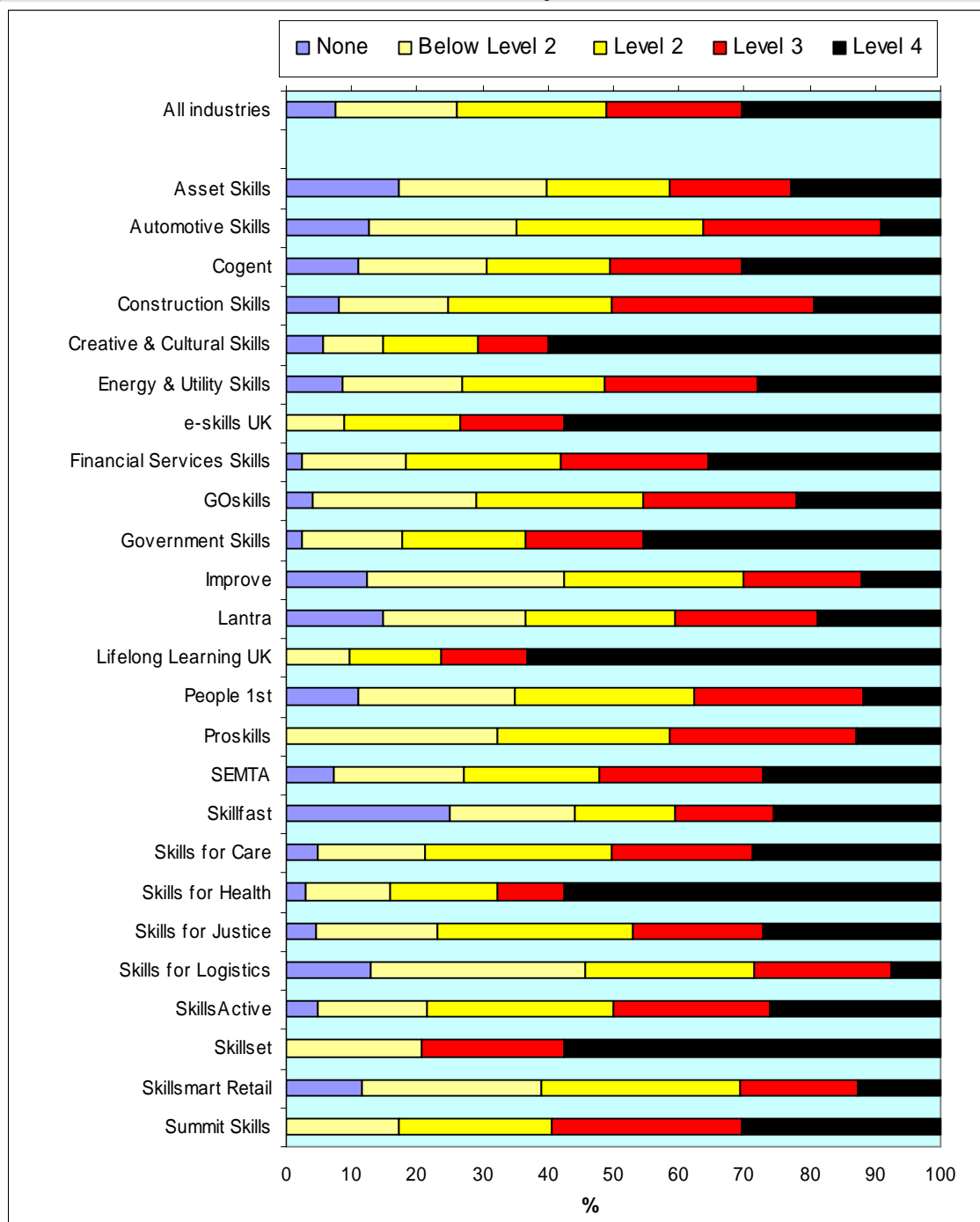


Source: Annual Population Survey 2006

The analysis would suggest that those SSCs on the right-hand side of the chart contain significant numbers of employers where the demand for Level 3 skills is greatest – **Construction Skills, Semta, Skills for Care and People 1st** together with **Government Skills, Skills for Health and Skillsmart Retail**. It will be noted that earlier analysis has also shown these sectors to be significant employers of Level 2 staff, suggesting that there is considerable scope for the promotion of Train to Gain for workforce upskilling.

Another factor of particular relevance to People 1st and Skillsmart Retail is that historically these sectors have been major employers of young people. As the younger cohort shrinks, these sectors will need to develop the skills of their older workers if they are to avoid skills gaps and skills shortages in the longer term.

Figure 13: Qualifications of the workforce by SSC



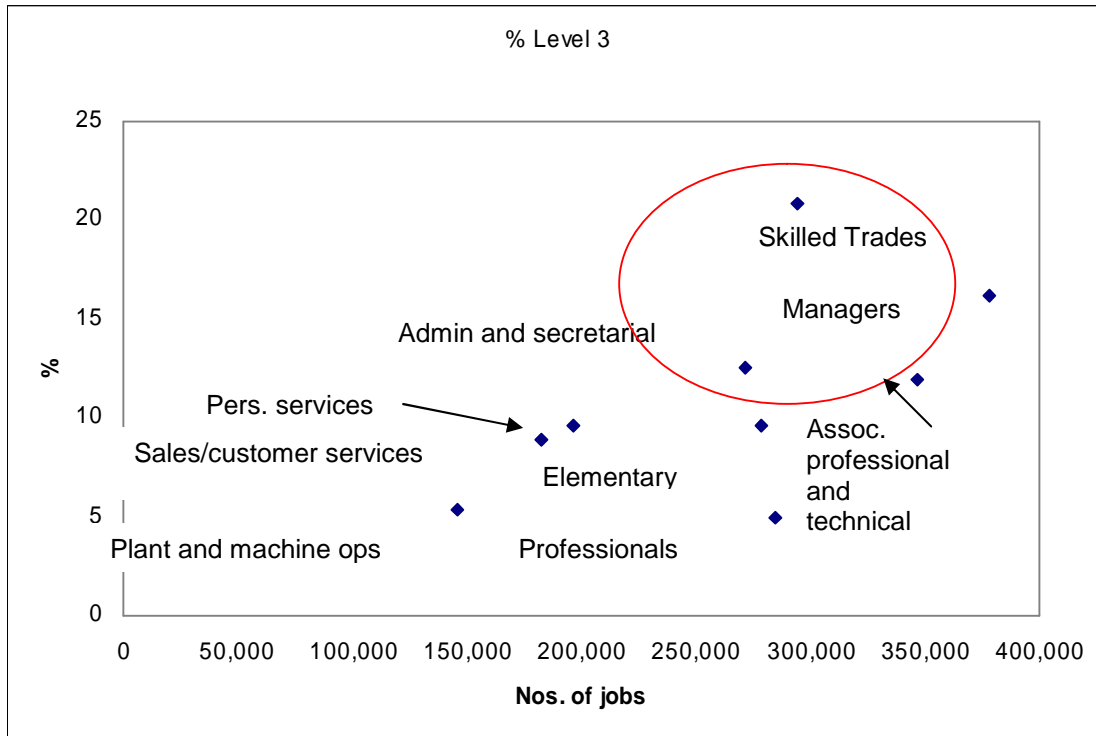
Source: Annual Population Survey 2006

Which occupations require Level 3 qualifications?

Analysis by occupation shows that there are four broad occupational categories with above average demand for Level 3 qualifications and where people are employed in those occupations in significant numbers:

- > Skilled trades where 21% of staff have Level 3 qualifications
- > Managers and Senior Officials where 16% of employees have Level 3
- > Administrative and secretarial jobs where 12% are qualified to Level 3; and
- > Associate professional and technical grades with 12% with Level 3.

Figure 14: Qualifications of the workforce by occupation.



Source: ONS ABI 2006

These categories are useful for a broad analysis but give little indication of the types of jobs people with intermediate skills actually do. More detailed analysis shows that, in fact, there are high volumes or high proportions of staff with intermediate qualifications across the occupational spectrum, apart from the professional occupational category. In terms of volume, 1 in 7 of all jobs requiring intermediate skills is accounted for by **skilled construction work** and **sales assistant occupations**.

The top 25 jobs with either the highest numbers or proportions of Level 3 qualifications are set out below:

Figure 15: Top occupations which require Level 3 qualifications

Occupations	Examples of jobs in category	Nos. with Level 3	% with Level 3
High volume and high density			
Sales Assistants and Retail Cashiers		38,000	27
Construction Trades	Bricklayers, roofers	37,900	42
Administrative Occupations: Finance	Accounts clerks	20,400	30
Childcare & Related Personal Services	Childminders, nursery nurses	19,500	27
Electrical Trades		16,800	52
Managers in Distribution, Storage and Retail	Transport and distribution managers	16,700	29
Vehicle Trades	Motor mechanics	15,700	57
Administrative Occupations: Records	Admin. clerks	13,000	27
Metal Machining, Fitting, Instrument Making	Tool makers, fitters	12,200	38
Business & Finance Assoc Professionals	Brokers, valuers, underwriters	10,800	27
Financial Institutions Office Managers		9,700	28
Administrative: Government & Related	Clerical officers	9,100	29
Food Preparation Trades	Butchers, bakers, chefs	8,900	33
Customer Service Occupations	Call centre staff	8,100	28
High volume, low density			
Functional Managers	Financial managers, marketing and sales managers	20,300	21
Elementary Personal Service Occupations	Bar staff, kitchen staff	17,400	26
Healthcare & Related Personal Services	Nursing auxiliaries, care assistants	16,100	24
Secretarial and Related Occupations		12,300	19
Administrative Occupations: Records	Filing assistants	12,000	27
Production Managers	Construction managers	9,900	26
Managers in Hospitality and Leisure	Pub landlords, catering managers	8,900	27
Transport Drivers and Operatives		7,500	22
Public Service and Other Assoc Prof	Careers advisors, environmental health officers	7,200	16
Managers in Other Service Industries	Hairdressers/shop keepers	6,300	24
Protective Service Occupations	Police, prison and fire officers	5,900	21
Agricultural Trades	Farmers, groundsmen	5,300	21

Occupations	Examples of jobs in category	Nos. with Level 3	% with Level 3
Low volume but high density			
Metal Forming, Welding and Related	Welders, pipe fitters	2,900	52
Printing Trades		1,900	36
Design Associate Professionals	Graphic designers	3,900	34
Animal Care Services	Veterinary assistants	3,200	34
Administrative: Communications	Telephonists	2,700	34
Hairdressers and Related Occupations		5,600	33
Leisure & Travel Service Occupations	Travel agents	3,700	33
IT Service Delivery Occupations	Computer technicians	4,500	31
Misc. Skilled Trades	Pattern makers	3,700	31
Construction Operatives	Labourers	3,200	30
Social Welfare Assoc Professionals	Youth workers, housing officers	6,000	29
Elementary Security Occupations	Traffic wardens	4,700	28

Source: ONS ABI 2006

The data suggest that Information Advice and Guidance Services need to have a good understanding of which occupations and industries require Level 3 if they are to advise adults on what qualifications are relevant, what support is available (e.g. Adult Learning Grants) and where individuals can undertake learning in these areas. Similarly, individuals aspiring to these occupations or employers looking to upskill staff to these grades could be the focus of initiatives to encourage the take up of Adult Learning Grants or Train to Gain to secure a shift in the qualifications of their existing staff from Level 2 to Level 3.

Looking ahead, employment projections prepared by Warwick Institute for Employment Research and Cambridge Econometrics (Working Futures 3) indicate that there will be continued growth in Managerial, Professional and Associate Professional roles but a decline in demand for Administrative and Secretarial staff and Skilled trades – two of the main categories of Level 3 employment. However, since most recruitment is carried out to replace leavers (leaving through retirement, job change etc) rather than to increase the size of the workforce, replacement demand is much greater than that caused by occupational expansion. As a consequence, there will be still be a demand for staff at the skilled and intermediate level requiring a flow of qualified labour over the next decade. This will be the case even if – as in the case of skilled trades – absolute numbers in an occupation are declining:

Figure 16: Projections of occupational change and the impact of replacement demand 2007 - 2017

	2007	2017	Net Change	Replacement	Total Requirement
1. Managers and Senior Officials	399.0	469.4	70.4	146.1	216.4
2. Professional occupations	322.3	372.4	50.1	120.2	170.3
3. Associate Professional and Technical	348.9	397.4	48.5	121.4	170.0
4. Administrative and Secretarial	299.3	271.4	-27.8	124.7	96.9
5. Skilled Trades Occupations	315.0	289.0	-26.0	103.5	77.5
6. Personal Service Occupations	235.5	286.7	51.2	95.1	146.3
7. Sales and Customer Service Occupations	221.5	233.7	12.3	78.6	90.8
8. Machine and Transport Operatives	180.8	171.4	-9.4	64.5	55.0
9. Elementary Occupations	304.9	318.1	13.2	112.8	126.1
	2627.1	2809.5	182.4	966.9	1149.3

Source: Working Futures 2007-2017 (2008), LSC/IER/CE, electronic resource.

Earlier Working Futures projections (Working Futures 2) of the qualifications associated with jobs growth further demonstrate the growing demand for Level 3 qualifications. For the South West, the projections indicate that the proportion of the workforce requiring Level 3 qualifications will rise from 20.8% in 2004 to 26.4% in 2014.

Of course, current economic conditions may well interrupt these longer term trends and the construction, retail and financial services have all been characterised by job losses in recent months. Encouraging employers and employees to improve their skills and qualifications against this backdrop will make the achievement of the Level 3 target even more challenging. In particular, there will be a need to focus on how to encourage employers to plan for any future upturn (given the length of training required to achieve Level 3 and above) if future skills shortages are to be avoided.

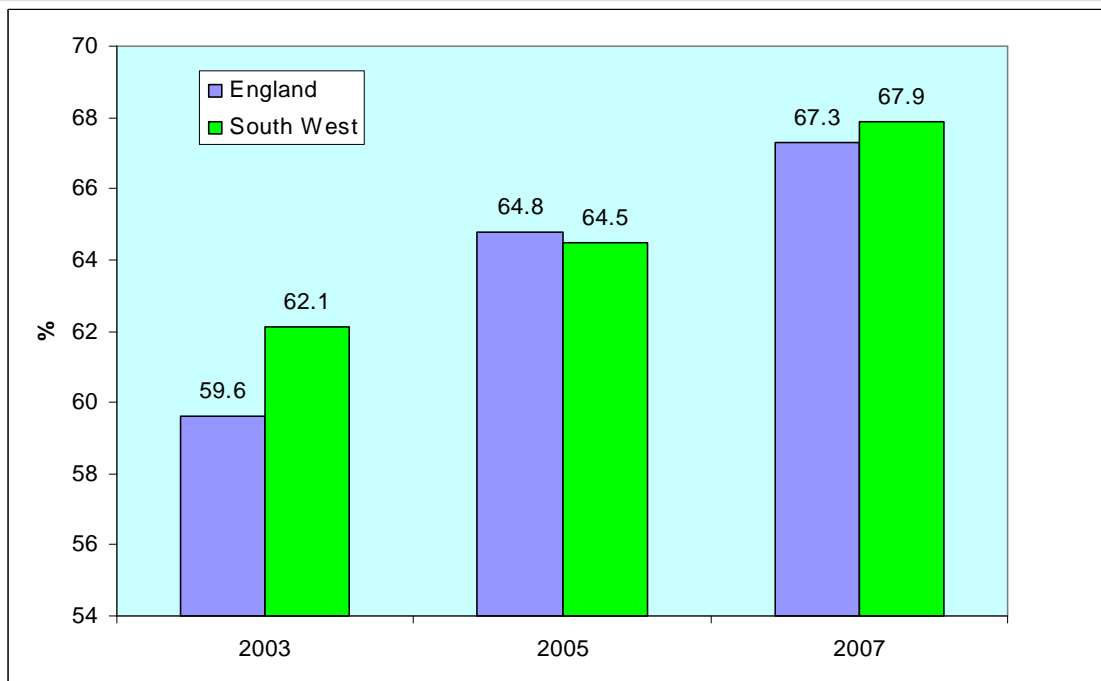
The supply of Level 3 qualifications: The role of employers

The analysis of industries and occupations where intermediate skills are necessary is important to understanding where demand for Level 3 qualifications lies. However, the statistics are not able to provide any indication as to whether employers have actually been instrumental in developing those skills and qualifications in the workplace or whether they have simply relied on recruiting people with relevant qualifications from full time education to provide the skilled staff they need.

Information on the volume and type of training undertaken by employers from the National Employers Skills Survey 2007 is useful in this respect, and shows that in the last 12 months **67.9%** of establishments in the South West had provided training for one or more of their employees, slightly above the national average of 67.3%.

Training levels have been rising steadily in recent years in both the region and across England. Currently 5.8% more employers in the region provide training than did so in 2003.

Figure 17: Trends in proportion of employers providing training in past 12 months 2003- 2007: South West and England compared

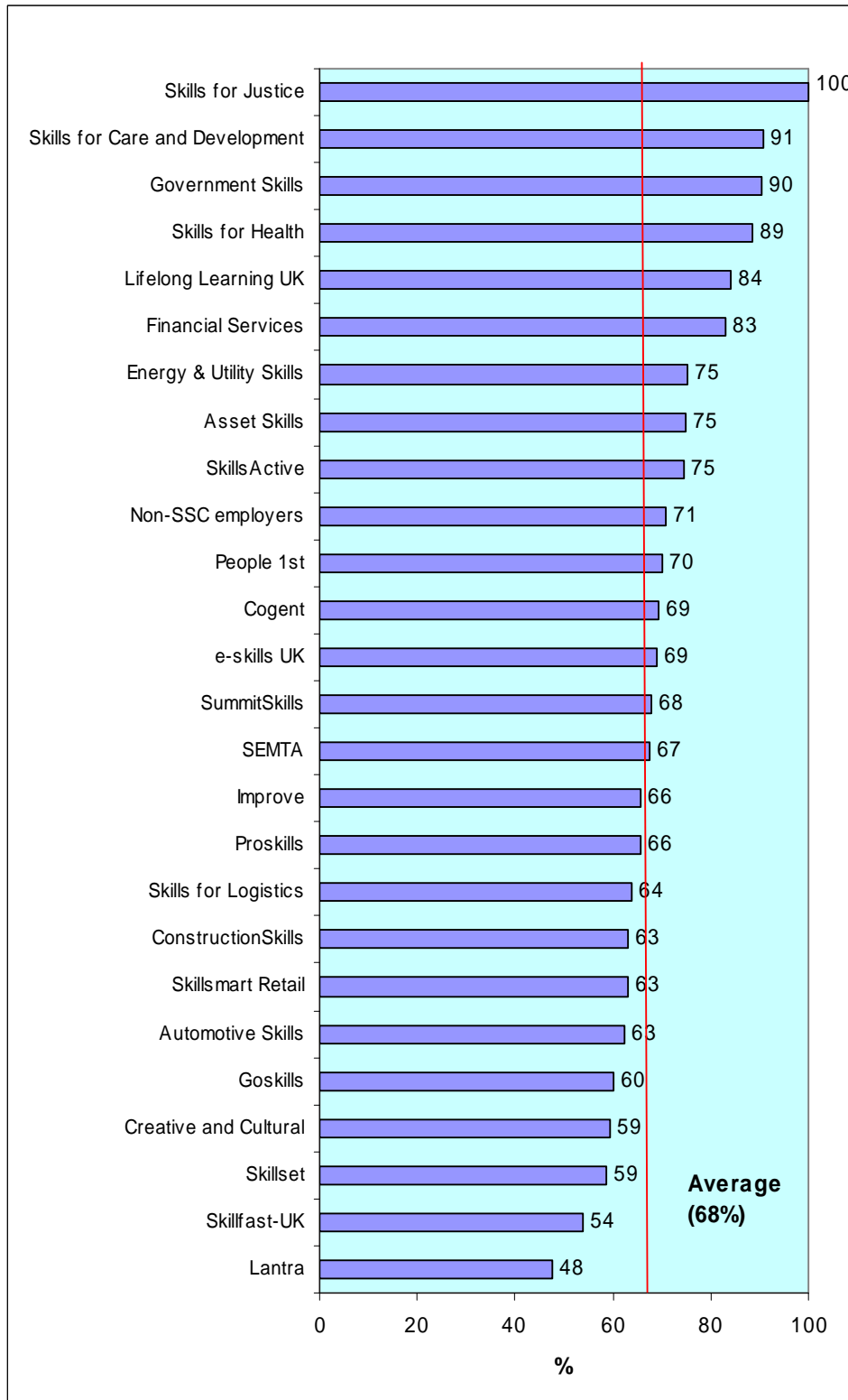


Source: NESS2007

Analysis by industry shows that public sector organisations are most likely to train their staff, with rates of training very high in Skills for Justice, Skills for Care and Development, Skills for Health and Government Skills. Training levels were lowest in the agricultural sector, Lantra, by a considerable margin.

The data also shows that some of the key sectors in terms of Level 3 recruitment - Construction Skills and Skillsmart Retail – have below average rates of training. On the positive side, employers in Skills for Health and Government Skills are among those most likely to train.

Figure 18: Proportion of employers providing training for their staff in the past 12 months



Source: NESS07

However, unless the training delivered is accredited it will make little difference to targets to improve workforce qualifications at intermediate levels. More detailed findings as to whether employers train their staff through the FE sector and to a qualification show that:

- > Higher than average proportions of employers in People 1st train their staff in induction only.
- > Although employers covered by Semta make above average use of the FE sector, below average proportions train their staff to qualifications.
- > Use of the FE sector is greatest in Skills for Care and Development (46%), Government Skills (43%), SummitSkills (41%) and Skills for Health (39%) all of which have large Level 3 skills demands and significant numbers of Level 2 workers.
- > Skillsmart Retail employers make little use of the FE sector and only train low proportions of their staff towards qualifications.
- > Low users of FE are some of the least likely to train many of their staff to a nationally recognised qualification. As a consequence, although sectors such as Financial Services deliver a significant amount of training, little of it is directed at improving the qualification base of the staff.
- > Employers in Skills for Care and Development are most likely to be delivering training to a qualification and to an NVQ, no doubt reflecting the legislative imperative to upskill the workforce in the sector.

Figure 19: Proportion of employers providing different types of training for their staff in the past 12 months and the percent of staff being trained towards qualifications by SSC.

	Train but induction only	Train through FE college	% of staff trained towards nationally recognised qualification	% of staff trained towards NVQ
High volume, high density Level 3				
People 1st	10	13	9	3
SEMTA	5	21	8	5
Skills for Care and Development	8	46	30	22
ConstructionSkills	6	20	12	8
High volume, low density Level 3				
Government Skills	3	43	18	14
Skills for Health	7	39	13	9
Skillsmart Retail	4	8	6	3

	Train but induction only	Train through FE college	% of staff trained towards nationally recognised qual.	% of staff trained towards NVQ
Low volume, high density Level 3				
SummitSkills	6	41	23	11
Proskills	5	13	6	1
Skillset	1	11	2	1
Energy & Utility Skills	5	16	8	3
SkillsActive	9	20	22	8
Goskills	5	12	13	8
Automotive Skills	3	26	11	6
Skills for Logistics	6	9	6	3
Financial Services	2	11	9	2
Low volume, low density Level 3				
Asset Skills	5	14	10	4
Cogent	5	15	4	2
Creative and Cultural	2	9	5	2
e-skills UK	4	14	12	3
Improve	8	21	10	4
Lantra	4	15	11	5
Lifelong Learning UK	4	31	8	4
Skillfast-UK	6	9	4	1
Skills for Justice	0	31	8	5
Total	5	19	11	6

Source: NESS2007

On average, just 6% of employers who train their staff currently train their staff to a qualification. Of those being trained towards an NVQ, 47% of trainees were training towards a Level 2 qualification and 45% to a Level 3 qualification.

Overall, it would appear that despite the volumes of training being delivered in the region there is considerable scope to influence the nature of training provided and to improve the uptake of qualifications.

Reasons for not providing training

In setting its targets, the Government has identified the need for action to address employers' barriers to training. However, the National Employers Skills Survey 2007 shows that supply-side reasons for not providing training tend to be insignificant (no local courses (5%), courses too expensive (3%), start dates inconvenient (1%) providers unsatisfactory (1%)). Instead, most employers who did not provide training in the last year did not do so because they consider their staff to be fully proficient.

Figure 20: Reasons employers give for not providing training (multi response)

All our staff are fully proficient	61
Learn by experience / Learn as you go	7
Small firm/training not needed due to size of establishment	5
The courses you are interested in are not available locally	5
External courses are too expensive	3
Employees are too busy to give training	3
Employees are too busy to go on training courses	2
Lack of budget/funding for training	2
Business not operating long enough / New business (inc. takeover transition)	2
Lack of time	1
Managers have lacked the time to organise training	1
The start dates or times of the courses are inconvenient	1
The quality of the courses or providers locally is not satisfactory	1
I don't know what provision is available locally	1
It is difficult to get information about the courses that are available locally	1
Training is arranged by Head Office	1
Other Misc	4
No particular reason	10
Don't know	1

Source: NESS2007

Train to Gain

The Comprehensive Spending Review 2007 made it clear that the Train to Gain programme is to be the main form of inducement to employers to boost the qualifications of the adult population.

Findings from the National Employers Skills Survey 2007 show that there will be a need to improve the awareness and take up of Train to Gain across the economy. In 2007, just over 1 in 4 employers in the South West were aware of Train to Gain and 1 in 20 had been involved with it.

Awareness and use was highest in the health and education sectors (Lifelong Learning UK, Skills for Care and Development, and Skills for Health). Lowest levels of awareness was evident in employers covered by Energy and Utility Skills, Lantra and Automotive Skills.

Findings relate to 2007, less than a year after the national roll out of Train to Gain and it may be expected that awareness and involvement will have risen in the intervening period. Nevertheless, the findings provide a useful benchmark against which future progress can be measured.

Among the SSCs where Level 3 jobs occur in significant numbers there was a mixed picture. Employers in Skills for Care and Development, Government Skills and Skills for Health had some of the greatest levels of involvement in Train to Gain and above average awareness. However, employers in Skillsmart Retail showed below average awareness and little involvement with Train to Gain, and employers in ConstructionSkills similarly had low levels of involvement suggesting a need for a significant upsurge in awareness and use in these key sectors.

Figure 21: Awareness and involvement of Train to Gain by SSC (2007)

		Was aware of Train to Gain (%) in 2007	Was involved with Train to Gain (%) in 2007
High volume, high density Level 3			
	People 1st	25	5
	SEMTA	32	6
	Skills for Care and Development	44	17
	ConstructionSkills	29	3
High volume, low density Level 3			
	Government Skills	30	12
	Skills for Health	40	18
	Skillsmart Retail	25	3
Low volume, high density Level 3			
	SummitSkills	24	2
	Proskills	27	3
	Skillset	21	1
	<i>Energy & Utility Skills</i>	15	0
	SkillsActive	23	5
	Goskills	33	5
	Automotive Skills	19	2
	Skills for Logistics	29	5
	Financial Services	27	3
Low volume, low density Level 3			
	Asset Skills	25	3
	Cogent	26	2
	Creative and Cultural	26	3
	e-skills UK	29	6
	Improve	33	9
	Lantra	18	2
	Lifelong Learning UK	57	21
	Skillfast-UK	31	6
	<i>Skills for Justice</i>	27	5
	All South West	27	5
	England	28	4

Source: NESS2007

Study for Level 3 qualifications; the learner perspective

Further Education

Regional data for FE provision in the South West indicates that the number of learners funded by the LSC has fallen year on year and therefore fewer learners are studying at Level 3 than in previous years. At the same time, however, the balance of investment in learning has shifted and learners aged 19 and over studying at Level 3 now account for 23.0% of all learners compared with 15.8% in 2004/05:

Figure 22: Learners aged 19 and above enrolled on FE courses at Level 3

	Numbers of 19+ at L3	% of total learners 19+
2004/05	53,500	15.8
2005/06	45,000	16.3
2006/07	41,700	21.3
2007/08	33,000	23.0

Source: ILR FO52007/08

Analysis of trends by county/unitary authority show that almost half of all learners (47%) enrolled on Level 3 courses are from Cornwall, Devon, Gloucestershire and Somerset. These proportions have not changed significantly in the past three years.

Within the region there are some small differences in the proportion of learners enrolled at Level 3 ranging from highs of 26.8% in Torbay and 26.4% in Devon to lower than average proportions in Gloucestershire (20.8%) and Wiltshire (20.7%):

Figure 23: Learners aged 19 and above enrolled on FE courses at Level 3 by geography

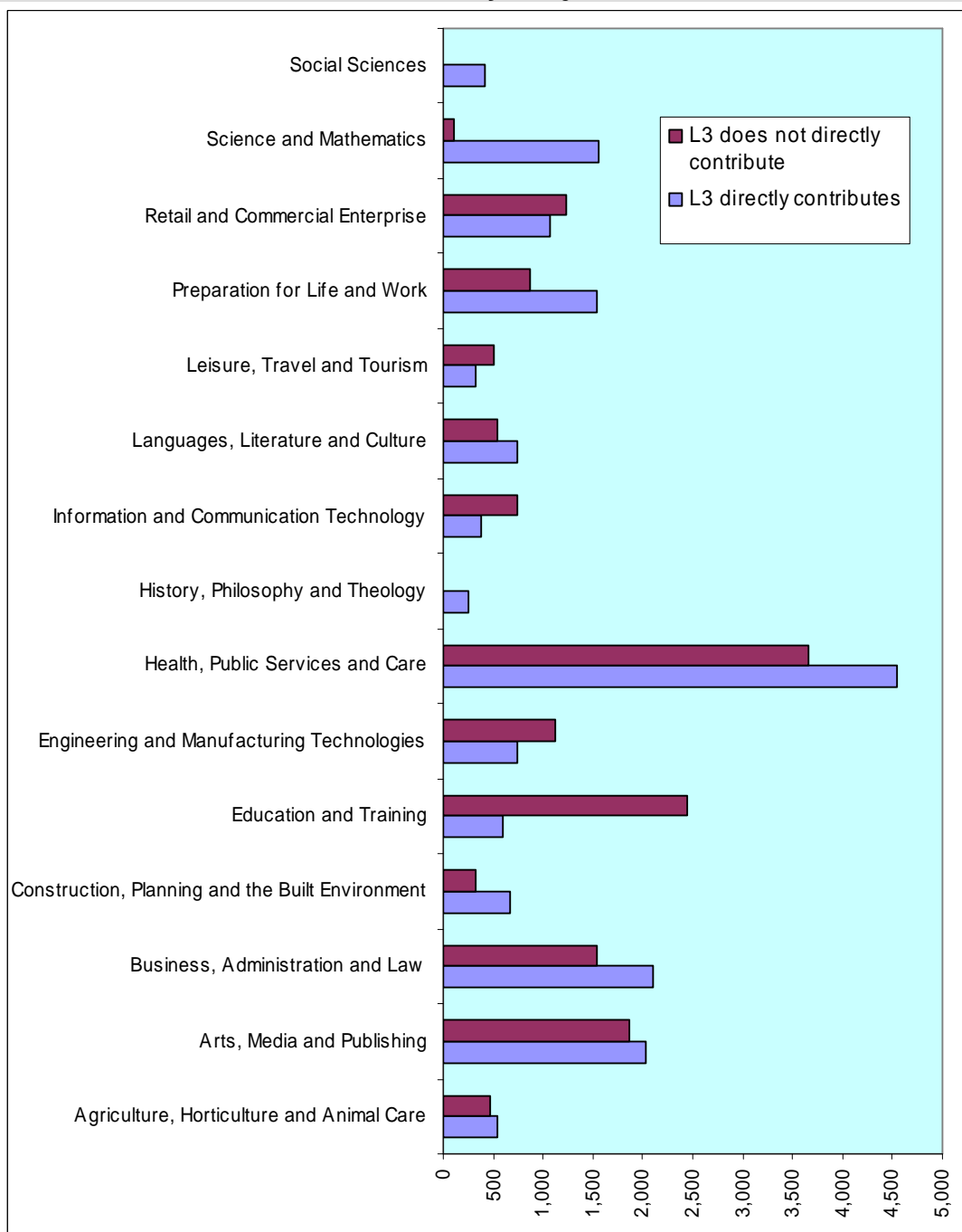
	Number of learners enrolled at Level 3	% of learners in each area enrolled at Level 3	% of learners enrolled at Level 3
Bath and NE Somerset	1,190	3.6	24.1
Bournemouth	1,020	3.1	21.5
City of Bristol	2,906	8.8	21.6
City of Plymouth	1,812	5.5	25.9
Cornwall	4,901	14.9	23.3
Devon	3,848	11.7	26.4
Dorset	2,048	6.2	21.4
Gloucestershire	3,314	10.0	20.8
North Somerset	1,587	4.8	23.2
Poole	661	2.0	23.2
Somerset	3,478	10.5	23.6
South Gloucestershire	1,344	4.1	22.8
Swindon	1,463	4.4	23.0
Torbay	1,027	3.1	26.8
Wiltshire	2,401	7.3	20.7
South West	33,000	100.0	23.0

Source: ILR FO52007/08

By **subject**, enrolments of adults at Level 3 are dominated by Health, Public Service and Care. By contrast, enrolments in other key areas of Level 3 demand - retail, construction, and leisure - are relatively low.

Around half of all Level 3 enrolments do not directly contribute to the PSA target because the qualifications themselves do not deliver a full Level 3 equivalent. None the less, these enrolments will provide the important underpinning to allow people to progress to full Level 3s in time:

Figure 24: Enrolments on FE courses by subject area, 2007/08



Source: ILR FO52007/08

Close analysis by subject, shows that:

- > In retail, the balance of provision is weighted strongly to Level 2 and most learning at Level 3 does not directly contribute to targets
- > Similarly in construction, most enrolments are aimed at qualifications below Level 3

- > In Engineering and Manufacturing there are relatively large proportions of enrolments at Level 3 but more are related to qualifications which do not directly contribute to targets.
- > In Health and Care, the balance of learning is weighted towards Level 3 and above.

Figure 24: Enrolments on FE courses by subject area and level, 2007/08

	Base numbers	Foundation Tier	L2 directly contributes	L2 does not directly contribute	L3 directly contributes	L3 does not directly contribute	L4	All
Agriculture	3,800	20	14	36	14	13	0	100
Arts, Media	11,334	36	3	22	18	16	0	100
Business, Administration and Law	11,280	11	17	16	19	14	23	100
Construction	5,517	13	56	5	12	6	2	100
Education and Training	5,945	14	11	11	10	41	12	100
Engineering and Manf. Technologies	5,861	25	29	12	13	19	1	100
Health, Public Services and Care	17,412	0	14	26	26	21	8	100
History, Philosophy and Theology	9,689	92	0	5	3	0	0	100
ICT	10,900	33	18	36	3	7	0	100
Languages, Literature and Culture	4,837	27	10	26	15	11	0	100
Leisure, Travel and Tourism	7,262	66	2	15	5	7	0	100
Preparation for Life and Work	7,219	11	1	41	21	12	0	100
Retail	6,871	2	46	17	16	18	0	100
Science and Maths	2,432	3	26	2	64	5	0	100
Social Sciences	538	12	12	0	76	0	0	100

Source: ILR FO52007/08

Of course, not all learners complete or achieve the qualification for which they are enrolled. For Level 3 Learners aged 19 and over the pass rate at Level 3 has risen steadily in the past 3 years and now stands at 69.4%. Applying this rate to the 2007/08 cohort suggests that around **23,000** adults aged 19 and above will have gained Level 3 qualifications in the past year.

Work-Based Learning (WBL)

In 2007/08 37% of WBL starts (4,426) were at Level 3. This figure includes 1,064 starts among people aged over 25. Unlike the pattern in Further Education, WBL starts have risen through time, but the proportion enrolled at Level 3 has fallen since 2005/06:

Figure 25: Learners aged 19 and above enrolled on WBL courses at Level 3

	Numbers of 19+ starts at L3	% of total starts 19+
2004/05	2,867	36.6
2005/06	3,986	43.9
2006/07	3,461	37.6
2007/08	4,426	37.4

Source: WBL ILR 2007/2008 Year to period 10

By subject, starts are dominated by Health, Public Services and Care (21.4%), Engineering and Manufacturing Technologies (18.0%), Business, Administration and Law (16.6%) and Retail and Commercial Enterprise (15.5%) – all subject areas with significant demand for Level 3 qualifications.

Figure 26: Starts among learners aged 19 and above enrolled on WBL courses at Level 3

Agriculture, Horticulture and Animal Care	2.1
Arts, Media and Publishing	0.0
Business, Administration and Law	16.6
Construction, Planning and the Built Environment	7.9
Education and Training	0.8
Engineering and Manufacturing Technologies	18.0
Health, Public Services and Care	21.4
Information and Communication Technology	9.5
Leisure, Travel and Tourism	2.4
Preparation for Life and Work	3.5
Retail and Commercial Enterprise	15.5
Science and Mathematics	0.0
Not defined	2.3

Source: WBL ILR 2007/2008 Year to period 10

The largest number of Level 3 WBL starts are to be found in Devon and Cornwall and Dorset which account for 40% of the total:

Figure 27: Starts among learners aged 19 and above enrolled on WBL courses at Level 3 by geography

	Starts aged 19-25 enrolled at L3	Starts aged 25+ enrolled at L3	All L3 starts	% of L3 starts aged over 25	% of total 19+ L3 starts by area
Bath & NE Somerset	69	11	80	13.8	1.8
Bournemouth	82	14	96	14.6	2.2
City of Bristol	184	36	220	16.4	5.0
City of Plymouth	152	66	218	30.3	4.9
Cornwall	433	263	696	37.8	15.7
Devon	437	220	657	33.5	14.8
Dorset	599	63	662	9.5	15.0
Gloucestershire	358	84	442	19.0	10.0
North Somerset	114	51	165	30.9	3.7
Poole	82	10	92	10.9	2.1
Somerset	286	67	353	19.0	8.0
South Gloucestershire	143	32	175	18.3	4.0
Swindon	97	28	125	22.4	2.8
Torbay	89	63	152	41.4	3.4
Wiltshire	237	56	293	19.1	6.6
South West	3362	1064	4426	24.0	100.0

Source: WBL ILR 2007/2008 Year to period 10

One of the most significant differences by geography is the proportion of older learners aged over 25 engaged in WBL which ranges from 37.8% in Cornwall and 41.4% in Torbay to 9.5% in Dorset.

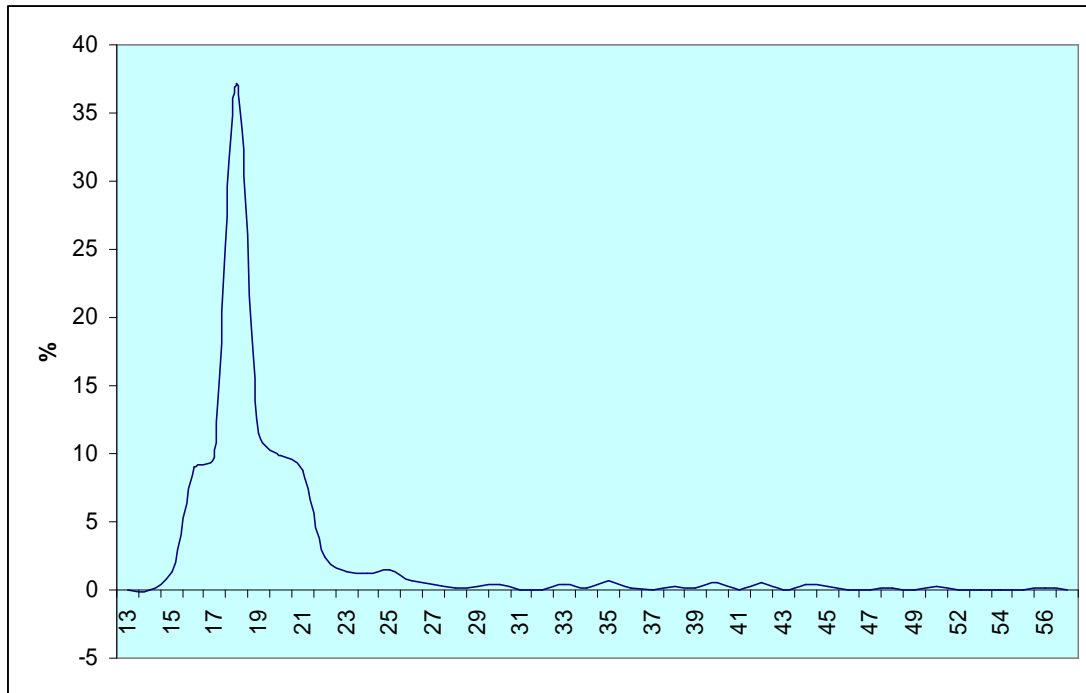
The completed Framework Success rate for 2007/08 is 64.4% suggesting that WBL learning will have delivered an additional **2,850** Level 3 qualifications in the past year.

Characteristics of Level 3 learners

The Labour Force Survey provides additional useful background on the characteristics of learners. It shows that although the impetus of the PSA target is to improve the skills of adults during their working life, 69% of those whose highest qualification is at Level 3 have gained their qualification before the age 19 – typically through ‘A’ levels. After the age of 18 the numbers gaining Level 3 qualifications fall rapidly and from the age of 28 onwards the number gaining Level 3 is negligible.

As the chart shows, after the age of 19 the peak ages for gaining Level 3 qualifications are 20 and 21. National research⁵ supports these findings suggesting that the financial benefits to individuals of acquiring qualifications over the age of 30 are often small or non-existent. For older workers the shorter length of remaining working life reduces the period in which they can gain benefits from higher qualifications and since they tend to earn more, any time off work to learn means they lose more in terms of lost wages.

Figure 28: Age at which people have gained Level 3 as their highest qualification



Source: Labour Force Survey, 4th quarter 2004 to 2007, ONS, © Crown Copyright.

The National Evaluation of LSC funded Level 3 learners⁶ also provides a series of analyses from which it is possible to profile who is undertaking qualifications at Level 3. The research is based on 8,630 learners nationwide, (including 702 from the South West) and relates to learners from the latest academic year (2007/08). It is not possible to separate out findings for the South West but given the robustness of the overall sample the results are likely to be just as relevant for the region as they are nationally.

Main points of interest are:

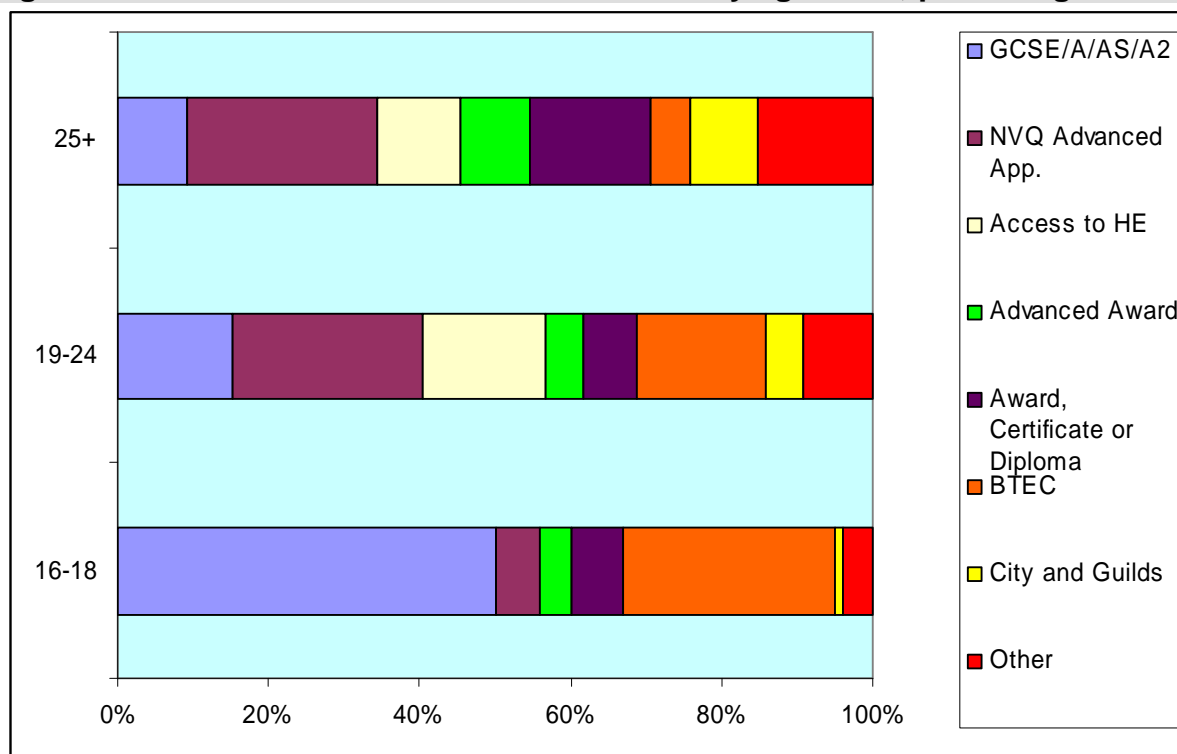
- > Confirming the above analysis, most learners undertaking Level 3 qualifications are under 19; just 37% of learners are aged 19 and above.

⁵ Jenkins et al 2002 'Determinants and effects of lifelong learning' LSE Discussion Paper

⁶ See: Evaluation of L3 Provision at <http://research.lsc.gov.uk/evaluation/published/>

- > Women of all ages are more likely to be training and learning at this level than men. Amongst 19-24 year olds the split is 52:48 in favour of women rising to 73% of women amongst the over 25s.
- > 31% of 19-24 year olds and 43% of the over 25s studying for Level 3 **already possess Level 3 qualifications and above** and therefore any additional qualifications gained by this group will not contribute to the PSA target.
- > Before starting their course 26% of Level 3 learners were in work, 2% were self-employed, 5% were unemployed, 3% were looking after the family/home and the rest were full or part-time students.
- > 80% of those training through the Train to Gain full Level 3 pilot were women. Almost all (92%) were over 25. Again, 41% of them claimed to already be qualified to Level 3 and above.
- > As may be expected there are significant differences in the type of qualifications being undertaken by age with a strong bias towards GCSE/A/ASA2 levels amongst the 16-18 year olds compared with the more vocational routes chosen by older learners.

Figure 29: Qualifications studied for at Level 3 by age-band; percentages

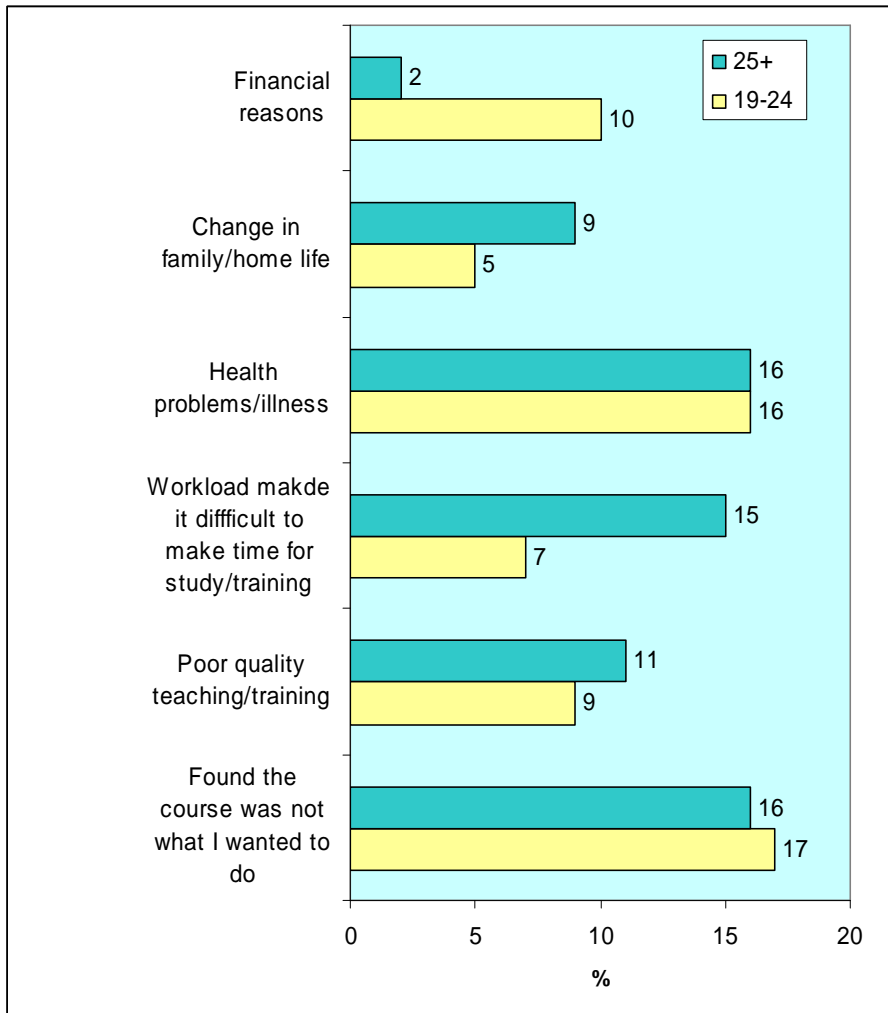


Source: Interim Evaluation of Level 3 Wave 1 Report, LSC October 2008

No recent information is available on the barriers to learning which prevent adults participating in learning but the Level 3 Evaluation does provide data on what factors are important in causing people to drop out of courses. The primary reason cited by 17% of 19-24 year olds and 16% of those aged over 25 was that the 'course was not what I wanted to do' indicating the importance of high quality advice prior to enrolment. Other reasons were the difficulty of balancing work and study, poor quality teaching and personal reasons such as illness and changes in home life. For 19-24

year olds 'financial reasons' were relatively significant indicating that the new Adult Learning Grant has considerable potential to assist greater numbers of this age group into learning or to allow them to remain in learning:

Figure 30: Reasons for leaving Level 3 learning by age; percentages



Source: Interim Evaluation of Level 3 Wave 1 Report, LSC October 2008

Annex 1 NVQ equivalents

Qualifications (NVQ or equivalent)

This table maps out the various qualifications accepted as equivalent of NVQs

Level	Academic NVQ Qualification Name	Vocational Qualification Name
Level 1	GCSE/SCE/O-level grades below C (or fewer than 5 at grades A-C) CSE grades below 1 1 AS level	BTEC/SCOTBTEC/SQA-First Certificate BEC/SCOTBEC – General Certificate / Diploma City & Guilds – Operative Awards CPVE- Year 1 (Technician) LCCI/RSA/PEI – Elementary/ First Level RSA- Vocational Certificate Foundation GNVQ/GSVQ NVQ/SVQ Level 1
Level 2	5 or more GCSE/SCE/O-level grades at A – C CSE grade 1 1 A level pass 2 or 3 AS levels	BTEC/SCOTVEC/SQA-First Diploma BEC/SCOTBEC/BTEC/SCOTVEC/SQA – General Certificate / Diploma with credit City & Guilds – Higher Operative / craft LCCI – Certificate / Second Level PEI – Stage 2 Pitmans – Intermediate Level 2 Diploma Certificate RSA- Diploma Intermediate GNVQ/GSVQ NVQ/SVQ Level 2
Level 3	2 or more A level passes 4 or more AS levels	BEC/SCOTBEC BTEC/SCOTVEC/SQA – National OND TEC/SCOTEC – Certificate / Diploma City & Guilds – Advanced Craft LCCI – Third level Diploma Pitmans – Level 3 Advanced Higher Certificate RSA- Stage 3 Advanced Diploma Advanced GNVQ/GSVQ Access to Higher Education Courses Advanced awards in ESOL and foreign languages NVQ/SVQ Level 3

Level 4	Teaching qualifications (including PGCE) First degree	BEC/SCOTBEC BTEC/SCOTVEC/SQA – HND / HNC TEC/SCOTEC – Higher Certificate / Diploma LCCI – Advanced level RSA - Advanced Certificate/ Higher Diploma Diploma in Higher Education Nursing (SRN) Certificate in Higher Education NVQ/SVQ Level 4
Level 5	Higher degree	Continuing Education Diploma Other high level professional qualification

Annex 2

Qualifications of workforce by SSC; numbers						
	Level 4	Level 3	Level 2	Below Level 2	None	Total
<i>All industries</i>	735,300	498380	545780	450740	180,800	2,411,000
Asset Skills	12,800	10420	10595	12585	9,700	56,100
Automotive Skills	5,100	14870	15670	12460	6,900	55,000
Cogent	10,200	6780	6330	6590	3,700	33,600
Construction Skills	46,500	74350	59775	40275	19,500	240,400
Creative & Cultural Skills	17,300	3100	4,200	2645	1,600	28,845
Energy & Utility Skills	8,400	7000	6550	5450	2,600	30,000
e-skills UK	31,900	8720	9795	4985	*	55,400
Financial Services Skills	32,400	20,500	21,500	14325	2,300	91,025
GOskills	9,000	9580	10480	10340	1,600	41,000
Government Skills	72,400	28760	29710	24430	3,900	159,200
Improve	3,500	5190	7965	8645	3,600	28,900
Lantra	10,500	12150	12725	12225	8,200	55,800
Lifelong Learning UK	39,000	8090	8715	5895	*	61,700
People 1st	15,300	32790	35390	30620	14,000	128,100
Proskills	3,100	6850	6350	7800	*	24,100
SEMTA	41,600	38210	31735	30555	10,900	153,000
Skillfast	3,900	2250	2350	2,900	3,800	15,200
Skills for Care	35,200	25950	34750	20200	5,800	121,900
Skills for Health	96,600	17330	27730	21440	5,200	168,300
Skills for Justice	7,600	5600	8350	5150	1,300	28,000
Skills for Logistics	5,100	14090	17315	22095	8,700	67,300
SkillsActive	8,200	7510	9010	5280	1,500	31,500
Skillset	5,000	1900	*	1800	*	8,700
Skillsmart Retail	32,600	45830	77955	70315	30,000	256,700
Summit Skills	3,700	3550	2850	2,100	*	12,200

* Fewer than 1000 cases

Source: APS2006

Qualifications of workforce by SSC; Percentages of staff qualified to each level						
	Level 4	Level 3	Level 2	Below Level 2	None	Total
<i>All industries</i>	30.5	20.7	22.6	18.7	7.5	100.0
Asset Skills	22.8	18.6	18.9	22.4	17.3	100.0
Automotive Skills	9.3	27.0	28.5	22.7	12.5	100.0
Cogent	30.4	20.2	18.8	19.6	11.0	100.0
Construction Skills	19.3	30.9	24.9	16.8	8.1	100.0
Creative & Cultural Skills	60.0	10.7	14.6	9.2	5.5	100.0
Energy & Utility Skills	28.0	23.3	21.8	18.2	8.7	100.0

e-skills UK	57.6	15.7	17.7	9.0	*	100.0
Financial Services Skills	35.6	22.5	23.6	15.7	2.5	100.0
GOskills	22.0	23.4	25.6	25.2	3.9	100.0
Government Skills	45.5	18.1	18.7	15.3	2.4	100.0
Improve	12.1	18.0	27.6	29.9	12.5	100.0
Lantra	18.8	21.8	22.8	21.9	14.7	100.0
Lifelong Learning UK	63.2	13.1	14.1	9.6	*	100.0
People 1st	11.9	25.6	27.6	23.9	10.9	100.0
Proskills	12.9	28.4	26.3	32.4	*	100.0
SEMTA	27.2	25.0	20.7	20.0	7.1	100.0
Skillfast	25.7	14.8	15.5	19.1	25.0	100.0
Skills for Care	28.9	21.3	28.5	16.6	4.8	100.0
Skills for Health	57.4	10.3	16.5	12.7	3.1	100.0
Skills for Justice	27.1	20.0	29.8	18.4	4.6	100.0
Skills for Logistics	7.6	20.9	25.7	32.8	12.9	100.0
SkillsActive	26.0	23.8	28.6	16.8	4.8	100.0
Skillset	57.5	21.8	0.0	20.7	*	100.0
Skillsmart Retail	12.7	17.9	30.4	27.4	11.7	100.0
Summit Skills	30.3	29.1	23.4	17.2	*	100.0

* Fewer than 1000 cases

Source: APS2006

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