# Cheshire & Warrington Local Skills Improvement Plan

## Annexes

**June 2023**

# Contents

# Annex A

## Local Strategic Context

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| **Cheshire & Warrington Local Skills Report 2022**<br><br>Published by the Cheshire & Warrington LEP. | The Local Skills Report sought to establish the current skills priorities for the Cheshire & Warrington region.<br><br>Key sector priorities identified:<br>• Manufacturing<br>• Construction<br>• Transport and Storage<br>• Information and Communication<br>• Health and Care<br>• Low Carbon<br><br>The report notes key findings as follows:<br>• Covid-19 continues to have adverse impacts on the labour market.<br>• The Cheshire and Warrington labour market needs more adult Level 3+ qualifications.<br>• Skill shortage vacancies are more prevalent than in England and constrain economic activity more.<br>• The gap between disadvantaged and non-disadvantaged young people is too big and constrains economic growth.<br>• Where young people live links to their level of attainment and progression.<br>• There are significant gender disparities in learning delivery. | January 2022 | skills-report-2022.pdf (cheshireandwarrington.com) |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| **Cheshire & Warrington Local Skills Report Annex A**<br><br>Published by the Cheshire & Warrington LEP. | An update to the original annexes associated with the Cheshire & Warrington Local Skills report 2022.<br><br>This document details for Annex A:<br>• the Local Landscape;<br>• Skills Supply;<br>• Skills Demand;<br>• Mapping Skills Supply and Demand. | January 2022 | Available to download here: https://cheshireandwarrington.com/growth-and-skills/skills-and-education/skills-and-education-priorities/ |
| **Cheshire & Warrington Labour Market Assessment Report**<br><br>Published by the Cheshire & Warrington LEP. | Cheshire & Warrington Labour Market Assessment Report including:<br><br>• Analysis & Definition of the Local Landscape;<br>• Analysis of Skills Demand;<br>• Analysis of Skills Supply. | January 2022 | Available to download here: https://cheshireandwarrington.com/growth-and-skills/skills-and-education/skills-and-education-priorities/ |
| **Digital Skills in Cheshire & Warrington**<br><br>Published by the Cheshire & Warrington LEP. | Digital Skills report including:<br><br>• National and International Evidence;<br>• Employer Demand;<br>• Skills Supply;<br>• Challenges and Opportunities | October 2022 | Available to download here: https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/data-and-labour-market-reports/ |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| **Profile of the IFATE Digital route occupations in Cheshire and Warrington - May 2023**<br><br>Published by the Cheshire & Warrington LEP. | Pathways Report including:<br><br>• What sort of digital jobs are there?<br>• How many digital jobs are there and what do these jobs pay?<br>• Which employers are recruiting and where are jobs being advertised?<br>• What sort of skills are employers looking for?<br>• What sort of apprenticeships are available?<br>• What sort of courses can young people and adults do? | May 2023 | Available to download here:<br>https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/cheshire-and-warrington-labour-market-sector-pathways/ |
| **Profile of the IFATE Health Pathway in Cheshire & Warrington**<br><br>Commissioned by the Cheshire & Warrington LSIP; Published by the Cheshire & Warrington LEP | Pathways report including:<br><br>• Occupational Mapping<br>• Occupational Demand<br>• Wages<br>• Age and Gender<br>• Automation Risk<br>• Industry Sectors<br>• Job Postings<br>• Specialised Skills<br>• Software Skills<br>• Spatial Demand | May 2023 | Available to download here:<br>https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/cheshire-and-warrington-labour-market-sector-pathways/ |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| **Profile of the IFATE Healthcare science pathway occupations in Cheshire and Warrington**<br><br>Commissioned by the Cheshire & Warrington LSIP; Published by the Cheshire & Warrington LEP | Pathways report including:<br><br>• Occupational Mapping<br>• Occupational Demand<br>• Wages<br>• Age and Gender<br>• Automation Risk<br>• Industry Sectors<br>• Job Postings<br>• Specialised Skills<br>• Software Skills<br>• Spatial Demand | May 2023 | Available to download here:<br>https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/cheshire-and-warrington-labour-market-sector-pathways/ |
| **Profile of the IFATE Engineering, design and development pathway occupations in Cheshire and Warrington**<br><br>Commissioned by the Cheshire & Warrington LSIP; Published by the Cheshire & Warrington LEP | Pathways report including:<br><br>• Occupational Mapping<br>• Occupational Demand<br>• Wages<br>• Age and Gender<br>• Automation Risk<br>• Industry Sectors<br>• Job Postings<br>• Specialised Skills<br>• Software Skills<br>• Spatial Demand | May 2023 | Available to download here:<br>https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/cheshire-and-warrington-labour-market-sector-pathways/ |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| **Profile of the IFATE Engineering, manufacturing, process and control pathway occupations in Cheshire and Warrington**<br><br>Commissioned by the Cheshire & Warrington LSIP; Published by the Cheshire & Warrington LEP | Pathways report including:<br><br>• Occupational Mapping<br>• Occupational Demand<br>• Wages<br>• Age and Gender<br>• Automation Risk<br>• Industry Sectors<br>• Job Postings<br>• Specialised Skills<br>• Software Skills<br>• Spatial Demand | May 2023 | Available to download here:<br>https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/cheshire-and-warrington-labour-market-sector-pathways/ |
| **Profile of the IFATE Maintenance, Installation & Repair pathway occupations in Cheshire and Warrington**<br><br>Commissioned by the Cheshire & Warrington LSIP; Published by the Cheshire & Warrington LEP | Pathways report including:<br><br>• Occupational Mapping<br>• Occupational Demand<br>• Wages<br>• Age and Gender<br>• Automation Risk<br>• Industry Sectors<br>• Job Postings<br>• Specialised Skills<br>• Software Skills<br>• Spatial Demand | May 2023 | Available to download here:<br>https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/cheshire-and-warrington-labour-market-sector-pathways/ |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| **Low Carbon and the Demand for Skills in Cheshire & Warrington**<br><br>Published by the Cheshire & Warrington LEP | <ul><li>Policy Context</li><li>Carbon and the Cheshire & Warrington economy</li><li>Low Carbon Jobs in Cheshire & Warrington</li><li>Recommendations</li></ul> | September 2021 | Available to download here: https://cheshireandwarrington.com/growth-and-skills/skills-and-education/data-and-labour-market/data-and-labour-market-reports/ |
| **NetZero North West Website**<br><br>Published by UKRI | | April 2022 | https://netzeronw.co.uk |
| **Cluster Plan Year 2 Report**<br><br>Published by UKRI | <ul><li>The Challenge</li><li>The Opportunity</li><li>The Roadmap</li><li>Investment Case</li><li>Skills and Supply Chain</li><li>Projects</li></ul> | January 2023 | https://netzeronw.co.uk/wp-content/uploads/2023/01/NZNW_Cluster_Plan_Y2_Summary_FINAL.pdf |
| **Unit for Future Skills Dashboard** | The Unit for Future Skills (UFS) is an analytical and research unit within the Department for Education. It has been set up to improve the quality of jobs and skills data, working across government to make this available and more accessible to policy makers, stakeholders and the general public. | | https://department-for-education.shinyapps.io/local-skills-dashboard/ |
| **LMI Data** | Supplied by Cheshire & Warrington LEP relating to Industry overview, Job Postings and Occupation Overview. | | Available upon request. |

# Annex B

## Methods of Engagement

| Activity | Who was engaged | Date | Relevant Documents/Information stored |
|---|---|---|---|
| Employer Skills Survey.<br><br>389 usable surveys (including 100 telephone surveys conducted by Ekosgen). | Employer and Sector Representative Bodies who circulated the survey to their membership:<br>• South Cheshire Chamber of Commerce<br>• East Cheshire Chamber of Commerce<br>• West Cheshire Chamber of Commerce<br>• Warrington Chamber of Commerce<br>• North Cheshire Chamber of Commerce<br>• Local Authorities (Cheshire East, Cheshire West, Warrington)<br>• Federation of Small Business<br>• LEP<br><br>Also circulated to the employer databases held by:<br>• The Cheshire & Warrington Pledge<br>• Reaseheath College<br>• Cheshire College South & West<br>• Priestley College<br>• Warrington and Vale Royal College<br>• Macclesfield College<br>• University of Chester<br>• Manchester Metropolitan University<br>• BPP Education Group<br>• Skills for Care<br>• Cogent Skills<br>• Code Nation<br>• Total People<br>• TTE<br>• DWP | Surveys completed January 2023 – March 2023<br><br>Report finalised March 2023 | Employer Skills Survey<br>Employer Skills Survey report (available from page 40) |

| Activity | Who was engaged | Date | Relevant Documents/Information stored |
|---|---|---|---|
| Engagements | A minimum of 250 one-to-one / group engagement meetings have taken place with employers | January 2023 – May 2023 | Tracker document managed by Engagement Team |
| Update meetings | A minimum of 100 update meetings have taken place with:<br>• Key stakeholders (including Jobcentre Plus/DWP, LEP, Chambers of Commerce, Local Authorities)<br>• FE & HE Providers<br>• Sector Representative Bodies<br>• Employer Representative Bodies<br>• Employers<br>• The Cheshire & Warrington Pledge | January 2023 – May 2023 | Meetings recorded; Calendars |
| Sector specific Focus groups, promoted by Chamber of Commerce | 5 focus groups were held in total covering the following sectors:<br>• 13th February 2023: Low Carbon Group – 14 bookings, 11 attendees<br>• 15th February 2023: Health & Social care – 23 bookings, 12 attendees<br>• 15th February 2023: Manufacturing – 14 bookings, 11 attendees<br>• 16th February 2023: Life Sciences – 9 bookings, 7 attendees<br>• 16th February 2023: Digital – 21 bookings, 13 attendees<br><br>54 employers attended. | January 2023 – April 2023 | Presentation Slides<br>Feedback Notes |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| LEP Data & Labour Market Steering Group | A member of the LSIP team has a place on the Steering Group.<br><br>Updates are provided to this Group at each meeting, including also review of IFATE reporting produced by the LEP for the LSIP.  This also provides an opportunity for additional employers to engage in the development process, and feedback on findings so far.<br><br>LSIP related meetings held on:<br>28th February 2023<br>19th April 2023<br>16th May 2023<br>20th June 2023 | Monthly | Minutes of Meetings |
| LEP Cheshire & Warrington Opportunities Portal Steering Group | A member of the LSIP team attends the Steering Group to discuss the Portal and improvements to be made.  This provides an opportunity for the LSIP to influence on decision making.<br><br>Meetings held on:<br>19th April 2023<br>7th June 2023 | April 2023 – 6 weekly | Minutes of meetings |
| Northern Skills Network Board Meeting | LSIP Project Manager presented priorities and feedback received.  Discussion held on how Cheshire & Warrington based ITPs could meet for regular LSIP discussion. | 15th May 2023 | Follow Up calls held with ITPs who wished to be involved with LSIP |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| Engagement with FE & HE Providers | Monthly Provider meetings held with University of Chester, MMU, Reaseheath College, Cheshire College – South & West, WVR College, Priestley College and Macclesfield College.  They receive updates on the Project progress, and opportunities to feedback on these.  This has included updates on the Emerging Priorities.<br><br>The Principal of Reaseheath College is an LSIP Board member and the College representative, and through this position feeds back to the Cheshire Principals Group at each of their meetings.<br><br>LSIP Project Manager is invited to Cheshire College – South & West Employer Engagement Steering Group and provides Project updates to this group.<br><br>LSIP Project Manager requested by Reaseheath College to attend employer engagement event, to introduce and discuss the LSIP. | March 2023 – May 2023 | Meetings recorded<br>Notes taken |
| Young Enterprise Event | LSIP Project Manager networked with a number of local employers regarding the LSIP. | 27th April 2023 | Invitation received / follow up communications made |
| Cheshire Chambers Update | Chambers invited to attend update meeting with LSIP Project Director and LSIP Project Manager.<br><br>Priorities presented and feedback received. | 2nd May 2023 | Meeting notes |
| Crewe Business Council Update | LSIP Project Director and LSIP Project Manager present. Priorities presented and feedback received. | 12th May 2023 | Meeting notes |

| Document | Overview | Date Published | Document Link |
|---|---|---|---|
| North West Business Leaders – People and Skills Group | LSIP Project Manager presented overview of C&W LSIP activity and headlines from Emerging Priorities. Feedback thoughts received. | 16th May 2023 | Meeting notes |
| Cheshire & Warrington Provider Network Meeting | First meeting of the network where discussion was held on TOR and how the group feeds into LSIP Project Manager going forward. Agreed this network should include representatives from HE / FE and other ITPs. | 26th May 2023 | Meeting notes |
| Email Campaigns via South Cheshire Chamber of Commerce | 26/10/2022 – LSIP Designation announcement (193 opens)<br>03/03/2023 – LSIP Employer Skills Survey (206 opens)<br>15/03/2023 – LSIP Online Sessions (215 opens)<br>18/04/2023 – LSIP Online Sessions (244 opens)<br><br>Details relating to the LSIP and related events have also been included in South Chamber of Commerce weekly newsletters on 17/01/23, 24/01/23, 31/01/23, 07/02/23 and 14/02/23 reaching 750 members. | January – May 2023 | Emails |

## Cheshire & Warrington LSIP Board

## Terms of Reference

**Purpose**

The purpose of the LSIP Board is to oversee and support successful development and delivery of the Cheshire & Warrington LSIP by March 2025, working with the Project Team, other employer representative bodies and other stakeholders.

The intention is for the LSIP to developed and implemented in a way which takes stakeholders with us, working in genuine collaboration and cooperation in the best interests of Cheshire & Warrington, and ensuring that it is genuinely employer led, while working constructively with the range of stakeholders.

**Membership**

Membership of the Group is as follows:

- Private Sector Chair (determined initially by the South Cheshire Chamber senior management team/Board)
- Chamber Chief Executive
- Nominated Chamber Board member
- Chamber LSIP Project Manager
- Cheshire & Warrington Principals Nominated Representative
- Independent Training Providers Nominated Representative
- Cheshire & Warrington Local Authority Representative
- Cheshire & Warrington LEP Representative
- DWP Representative
- CEIAG Representative
- Further Private Sector Representatives x 5 (one for each sector group)

Where applicable, members are expected to represent the views of the group they represent, while ensuring that any potential conflict of interest is effectively managed. During the meetings and in their LSIP Board role all members are expected to operate in the best interests of the Cheshire & Warrington LSIP.

**Role and Responsibilities**

- Provide direction and support delivery.

- Review and comment on implementation and delivery plans and progress.
- Ensure activity covers the requirements of the LSIP Statutory Guidance.
- Represent the interests of the range of stakeholders and, in particular (where this applies) the Group(s) they represent, and to feed back to those groups.
- Support the LSIP Project Team in identifying and mitigating key relevant delivery risks.
- Where necessary, to agree any sub-groups to support the delivery of the LSIP.
- The South Cheshire Chamber of Commerce & Industry is the contract holder and has full financial responsibility for the LSIP contract. As such, this is an advisory group and, while the Chamber will take full cognisance of the views of the LSIP Board, final decisions will always lie with the Chamber.

**Schedule of Meetings**

The intention is that meetings will take place every four to six weeks. The Chair will determine, in consultation with the Board and Project Team, whether these need to occur more of less frequently as business determines.

Secretariat support will be provided by the LSIP Project Team. We will aim to circulate papers at least five working days in advance of meetings.

A note of each meeting (recording key points of discussion, decisions made, and actions agreed) and an action log will be produced and maintained by the LSIP Project Team.

**Conflict of Interest**

We recognise that, by the very nature of the activity and the Group, there will be conflicts of interest.

Although the Group does not have any direct financial decision-making responsibilities, it does have a significant influence on the LSIP report, project activities and recommendations. It is therefore essential that any member who may have a pecuniary or non-pecuniary benefit from any discussions or decisions declares those at the outset (through a Conflict-of-Interest form) and again prior to any relevant discussion to enable potential conflicts to be recognised and managed appropriately.

Please also refer to the Conflicts of Interest Policy.

**Publicity and Speaking on Behalf of the LSIP Project**

All publicity and comment relating to the LSIP must be agreed by the LSIP Project Manager or Chamber Chief Executive in advance in order to ensure that we meet Department for Education requirements and reflect the best interests of the LSIP project.

**Confidentiality**

Feedback and comments provided by individual groups, organisations or businesses in developing the LSIP should be treated as confidential unless clearly stated otherwise. While this is intended to be an open and inclusive activity, we need to be aware of potential sensitivities and so only drafts provided for sharing should be shared.

## Board Members

The following organisations were represented on the LSIP Board as of 1st June 2023, are:

South Cheshire Chamber of Commerce
Warrington Chamber of Commerce
Cheshire & Warrington Local Enterprise Partnership
DWP
Reaseheath College - Cheshire & Warrington Principals Representative
The Cheshire & Warrington Pledge Partnership
IPG
Bentley Motors
Driveworks
BPP
Cogent Skills
Independent Consultants for Secretariat, Skills and Project Management support

The LSIP Board is Chaired by the South Cheshire Chamber of Commerce Chair.

## Conflict of Interest Policy

**Introduction**

South Cheshire Chamber of Commerce and Industry is required to take all reasonable steps to limit any conflict of interest between its directors and employees and any person with which it has dealings.

Our directors and employees have a duty to declare to the Board of Directors any direct or material interest that may at any time arise either directly or through related parties in respect of any contract or other matter to which South Cheshire Chamber is party or any contract which is under consideration by the Chamber.  All employees must declare outside paid work if the activities of that paid work are related in any way to the nature of the work carried out by the Chamber.

**1.   Requirements**
South Cheshire Chamber will maintain a Register of Declared Interests of directors and employees detailing the nature and extent of such interest. A check will be made each year to ensure the contents are up to date.  If there is a declared potential conflict of interest, the relevant individual shall not be involved in any decision in respect of such matter. No contract will be made with or funding given to any person, organisation or Company in respect of which a material interest has been declared, without prior approval of the directors.  A register of such conflicts will be maintained.

**2.   Definitions**
   a.   Employee – any person who is employed by South Cheshire Chamber of Commerce and Industry in a part or full-time capacity and in accordance with U.K. Laws.
   b.   Agent – an owner, director, stakeholder, contractor or other third-party that is in the position to act on behalf of South Cheshire Chamber of Commerce and Industry.
   c.   Financial Interest – The interest that any individual may have in the monetary transactions of South Cheshire Chamber of Commerce and Industry. In particular, any interest that could have a direct bearing on the financial gain/loss of said individual.
   d.   Related parties - include family members or members of the same household who may be expected to influence, or be influenced by a director, agent or employee.

**3.   Purpose**
The purpose of this policy is to protect the interests of the South Cheshire Chamber of Commerce and Industry and its work as the designated Employer Representative Body for the Local Skills Improvement Plan (LSIP).

In the regular course of business, agents, Board members and South Cheshire Chamber employees may have the opportunity to advance their own personal interests with or against the interests of the LSIP. Acting in such a manner is unacceptable and any party who acts outside of the company's and LSIP's best interest may be subject to disciplinary action.

4. **Procedure**
   i. **Duty to disclose**
      Every employee/agent of South Cheshire Chamber is obligated to disclose any known or potential conflicts of interest as soon as they arise. Failure to do so could result in termination of employment.
   ii. **Investigating potential conflicts**
      When a possible conflict of interest arises, the Board will collect of the pertinent information and may question any concerned parties. If the board determines that a conflict exists, steps will be taken to address to conflict. If no conflict exists, the inquiry may be documented but no further action will be taken.
   iii. **Addressing conflicts of interest**
      When an actual conflict of interest is found, any transactions that may have been affected will be reviewed retroactively. Affected parties both within and outside of the business, including shareholders, directors, employees, and contractors will be notified. An investigation will also be conducted by the South Cheshire Chamber board of directors to determine the extent of the conflict and the intentions of the parties involved. If the conflict in question involves a member or members of the board of directors, such a member will be excused from the deliberations.
   iv. **Disciplinary action**
      As all conflicts of interest will be reviewed on a case-by-case basis, a review may result in disciplinary action. The board of directors has full discretion to deem what disciplinary action is both fitting and necessary, including suspension and/or termination of employment.


5. **Acknowledgement**

The employee/agent named below understands the procedure for conflicts of interest with South Cheshire Chamber of Commerce and Industry, including their duty to disclose any known or potential conflicts.

Furthermore, the employee/agent agrees to abide by the procedures outlined in this policy for the duration of their professional relationship with South Cheshire Chamber of Commerce and Industry.

Cheshire & Warrington LSIP Emerging Priorities Document
Version 2
31st May 2023

# 1 The Local Labour Market

In June 2022, around 437,400 people were employed in Cheshire and Warrington, representing 75.7% of residents aged 16-64 in the area.

The employment rate in Cheshire and Warrington has remained consistently higher than that for England with the April 2021 – March 2022 employment rate at 76.8% being 1.4% higher than the rate for England (75.4%).

Employment rates in Warrington and Cheshire West and Chester have been consistently higher than for England. The pre-pandemic employment rate for Cheshire East whilst higher than the rate for England, is now below the English level for five consecutive quarters and was 74.1% in April 2021 – March 2022.

Those aged 16-64 in employment followed similar trends with Warrington and Cheshire West and Chester being consistently above that for England and the percentage for Cheshire East being below the English level for the last five consecutive quarters.

The current age profile of the Cheshire and Warrington population is older than that for England and is forecast to continue. By 2030, the population in Cheshire and Warrington aged 60-69 and aged over 80 is forecast to grow at a faster rate than for England.

The working age population (16-64) is shrinking and constitutes a lower percentage of the total population for Cheshire and Warrington in all three Local Authorities than is the case for England and the Northwest (ONS). The population is set to age further, increasing the number of retirements and so driving replacement demand in the labour market.

Cheshire and Warrington sub region comprises 42,025 businesses, representing a decline of 1.5% compared to the business count in 2021. 46% of businesses were in Cheshire East, 33% in Cheshire West and Chester, and 21% in Warrington. 90% of businesses in Cheshire and Warrington employed fewer than 10 people. Only 0.5% of businesses employed more than 250 people.

Challenges for the region include:
- An ageing population and increasing levels of economic inactivity in 50+ age group which will reduce the pool of labour in the region.
- A demand for 71,000 more people qualified to Level 3 or above by 2027.
- Employers in Cheshire and Warrington are more likely to have skills shortage vacancies in high skill roles and more likely to have bottom line business impacts because of skills shortages.

Opportunities, however, include:
- A large, well-positioned manufacturing base.
- High employment levels in priority sectors such as health & social care, which are important within the context of Covid-19 and an ageing population.
- The Net Zero North West Cluster Plan, with focus in Cheshire and Warrington.

## 2 Key Findings from the Employers Skills Survey 2023

### 2.1 Skills Demand

- Employers reported a short-term demand for labour with two thirds indicating their intention to recruit new employees in the next 12 months.
- Two out of three respondents reported that over the next three years customer service and employability skills will be important for their business.
- 55% of respondents considered that access to funding for staff training would be beneficial for their business. Around half of respondents identified the importance of short, flexible training courses.
- Employer demand for apprenticeships exists, with roughly one third of respondents indicating that they recruited apprentices in the past 12 months, predominantly at Level 2 (Intermediate) and Level 3 (Advanced). One third of respondents also indicated their plans to recruit apprentices over the next 12 months.

### 2.2 Skills Supply

- Just over half of respondents have experienced recruitment challenges within the last 12 months.
- Recruitment challenges were mainly attributed to there being fewer people entering the labour market with suitable skills, knowledge and behaviours (two thirds of respondents).
- Particularly difficult jobs to fill include caring and clinical roles in the Health and Social Care sector as well as engineering, skilled trades and technical roles.
- The poor quality of applications was cited as the biggest factor affecting employers' ability to recruit, followed by factors relating to experience and qualifications.
- Customer service skills, employability skills, planning and organisational skills and technical, practical or occupation specific skills were reported as being the most important to employers over the next three years.
- Areas where the biggest reported shortages were for technical, practical and occupation-specific skills, employability skills and skills relating to low carbon / net zero.
- Interpersonal skills such as time management and work prioritisation were seen as the most difficult skills to find in applicants.
- 40% of employers considered that the time available to enable their staff to undertake training is a barrier.
- While 70% of employers reported that they knew where to access training services to support their needs, a significant proportion of employers (39%) indicated that they do not have any relationship with training and education providers in the Cheshire and Warrington area.

### 2.3 Key Sector Findings

- By a significant margin, the best represented Cheshire and Warrington target sectors in the survey sample were Health and Social Care and Manufacturing (collectively 43% of the sample).

- 93% of respondents in the Health and Social Care sector reported short term demand for new employees, while only 41% reported demand in the Manufacturing sector.
- Employability and customer service skills were identified as top priority skills for Manufacturing and Health and Social Care sectors for the next three years.
- From caring through to clinical roles, recruitment at all levels has been a significant recent challenge in Health and Social Care with three quarters reporting difficulties.

## 2.4 Most important skills & attributes for businesses over the next three years:

- Respondents indicated that the skills that were likely to be most important to them over the next three years were customer service, employability skills, planning and organisational and technical, practical or occupation specific skills.
- In terms of how this is translated into skills shortages or gaps, 43% of respondents reported that technical, practical and occupation-specific skills shortages were being felt to a great extent.
- Similarly, 35% of respondents reported employability skills shortages being felt to a great extent.

Specifically relating to the sectors we are focusing on, we found that:

### 2.4.1 Manufacturing

- The top three skills and attributes highlighted by this sector that they would need over the next three years were highlighted as: Employability Skills (78%); Technical, practical or occupation specific (75%); and customer service (73%).
- Core employability skills are a key component of employers' current requirements, including communication, resilience and team working skills.
- Attendees suggested that more could be done to improve employer engagement with schools and colleges to facilitate direct interaction with young people, promote awareness of opportunities and pathways in the sector and to offer support with life/employability skills such as interviewing and CV writing.
- Chronic recruitment difficulties for skilled roles such as electricians and mechanical fitters are being observed.
- Supporting employees for whom English is their second language was cited as a specific challenge facing the sector. The shift towards automation has placed a requirement for staff who can confidently read error messages; this was reported as an area where there are currently skills shortages, particularly in parts of Cheshire & Warrington where schools are attended by a large proportion of EAL (English as an Additional Language) pupils. Currently, the existing support offered (e.g. English lessons) can be difficult to accommodate around shift patterns.

### 2.4.2 Health & Social Care

- The top three skills and attributes highlighted by this sector that they would need over the next three years were highlighted as: Employability Skills (80%); customer service (63%); and Leadership and managerial (63%).
- Labour shortage concerns within this sector were not linked to skills.

### 2.4.3 Life Sciences

- The demand for digital skills (including at a basic level) has become more important to meet the requirements of greater remote working, necessitated by the pandemic.
- Employability and generic skills such as work ethic were also cited as important fundamental skills for early career / emerging talent within the sector.

### 2.4.4 Digital

- Half of employers reported that digital and creative technology was essential for their business, with Microsoft applications, foundational digital skills and internet-based problem solving representing the most sought-after digital skills.
- Employers indicated that skills shortages in foundational IT skills and digital literacy were the most conducive to being addressed through short, flexible training courses.
- The top IT and Digital skills specifically referred to were: Basic Microsoft Office Skills (85%); being safe and legal online (~70%); using the internet to find solutions to problems (~70%); and foundational digital skills (~70%).
- More technical skills (e.g. web development, data analysis, graphic design and app programming and development) were reported as being needed by a much smaller proportion of employers.

### 2.4.5 Net Zero

- Only one in four employers attached short term importance on skills relating to low carbon and the transition to net zero, rising to two in five among larger employers.
- Despite the proportion attaching importance to these skills in the short term, nearly 90% of employers reported that they were experiencing skills shortages in relation to low carbon / net zero related skills to some extent or to a great extent.
- More work is needed to understand the impact of Net Zero across all sectors.
- Specific skills referred to include: Retrofit (Construction industry) - for example installation of photovoltaics, air source heat pumps; and soft skills.

## 3 Strategic Priorities

Cheshire & Warrington LEP's Local Skills Report (January 2022), identified government priority sectors as follows:

- Manufacturing
- Construction
- Transport and Storage
- Information and Communication
- Health and Care

A range of methods of engagement were used to identify key sectors to be covered in the C&W LSIP. These included:

- Employer Skills Survey
- 1-2-1 conversations
- Sector focus groups
- Virtual events
- C&W Chambers of Commerce meetings
- Discussions with sector representative bodies
- Presentations at local events and networks
- Utilising data and skills reports already available
- SDF and IOT plans

The following sectors were selected for phase 1 LSIP:

- Manufacturing
- Health & Social Care
- Life Sciences

Cross-cutting themes have been highlighted as:

- Digital (although there are elements which are standalone)
- Net Zero

## 4    Generic Priorities for Consideration

Following employer and stakeholder engagement, we have identified the following priorities for consideration:

- There is a requirement for educational professionals that understand different sectors and have the relevant skills to train future workforce.
- Careers guidance needs to be in-line with local opportunities, noting schools would also need to be brought into this.
- There are significant concerns that potential candidates were not 'work-ready', for example, they do not have sufficient communication ability, behavioural attitudes are not appropriate, or they have unrealistic perceptions of what happens in the workplace.
- Embedding employability skills, digital skills and work experience further in the curriculum can help to address issues/shortages associated with quality, attitude and practical skills.
- Embedding Microsoft applications and social media in the school curriculum will help acquisition of these basic digital skills.
- There are difficulties in recruiting technical educational professionals due to salaries being higher in industry. Consideration should be given to exploring secondment opportunities between employers and colleges/providers.
- Employers need support in assessing their skills needs and future occupations they will need within their organisations, particularly SMEs.
- There is a lack of knowledge about T-levels and Bootcamps.
- Details regarding employers' requirements linking to the Net Zero agenda needs to be provided in layman's terms. Supporting employers to understand the implication of net zero and decarbonisation policies for their business through diagnosis of need, and the implication arising for future skills development.
- Mechanisms for incentivising investment in training through subsidy and flexible course provision require further investigation. This includes raising awareness amongst employers about what already exists, as well as informing new provision.
- The barriers to apprenticeship provision include costs of releasing staff, a lack of suitable candidates, and a mismatch between apprenticeship standards and employer needs. An Apprenticeship Strategy would provide a tailored response to demand and supply, including more demand-led provision which seeks to mitigate the impact of time off the job and provides a more bespoke solution to employer needs. The creation of more bite size and modular provision aligned to key competencies is an important prerequisite to meeting employer needs.

# 5 Manufacturing Sector

## 5.1 The Sector

The Manufacturing and Advanced Engineering Sector is a significant part of the Cheshire and Warrington economy.  The area is home to a significant automotive cluster and 95% of UK car production lies within a 3-hour drive, presenting significant opportunities for the automotive supply chain.

The Manufacturing sector employed 42,000 people in Cheshire and Warrington in 2022. The sector employed a slightly higher percentage of the workforce than the UK average. The average wage per job in the sector was £38,000 and it contributed 17.5% of total C&W GVA.

Almost half of all the sector's employment was in four sub sectors:

- Manufacture of Motor Vehicles, Trailers and Semi-trailers
- Manufacture of Food Products
- Manufacture of Fabricated Metal Products, Except Machinery and Equipment
- Manufacture of Basic Pharmaceutical Products and Pharmaceutical Preparations

The top ten occupations (4-digit SOC) employed in the Manufacturing sector in Cheshire and Warrington are set out in the table below. These account for 30% of all employment in the sector. Hourly wages for these occupations range from £9.86 (Packers, Bottlers, Canners and Fillers) to £22.36 (Production Managers and Directors in Manufacturing).

From our Employer Skills Survey and further employer engagement work, we have found that:
- Age profile in manufacturing (specifically) is a labour supply challenge, with a generally older workforce profile. This reflected difficulties in attracting school leavers who do not see manufacturing as a sector where they can progress and develop a career.
- The sector is perceived as male dominated.  This reflected difficulties when trying to recruit females.
- Digitisation and automation (in manufacturing) has not radically altered the skills requirement but requires slightly higher-level IT skills (more of a challenge given age profile of workforce and a need to build confidence and aptitude in these areas).
- Engineering qualifications are needed as single skilled (in preference to multi-skilled).  This allows for greater knowledge in the area.
- Lean, Six Sigma and Business Improvement Techniques need to be integrated into other manufacturing linked qualifications, not left as stand-alone training, primarily organised in house.
- There is a view that CAD and Project Management could be integrated in STEM courses at L2/L3.

- Off the job training is disruptive. More agile training options need to be considered.

Through feedback received directly from Providers, we have found that:

- Offering courses at L2 supports students to progress to L3.
- Automotive and engineering courses alignment at L3 fits with employers expectations.
- There is a clearer occupational pathway with T-Levels, HTQs and HNCs.
- Electrical Engineering is promoted at college but needs additional promotion in schools.
- Lack of course uptake is a barrier to running successful targeted courses.
- There are less L3 females moving straight into industry; they tend to move on to HE and HNC.

## 5.2    Key Manufacturing Occupations

Top occupations in the Manufacturing sector in Cheshire and Warrington are recorded as follows:

| Employer Need (Unique Job Postings) | Employees currently in employment in C&W (Dec 2022) | Provisional priority & possible funding sources | Green Economy Additional need | Possible funding source |
|---|---|---|---|---|
| Production Managers and Directors in Manufacturing (844) | 2488 | Degree Apprenticeships / HE | Understanding – Sustainability Leadership | Employer / LSIF |
| Metal Working Production and Maintenance Fitters (512) | 1710 | Apprenticeship L2 and L3 | Awareness | Employer / LSIF |
| Sales Accounts and Business Development Managers (558) | 1455 | Full time FE/ HE Apprenticeships | Awareness | Employer / LSIF |
| Food and Drink Process Operatives (67) | 944 | Apprenticeships L2 and L3 | Awareness | Employer / LSIF |
| Elementary Storage Occupations (3027) | 1285 | Apprenticeships L2 and L3 | Awareness | Employer / LSIF |
| Packers, Bottlers, Canners and Fillers (318) | 1082 | Apprenticeships L3 and L4 | Awareness | Employer / LSIF |
| Assemblers (Vehicles and Metal Goods) (82) | 1051 | Apprenticeships L2 and L3 | Awareness | Employer / LSIF |

| Employer Need (Unique Job Postings) | Employees currently in employment in C&W (Dec 2022) | Provisional priority & possible funding sources | Green Economy Additional need | Possible funding source |
|---|---|---|---|---|
| Chemical and Related Process Operatives (136) | 944 | Apprenticeships | Understanding | Employer / LSIF |
| Production and Process Engineers (461) | 909 | Full time FE/ HE Apprenticeships L3 and L4 | Understanding | Employer / LSIF |
| Vehicle Technicians, Mechanics and Electricians (1248) | 731 | Apprenticeships up to L5 | Understanding | Employer / LSIF |

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## 5.3    Skills Gaps & Upskilling

| Employer Need | Priority for Existing Workforce (skills gaps and upskilling) | Priority for the Future Workforce (add content into Apprenticeships, 16 to 19 and AEB as appropriate) |
|---|---|---|
| Supply Chain Apprenticeships | Apprenticeship | Apprenticeship |
| Health & Safety Apprenticeships | Apprenticeship | Apprenticeship / incorporated into other courses |
| Food Hygiene Certification | Short course | Incorporated into other courses |
| FLT Training (potentially included within Engineering courses) | ITP provision | ITP provision |
| Lean / Six Sigma / Business Improvement Techniques as part of other qualifications | Full cost programmes / Apprenticeship L3 and L4 | Apprenticeship at L3 and L4 |
| Project management | Apprenticeship L4 | Apprenticeship at L3 and L4, and within T-Level |
| Ability to complete paperwork (CV writing, job application forms, paperwork relevant to the job) | Short course LSIF | 16-19 full time additionality<br>AEB<br>DWP pre-employability |
| Basic IT skills (Outlook, Word, Excel and other Office programmes) | Short course LSIF | 16-19 full time additionality<br>AEB<br>DWP pre-employability |

| Employer Need | Priority for Existing Workforce (skills gaps and upskilling) | Priority for the Future Workforce (add content into Apprenticeships, 16 to 19 and AEB as appropriate) |
|---|---|---|
| Higher level IT skills | Apprenticeship | 16-19 full time additionality |
| Health & Safety | Short course | 16-19 Full time additionality |
| Upskilling for emerging green technology | Short course LSIF | 16-19 full time additionality AEB |
| Digital Transformation | Short course LSIF | 16-19 full time additionality |
| Automation | Short course LSIF | 16-19 full time additionality |
| Electrical Engineers | Apprenticeship | 16-19 full time, Apprenticeship |
| Mechanical Engineers | Apprenticeship | 16-19 full time, Apprenticeship |

# 6     Health & Social Care Sector

## 6.1    The Sector

The Health and Social Care sector employed 58,000 people in Cheshire and Warrington in 2022. The sector employed a lower percentage of the workforce than is the case nationally. The average wage per job in the sector was £27,000 and it contributed 6% to Cheshire and Warrington's GVA.

The demands on the sector which are reflected across the UK are replicated and amplified in Cheshire and Warrington which has a higher than national average ageing population. This is exacerbated by the increase in pressures on key services as a result of the Covid pandemic.

The top ten occupations (4-digit SOC) employed in the Health and Social Care sector in Cheshire and Warrington are set out in the table below. These account for about 60% of all employment in the sector. Hourly wages for these occupations range from £9.23 (Cleaners and Domestics) to £24.08 (Medical Practitioners).

EMSI data indicates employers experience greater recruitment difficulties regionally vs nationally. There are high staff turnover rates in Cheshire & Warrington at 30% and males are under-represented.

Through feedback received directly from employers within the sector, we note that:

- Combined roles would be preferable (e.g., Support Worker with health care and youth work skills)
- There is a generational gap with digital skills/capabilities, the need for which is becoming greater given trend towards digitalisation and digital health care service delivery.
- Skills requirements focus on temperaments and attitudes, such as emotional resilience and softer skills such as sensitivity and boundary skills (e.g., talking to family members) which can be lacking among younger people entering the sector (also self-assessment and self-regulation).
- Customer service skills also a useful competency for the sector which presents an opportunity to look to the retail sector for workers seeking a career change.
- There are challenges with recruitment, citing factors such as the need for driving licence and own car and the requirement to work unsociable hours.
- There is a strong knowledge of where to access external training, with preference toward face-to-face learning, but that this should be undertaken flexibly.

Through feedback received directly from Providers, we note that:

- Current programmes are academic and not skills based.
- The T-Level "blip" has impacted this area significantly and results have therefore been delayed.
- Work placements are easier to find within the NHS rather than other employers.
- Within the care sector, students need to be at least 18 years old and have a driving licence and access to a car.  This is a barrier for learners.
- The recruitment challenge within this sector leads to employers not being able to release employees to support student workers.  (A vicious cycle).
- There is currently no or limited digital content at L3 in this sector.
- Some providers include resilience and personal care in this sector is being provided as an "add on" to the curriculum.  They are working with other business to provide this (e.g. local funeral director).

## 6.2    Key Occupations

| Employer Need (Unique Postings from Jan 2022 - Dec 2022) | Employees currently in employment in Cheshire & Warrington | Provisional priority & possible funding sources |
|---|---|---|
| Nurses (6375) | 9553 | Nursing Degree Apprenticeship |
| Nursing Auxiliaries and Assistants (1539) | 4942 | Healthcare support worker and senior L2/3 Apprenticeships<br>Nursing Associate L5 / L5 Assistant Practitioner |
| Medical Practitioners (1024) | 3483 | Degree / PHD |
| Cleaners and Domestics | 1644 | Apprenticeship L2 |
| Other Administrative Occupations (4821) | 1559 | Apprenticeship L2 |
| Nursery Nurses and Assistants (794) | 1385 | Apprenticeship L2 / L3 |
| Receptionists (1539) | 1388 | Apprenticeship L2 |
| Medical Secretaries (169) | 955 | Apprenticeship L3 |
| Care Workers and Home Carers (7033) | | Apprenticeships/Care Certificate<br>Possible recruitment and employability training via JC+/Bootcamp/AEB |
| Senior Care Workers (282) | | |

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## 6.3    Skills Gaps & Upskilling

| Employer Need | Priority for Existing Workforce (skills gaps and upskilling) | Priority for the Future Workforce (add content into Apprenticeships, 16 to 19 and AEB as appropriate) |
|---|---|---|
| Consistent/Certificated induction process across all Health & Social Care settings | For discussion/ development with Skills for Care | 16-19 full time/ Apprenticeships |
| Midwifery L5 | Upskilling to Degree level | *No funding available / lack of interest from providers to support this in area* |

| Employer Need | Priority for Existing Workforce (skills gaps and upskilling) | Priority for the Future Workforce (add content into Apprenticeships, 16 to 19 and AEB as appropriate) |
|---|---|---|
| Physiotherapy L5 | Upskilling to Degree level | *No funding available / lack of interest from providers to support this in area* |
| Basic RGN training for Personal Assistants | For discussion/ development with Skills for Care | 16-19 full time / Apprenticeships |
| Leadership & Managerial including overarching business management skills | Short course | 16-19 full time additionality |
| Basic IT skills (Outlook, Word, Excel and other Office programmes) | Short course | 16-19 full time additionality / Apprenticeship |
| Digital Transformation | Short course | Embedded into existing courses |
| IT Skills relevant to software used | Short course | 16-19 full time additionality |

# 7 Life Sciences Sector

## 7.1 The Sector

Cheshire & Warrington has a thriving life sciences sector with strengths in sub-sectors including biotechnology, contract research organisations, drug discovery and wound care. Start-ups lead the way in the latest innovations and medical discoveries, alongside established world-leading life sciences firms. Top recruiters in Cheshire and Warrington include AstraZeneca, NHS, Atkins plc, Inchcape plc, Amec Foster Wheeler plc, Jacobs, and Mid Cheshire Hospitals NHS Foundation Trust.

Alderley Park is UK's largest single-site life science campus, with 7,000 jobs planned by 2025 and there are now over 160 bio-tech and life-sciences businesses in the Cheshire Science Corridor Enterprise Zone. Cancer Research UK Manchester Institute and Medicines Discovery Catapult are based in the sub-region.

Through feedback received directly from employers within the sector, we note that:

- There is a lack of scientific based apprenticeships (e.g. Laboratory Technician)
- Local training provision is not always up to date, particularly with digital skills and automation

- Higher level maths skills and data analysis are lacking
- "Fundamentals of Clinical Development" awareness needed within schools (STEM link) to enhance knowledge of the sector, as well as a greater understanding that the work outcomes are potentially life changing
- Lack of awareness of computer sciences linked to life sciences
- There is a requirement for cost effective local training.  Currently, outsourcing skills training to Manchester and London, with links also to Nottingham Trent University.

Through feedback received directly from Providers, we note that:
- Links with Alderley Park have been difficult to establish.  There are some links with Daresbury.
- Work placements preference appears to be for HE level.

## 7.2    Key Occupations

In 2021, there are about 12,500 science pathway jobs in Cheshire and Warrington of which 3,250 people in Cheshire & Warrington work in Life Sciences.

Circa 4,500 science pathway jobs are at Level 3, around 1,500 require a Level 4 and the remainder require qualifications at degree level and above.

On average there are about 600 openings for these types of jobs in Cheshire and Warrington each year.

There are more jobs like this in Cheshire and Warrington than the national average and this is expected to be the case for the next few years, including for jobs like Chemical Scientists, Laboratory Technicians and Biological Scientists.

Most roles in this pathway are at relatively low risk of automation.

In the last five years, employers in Cheshire and Warrington were as likely to repeat advertise these roles as average.

In this time, there have been about 9.5k job postings for this type of role in C&W. The average number of times a role gets advertised in Cheshire and Warrington has increased from 4 in 2016 to 8 in 2021. This may indicate that employers are more recently finding these roles harder to fill.

The most advertised roles in Cheshire and Warrington are for Science, Engineering and Production Technicians, and Engineering professionals.

## 7.3    Skills Gaps & Upskilling

| Employer Need | Priority for Existing Workforce (skills gaps and upskilling) | Priority for the Future Workforce (add content into Apprenticeships, 16 to 19 and AEB as appropriate) |
|---|---|---|
| Quality Assurance L4 | Apprenticeship Quality Practitioner L4 | Apprenticeship Quality Practitioner L4 |
| Engineering L6 – control technical support engineer | Apprenticeship | Apprenticeship |
| Validation L6 – Bio Pharmaceutical | | |
| Manufacturing Skills L2 - L6 specifically in bio pharmaceutical environment | Apprenticeship L4 | Apprenticeship L4 |
| Software Engineering (for automation) | Short course | Short course |
| Drug discovery training | Short course | Short course |
| Computer Science Degree Apprenticeship | Apprenticeship | Apprenticeship |
| Laboratory Technician Apprenticeship | Apprenticeship | Apprenticeship |
| Higher Numeracy (A Level upwards) | Short course | A Level |
| Statistics L3 upwards | Short course | Included in Higher Maths |
| Analytical skills to L4 | Apprenticeship / Short Courses | Apprenticeship |
| Leadership & Managerial | Short course | 16-19 full time additionality |
| Basic IT skills (Outlook, Word, Excel and other Office programmes) | Short course | 16-19 full time additionality |
| Digital based on employer need | | |
| IT Skills relevant to software used | | |

## 8    Digital Sector (Cross Cutting Theme)

## 8.1    The Sector

The Information and Communication sector employed 19,000 people in Cheshire and Warrington in 2022. The sector employed a lower percentage of the workforce than is the case nationally. The average wage per job in the sector was £41,000 and it contributed 4% to Cheshire and Warrington's GVA.

There are about the same number of jobs in this sector in Cheshire and Warrington as the national average.

Over the next ten years, about a third of jobs will need to be filled by new entrants because of retirements and similar.

All Digital jobs have a very low exposure to the risk of automation.

Through feedback received directly from employers within the sector, we note that:

- Relevant sector experience is difficult to find in applicants.
- Programming is included in more generalist qualifications, e.g., maths and physics, and is therefore not often cited on an applicant's CV, however is key in recruiting.
- As the market develops and salaries change, it will be more difficult to attract the right candidates.
- Up to date knowledge is critical as the sector continues to change.
- Candidates need to demonstrate their ability to build, including providing source code during the selection process.
- Financial constraints limit who is trained and on what.

Through feedback received directly from Providers, we note that:

- Short courses for older existing workers are being developed in conjunction with employers, including Essential Digital Skills at L1 and L3.  However, not all are completing the end point assessment; they want the skill but not the qualification.
- Student interest does not match employer need; course uptake can be low.
- Cybersecurity courses at L3 do not match employer requirement.  Students will need to go on to HE to gain this.
- There is a gap for HTQs in this sector, but there are a lack of tutors and assessors to deliver this.  Providers are now considering sharing resources.
- Coding is not offered, due to lack of uptake.

## 8.2    Key Occupations

The top ten occupations (4-digit SOC) employed in the Information & Communications sector in Cheshire and Warrington are set out in    the table below. These account for almost 60% of all employment in the sector. Hourly wages for these occupations range from £12.97 (IT User Support Technicians) to £27.96 (Information Technology and Telecommunications Directors).

| Employer Need (Unique Postings from Jan 2022 - Dec 2022) | Employees currently in employment in Cheshire & Warrington | Provisional priority & possible funding sources |
|---|---|---|
| Programmers and Software Development Professionals (4048) | 3010 | Apprenticeship / Degree |
| Information Technology and Telecommunications Professionals (966) | 1827 | Apprenticeship / Degree |
| IT Specialist Managers (107) | 1259 | Degree |
| IT Business Analysts, Architects and Systems Designers (2082) | 940 | Apprenticeship |
| Sales Accounts and Business Development Managers (558) | 915 | Apprenticeship / Bootcamp |
| Information Technology and Telecommuncations Directors (227) | 698 | Degree / Bootcamp / Short course |
| IT Project and Programme Managers (732) | 689 | Apprenticeship / Degree |
| Web Design and Development Professionals (787) | 592 | Apprenticeship / Short course |
| IT User Support Technicians (1891) | 572 | Apprenticeship |
| IT Operations Technicians (1073) | 565 | Apprenticeship |

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## 8.3    Skills Gaps & Upskilling

| Employer Need | Priority for Existing Workforce (skills gaps and upskilling) | Priority for the Future Workforce (add content into Apprenticeships, 16 to 19 and AEB as appropriate) |
|---|---|---|
| PHP and WordPress upskilling | Short course | 16-19 additionality |
| Coding specific apprenticeship | Apprenticeship | Apprenticeship – uptake concerns |
| Digital Marketing apprenticeship | Apprenticeship | Apprenticeship L3, L4 |
| Graphic Design apprenticeship | Apprenticeship | Apprenticeship L2 |
| Social Media apprenticeship | Apprenticeship | Apprenticeship |
| Developer L5 | Apprenticeship / Degree | Apprenticeship / Degree |
| Digital Skills Trainers L3 | Apprenticeship L4 | Apprenticeship L4 |
| Use of all types of software (Mac / MS and iPhone / Android) | Short course | Short course |

# 9 Low Carbon / Green Skills Sector (Cross Cutting Theme)

## 9.1 The Sector

The Government's Net Zero agenda is driving changes to the way businesses operate. These changes will drive a review of the skills which will be required. Almost half (46.4%) of Cheshire and Warrington's jobs are in industries which will be significantly impacted by the low carbon agenda. These industries will need to reshape what they do in terms of production processes, energy consumption and reduction in emissions. This will require significant reskilling of the existing workforce.

The current number employed in the 'Low Carbon and Renewable Energy Economy' (LCREE) in Cheshire and Warrington is estimated to be about 4,000. These numbers are set to grow. Ecuity has forecast a fourfold growth to 15,000 employed in the LCREE in Cheshire and Warrington by 2030. However, this growth could be more significant if the project portfolio developed by Net Zero North West is delivered. This includes several significant projects that will deliver change at scale including E-Port, HyNet, Protos, and Project Vanguard. Many of the initial jobs created in the growth of the LCREE will be in construction. The Construction Industry Training Board (CITB) believes that the areas that present the greatest challenges are in retrofit and in heat pumps.

Through feedback received directly from employers within the sector, we note that:

- Reskilling and / or upskilling the majority of the workforce is a current challenge, e.g. the move to electric car batteries, the move to hydrogen.
- Contractors are already finding it hard to maintain a steady workforce, with many employed on short-term contracts and a significant proportion reaching retirement age.
- The Cluster Plan will require focus on skills and this activity is already taking place, predominantly in conjunction with the University of Chester.
- Net Zero skills need adding into existing training as standard.  Particularly in construction, there is a need for greater integration of construction and green / renewable technology courses and training made available in the local area.
- A view that there are many Government targets to meet and that individuals should be skilled in more than one of these areas to retain employment once a target is met in one field.

Through feedback received directly from Providers, we note that:
- Courses are often provided as an add-on or enhancement to another course.
- The green agenda is generally believed to be embedded within manufacturing courses.
- Providers are working together to maximise opportunity, e.g. working with Cadent on the Sustainable House.

## 9.2 Key Occupations, Skills Gaps & Upskilling

- For housing energy efficiency, the installation of loft insulation; solid wall insulation; cavity wall insulation; floor insulation; and high efficiency glazing.
- For solar photovoltaics, Level 3 Electrical Installations qualifications will be required to install grid connected solar.
- For nuclear, there will be demand for construction workers that have non-nuclear specific skills (including highly skilled roles in, for example, welding), as well as civil contractors and mechanical engineers.
- For anaerobic digestion (AD) there will be a requirement for specialist grid-connection engineers and operators who ensure grid connections are safe.
- For low carbon heat pumps, the current challenge is primarily one of training and upskilling the 133,000 existing Gas Safe engineers in the country.
- For carbon capture, utilisation and storage (CCUS) and hydrogen, there will be a requirement for the construction and operation of scale pilot projects for hydrogen production (e.g. Hynet) and the construction and operation of CCUS infrastructure in high emitting industrial clusters.
- For Electric Vehicles (EV), the construction and operation of EV charging infrastructure and the transition in manufacturing.
- For active travel equipment and infrastructure, the construction and operation of: walking schemes and networks; cycling infrastructure schemes and networks; and traffic calming schemes.
- For natural capital, creating, maintaining or restoring non-woodland ecosystems (e.g. wetlands); woodland ecosystems; saltmarshes and peatlands for carbon sequestration; and parks and urban green space.

## 10 Employability Competencies

Through all engagement methods that have taken place to develop these priorities, the following table highlights the key Employability Competencies that employers are citing as essential to their business:

| Employer Need | Potential Actions |
|---|---|
| Communication skills | These skills are already covered in Apprenticeships/FT 16 to 19. We want to ensure they are incorporated into all occupational programmes and that a short course programme for existing employees is considered |
| Literacy | These skills are already covered in Apprenticeships/FT 16 to 19. We want to ensure they are incorporated into all occupational programmes and that a short course programme for existing employees is considered |

| Employer Need | Potential Actions |
| --- | --- |
| Numeracy | These skills are already covered in Apprenticeships/FT 16 to 19. We want to ensure they are incorporated into all occupational programmes and that a short course programme for existing employees is considered |
| MS Office skills | We want to ensure tailored skills are incorporated into all occupational programmes. |
| Leadership & managerial | Management workshop / Bite size and modular provision/Up-skilling Apprenticeships |
| Organisation | Management workshop / Bite size and modular provision/Up-skilling Apprenticeships |
| Prioritisation of tasks within settings to deliver solutions | These skills are already covered in Apprenticeships/FT 16 to 19. We want to ensure they are incorporated into all occupational programmes and that a short course programme for existing employees is considered |
| Equality, Diversity and Inclusion Awareness | All levels workshop / Bite size and modular provision/Up-skilling Apprenticeships |
| Emotional Intelligence and Resilience (self-assessment and self-regulation) | All levels workshop / Bite size and modular provision/Up-skilling Apprenticeships |
| Problem Solving | All levels workshop / Bite size and modular provision/Up-skilling Apprenticeships |

# Employer Skills Survey Report

March 2023


*Please note the findings in this report reflect those who completed the Employer Skills Survey.*

**Employer Skills Engagement Analysis and Findings**
**for**
**South Cheshire Chamber of Commerce & Industry**

**March 2023**

| Report completed/submitted by: | Amarilis Herrera & Will Christiansen |
| Proof check completed by: | Lauren Newby |
| Date: | 17th March 2023 |
| | |
| Report reviewed by: | Lauren Newby |
| Date: | 17th March 2023 |

# Contents

ekosgen

# 1    Introduction

## Background

ekosgen, in collaboration with IBP Strategy and Research, have been commissioned by South Cheshire Chamber of Commerce & Industry (SCCCI) to undertake employer engagement activities to better understand the skills needs of local businesses based in Cheshire and Warrington. The analysis seeks to identify the key priorities and changes needed to ensure education and training are more closely aligned to employer and local labour market needs.

## Study aims

The purpose of the work is to inform the development of a Local Skills Improvement Plan (LSIP)[1] for Cheshire and Warrington. The LSIP will:

- Engage and facilitate discussions with employers, providers and other stakeholders to identify employers' skills needs

- Provide an agreed set of actionable priorities that employers, providers and stakeholders in a local area can get behind to drive change

- Place employers at the heart of local skills systems and facilitate collaborative working between employers and providers

SCCCI are the designated Employer Representative Body (ERB) for the Cheshire and Warrington LSIP, responsible for developing, approving and implementing the plan. The employer engagement analysis be used by the Chamber to help determine the LSIP priorities for Cheshire & Warrington LSIP, including:

- Identify recruitment/skills needs which will inform our delivery plans

- Establish employer understanding of the various skills programmes such as Skills Bootcamps, Apprenticeships (including Levy transfer), T Levels, Traineeships, and any support needed to access the various skills offers

- Identify the demand for training including qualification / non-qualification based learning

- Identify employers who may be able to support the work of CEIAG providers e.g., by working with schools and colleges to improve workplace skills

- Identify emerging demand for skills across all sectors for Low Carbon and Digital

## Study methods

The study method comprised three elements:

- **Online survey**: businesses were invited to complete an online survey, featuring a combination of closed, structured questions and opportunities for more open ended responses. The survey link was shared via Chamber and stakeholder employer databases, as well as promoted via websites and social media

- **Telephone survey**: mirroring the content of the online survey to ensure full integration with a target of 100 respondents.

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[1] Local skills improvement plans (LSIPs) and strategic development funding (SDF) - GOV.UK (www.gov.uk)

**ibp** Strategy & Research                    ekosgen

- **Focus groups**: five virtual focus group sessions centred around key sectors in the Cheshire and Warrington economy.

Using these three engagement techniques, intelligence was gathered relating to the nature of respondent businesses and the key issues they experience in relation to recruitment, skills and training needs.

There were **235** respondents in total as of the 3rd of March 2023, combining the online and telephone survey. A further **44** participants engaged in focus group activity.

Within the analysis of survey responses the number of respondents to the relevant survey question is clearly indicated using the base number of respondents.

## Structure of report

The report is structured as follows:

- **Section 2** considers the characteristics of the respondent businesses, including their location, main sector alongside their size and workforce age profile.

- **Section 3** provides a summary of the key issues facing respondent businesses in relation to skills demand, including their short term recruitment and skills requirements, training approaches needed, including a focus on the demand for apprentices.

- **Section 4** summarises the key issues facing respondent businesses in relation to skills supply, including recruitment and training challenges faced and skills shortages / gaps.

- **Section 5** provides a more in-depth analysis of the key skills demand and supply issues within Cheshire and Warrington important sectors, including a triangulation of the survey findings with insight from the focus group / workshop sessions.

- **Sections 6 and 7** delve into the cross-cutting themes of digital skills and low carbon/net zero skills.

- **Section 8** summarises the key conclusions and implications for the LSIP emerging from the engagement activity, framed around the key research questions in the brief.

# 2 Employer Skills Survey Characteristics

## Summary

- The survey approach sought equitable geographic coverage across Cheshire and Warrington. The profile of surveyed employers broadly reflected the distribution of businesses across Cheshire and Warrington.

- Employers in Manufacturing and Health made up 43% of survey respondents and were both significantly over-represented compared to the wider Cheshire and Warrington business base.

- Respondents represented employers across the size spectrum. Despite micro firms (fewer than 10 employees) representing the largest share of employers (39%) they were significantly under-represented compared to their Cheshire and Warrington area profile.

- Employers reported the greatest level knowledge on training and qualifications to apprenticeships, whereas there was comparatively lower knowledge levels for T-levels and Skills Bootcamps.

## Business location

97% of the businesses surveyed are located in Cheshire and Warrington: 40% in Cheshire East; 34% in Cheshire West and Chester; and 22% in Warrington. This broadly reflects the distribution of businesses across the Cheshire and Warrington area.[2] 73% of respondents reported having a single site within the Cheshire and Warrington area, whilst 27% have multiple sites.[3]

**Respondents by location**



■ Cheshire East ■ Cheshire West & Chester ■ Warrington ■ Other
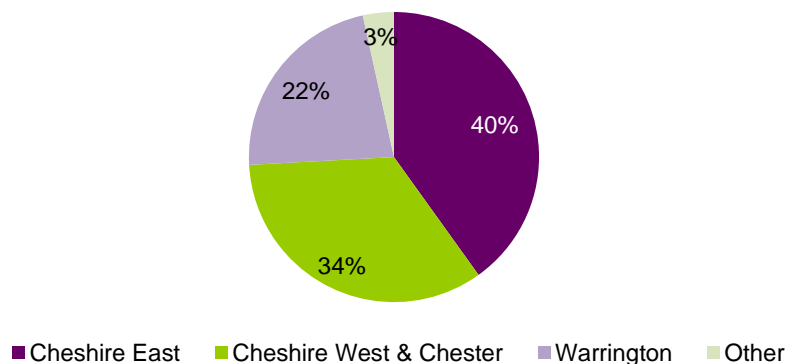
*Q1.2b Where is your business located within Cheshire and Warrington? (N=232)*

## Sectoral mix

Respondents were asked which main sector best represented the activities of their business, with a choice of 18 sectors, including an 'Another industry / sector' category. For those who recorded 'Another industry / sector' they were prompted to provide further details that were then used – alongside company name and associated Companies House records – to infer a best-fit to the broad sectors. To accommodate a small proportion of outlier responses, two additional categories were added: 'Other service activities' and 'Arts, entertainment & recreation'[4].

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[2] ONS UK Business Counts (2022)

[3] Q1.2a Does your business have…a single site or multiple sites across Cheshire and Warrington? (N=220)

[4] Arts, entertainment & recreation is a recognised Broad Industrial Group but was omitted (erroneously) from the original survey.

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The sectors best represented in the survey were Manufacturing and Health (23% and 20% of responses, respectively). Both sectors were both significantly over-represented in the survey in comparison to the wider Cheshire and Warrington business base, with a response rate between four to five times the proportion at a Cheshire and Warrington area level. Alongside businesses in the Professional, Scientific & Technical sectors (11%), these constituted over half of the businesses represented, indicating a reasonably narrow profile. The only other over-represented sector in the survey was Finance & Insurance (3%). Sectors that were the most under-represented in the survey included Wholesale, Motor Trades, Agriculture, Forestry & Fishing, Transport & Storage, Arts, Entertainment & Recreation and Professional, Scientific & Technical.

**Respondents by broad sector**

| Broad Sector | % (survey) | % (C&W business base) |
|---|---|---|
| Manufacturing | 22.7% | 4.7% |
| Health | 19.7% | 3.8% |
| Professional, Scientific & Technical | 11.1% | 20.0% |
| Construction | 8.1% | 10.7% |
| Information & Communication | 6.0% | 6.4% |
| Business Administration and Support Services | 5.6% | 9.6% |
| Retail | 3.9% | 6.8% |
| Accommodation & Food Services | 3.4% | 5.4% |
| Arts, Entertainment & Recreation | 3.0% | 6.2% |
| Finance & Insurance | 3.0% | 2.3% |
| Property | 3.0% | 4.0% |
| Other Service Activities | 2.6% | - |
| Education | 1.7% | 1.8% |
| Mining, Quarrying & Utilities | 1.7% | 0.6% |
| Transport & Storage (including Postal) | 1.7% | 4.4% |
| Agriculture, Forestry & Fishing | 1.3% | 5.6% |
| Motor Trades | 0.4% | 3.1% |
| Public Administration | 0.4% | 0.4% |
| Wholesale | 0.4% | 4.1% |
| **Total** | **100.0%** | **100.0%** |

*Q1.1b What is your main industry / sector? (N=234)[5]*

## Size of business

With respect to the size of the companies, the majority of respondents were micro firms (less than 10 employees at 39% of all respondents), followed by small businesses (10 to 49 employees at 31%). Compared to the Cheshire and Warrington area's business base, small firms in the survey were over-represented (31% vs 9% of all businesses across the wider Cheshire and Warrington area), as were medium firms (14% vs 2%) and large firms (16% vs 0.5%). Micro firms constitute 89% of the Cheshire and Warrington area business base and were therefore under-represented in the survey.

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[5] Over-represented sectors in the survey (compared to the wider business base of the Cheshire and Warrington area) are highlighted.

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**Respondents by company size**
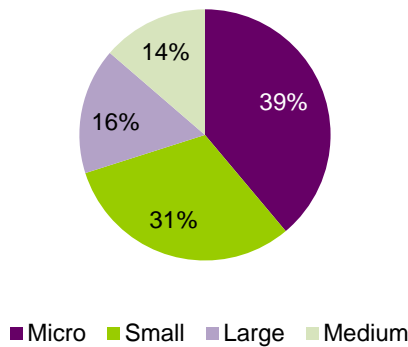


*Q1.3 Which of the following best describes the size of your business? (N=234)*

## Age of workforce

On average, 40% of the respondents' workforce is between 25 and 40 years old, with 44% between 45 and 64 years old. Workers aged 65 and over represented the smallest proportion of the workforce (4%) with nearly 68% of companies surveyed without any worker at that age. Young people constituted 12% of the labour force, and approximately 42% of businesses do not hire anyone in that age range.

**Average distribution of workforce by age group**
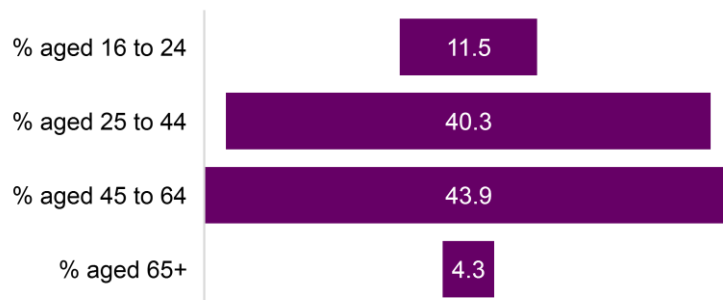


*Q1.4 If you are able, please indicate what percentage of your workforce are in the following age groups. (N=192)*

## Understanding of LSIP

63% of respondents reported that they have not heard about Local Skills Improvement Plans (LSIPs), and only 15% indicated that they understood what these plans are.

**Knowledge of LSIPs**
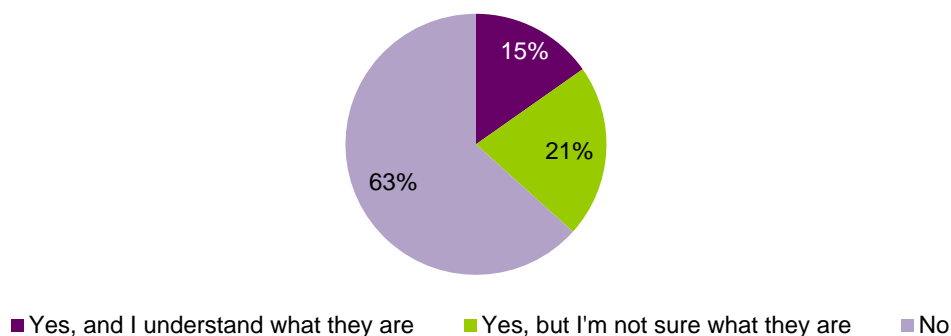


*Q3.1 Have you heard of Local Skills Improvement Plans (LSIPs)? (N=210)*

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# Understanding of types of training and qualifications

Respondents reported the greatest knowledge of apprenticeships above all qualification types with 45% of respondents reporting a lot of understanding and 43% some understanding. Degree apprenticeships, Foundation Degrees, BTECs and Higher National Certificates (HNCs) / Higher National Diplomas (HNDs) follow in respondents' knowledge and share a similar distribution amongst them: around one in five respondents had a lot of understanding of these qualifications and around 40% had some understanding. More recently launched schemes such as Skills Bootcamps and T-levels were least understood among respondents with 72% and 56% of respondents reporting no understanding of these, respectively.

**Understanding of types of training and qualifications**
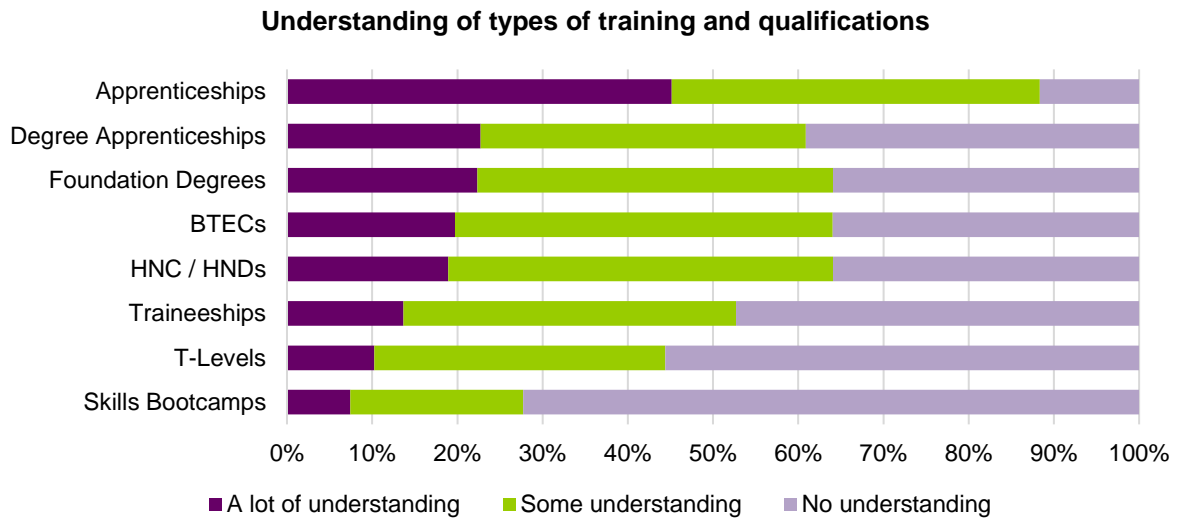


*Q3.7 How much understanding does your business / organisation have of the following types of training and qualifications? (N=208)*

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# 3    Skills Demand

## Summary

- Employers reported a short term demand for labour with two thirds indicating their intention to recruit new employees in the next 12 months.

- Two out of three respondents reported that over the next three years customer service and employability skills will be important for their business.

- 55% of respondents considered that access to funding for staff training would be beneficial for their business. Around half of respondents identified the importance of short, flexible training courses.

- Employer demand for apprenticeships exists, with roughly one third of respondents indicating that they recruited apprentices in the past 12 months, predominantly at Level 2 (Intermediate) and Level 3 (Advanced). One third of respondents also indicated their plans to recruit apprentices over the next 12 months.

## Short term recruitment plans

Over the next 12 months, most respondents plan to recruit new employees (66%) and 42% intend to recruit apprentices. 27% of respondents indicated plans to recruit both graduates and school/college leavers.
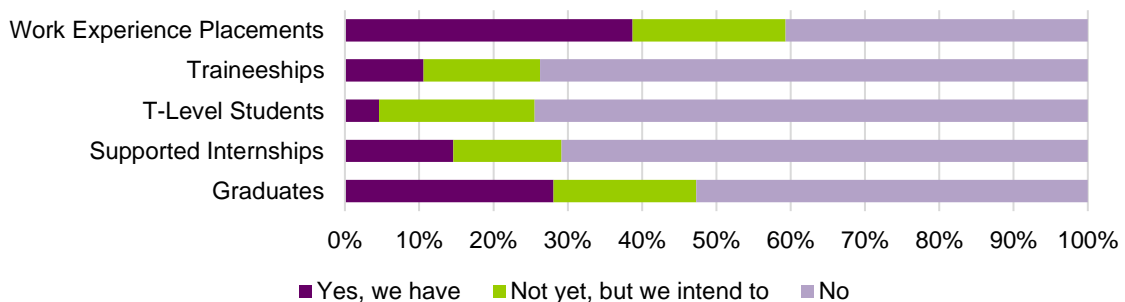
**Recruitment plans for next 12 months**
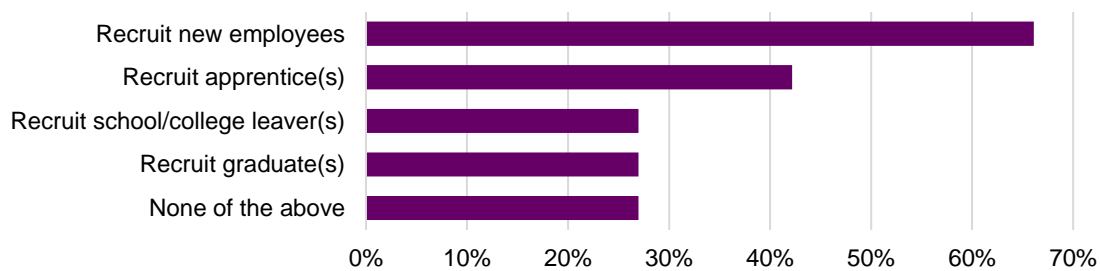


*Q2.7 Which of the following do you plan to do over the next 12 months? (N=230)*

60% of respondents indicated their intention to recruit work experience placements, followed by graduates (47%).

**Training and recruitment intentions**



■ Yes, we have    ■ Not yet, but we intend to    ■ No

*Q3.8 Have you or are you planning to take on any of the following? (N=207)*

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## Short term skills needs

Around two in three respondents reported that customer service skills and employability skills (e.g. team working, attendance, time keeping and work ethic) will be important for their business over the next three years. The other most important skills highlighted were planning and organisational (54%) and specific technical, practical and occupation skills (54%). Skills that were expected to be less important are skills related to low carbon and transition to net zero (25%), financial management (32%), literacy (36%) and numeracy (37%) skills.

These priorities change by size of the company. For example, customer service skills appear to be significantly more relevant for microbusiness (80%) than for large businesses (44%). Specific technical, practical and occupation skills are identified as the most important skills needed for large firms (76%) compared to the average of 54% for all surveyed firms. Similarly, skills relating to the low carbon and net zero skills agenda appear to be most relevant to larger companies, with 41% of respondents in larger firms considering these as important in the near future (compared to 25% for all surveyed employers). Employability skills are recognised as a key requirement for businesses across the size spectrum.

**Relevant skills for the following three years by company size**

| Skill / attribute | Total | Micro | Small | Medium | Large |
|---|---|---|---|---|---|
| Customer Service | 68% | 80% | 69% | 57% | 44% |
| Employability skills | 65% | 61% | 63% | 78% | 71% |
| Planning and organisational | 54% | 56% | 52% | 52% | 56% |
| Technical, practical or occupation specific | 54% | 47% | 51% | 57% | 76% |
| IT and digital | 50% | 53% | 43% | 43% | 62% |
| Leadership and managerial | 49% | 39% | 57% | 48% | 56% |
| Creativity | 47% | 54% | 42% | 35% | 44% |
| Sales and marketing | 40% | 57% | 37% | 26% | 15% |
| Numeracy | 37% | 34% | 39% | 26% | 50% |
| Literacy | 36% | 35% | 37% | 22% | 47% |
| Financial management | 32% | 33% | 30% | 22% | 41% |
| Skills to do with low carbon and the transition to net zero | 25% | 20% | 22% | 26% | 41% |
| Other | 0% | 0% | 0% | 4% | 0% |

*Q3.5 Which of the following types of skills and attributes will be important to your business over the next three years? (N=204)[6]*

## Skills and training approaches

55% of respondents considered that access to funding for staff training would be beneficial for their business. Access to short, flexible training courses and tailored qualifications and relationships with training providers who understand their business needs were also identified as being among the most beneficial approaches (49% and 45%, respectively). Training courses for specific occupations and those

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[6] Top three skills / attributes by company size are highlighted

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that lead to qualifications were among the least demanded by respondents (34% and 36%, respectively).

**Skills and training approaches that would be beneficial**



*Q3.3 Which of the following skills and training approaches would be of benefit to your business? (N=210)*

When asked to identify which employee categories (occupational classifications) had the greatest need for further training, one third of respondents indicated 'none of the above'. One quarter of respondents indicated that further training was needed in sales and customer service occupations and 22% indicated that further training was needed in managerial, director and senior roles.

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**Need for further training by employee categories**
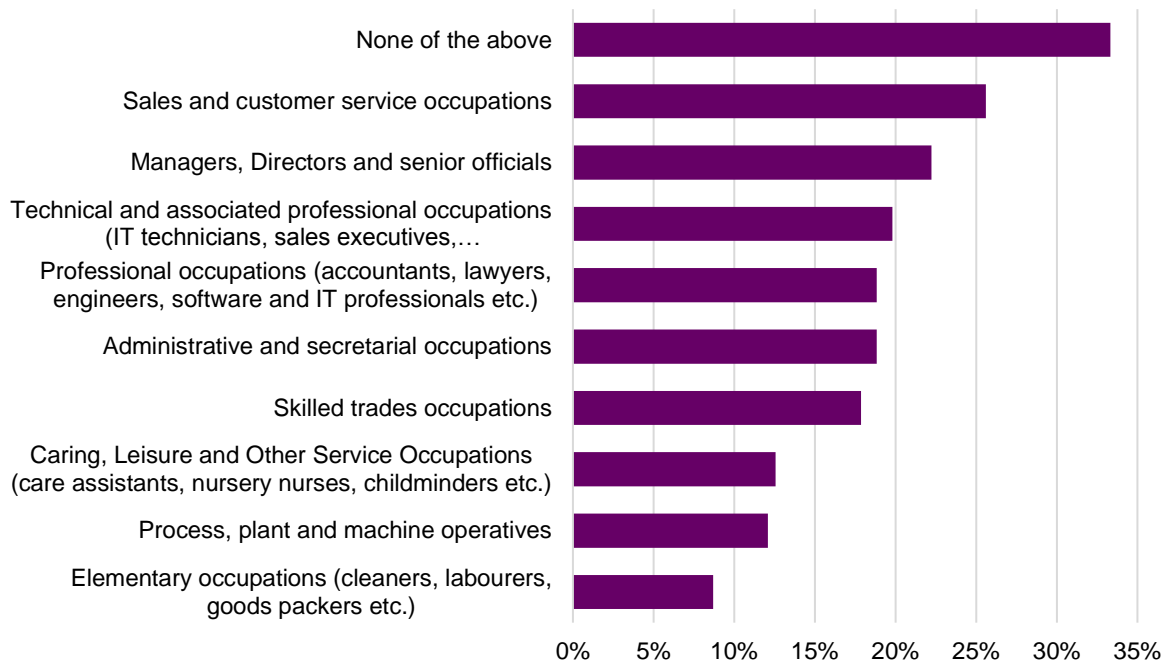
## Apprenticeships

Nearly half of respondents reported having good knowledge of apprenticeships, rising to 83% when including respondents with some knowledge of apprenticeships. Roughly one in three respondents reported having recruited apprentices in the previous 12 months[7] while slightly fewer (31%) plan to recruit them in the following 12 months.[8]

The status of current apprenticeships employed in local businesses were mainly new recruits (46%). Only 9% of companies reported that their apprentices are part of the existing staff being upskilled, while the remaining 45% reported a mixture of new recruits and existing staff.

**Status pre-apprenticeship**



■ New recruits ■ A mixture ■ Existing staff who are being upskilled

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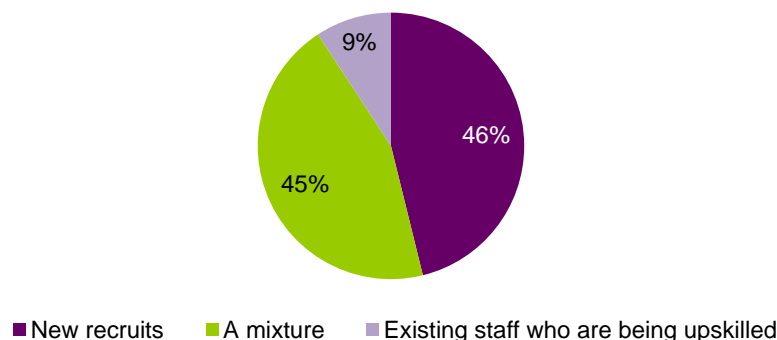
[7] Q4.2a Have you recruited apprentices in the past 12 months? (N=201)

[8] Q4.9 Are you planning to recruit apprentices in the next 12 months? (N=202)

The survey indicated that Level 2 (Intermediate) and Level 3 (Advanced) were the most commonly hired levels of apprenticeships by local businesses in the past as well as expected to be hired in the future.

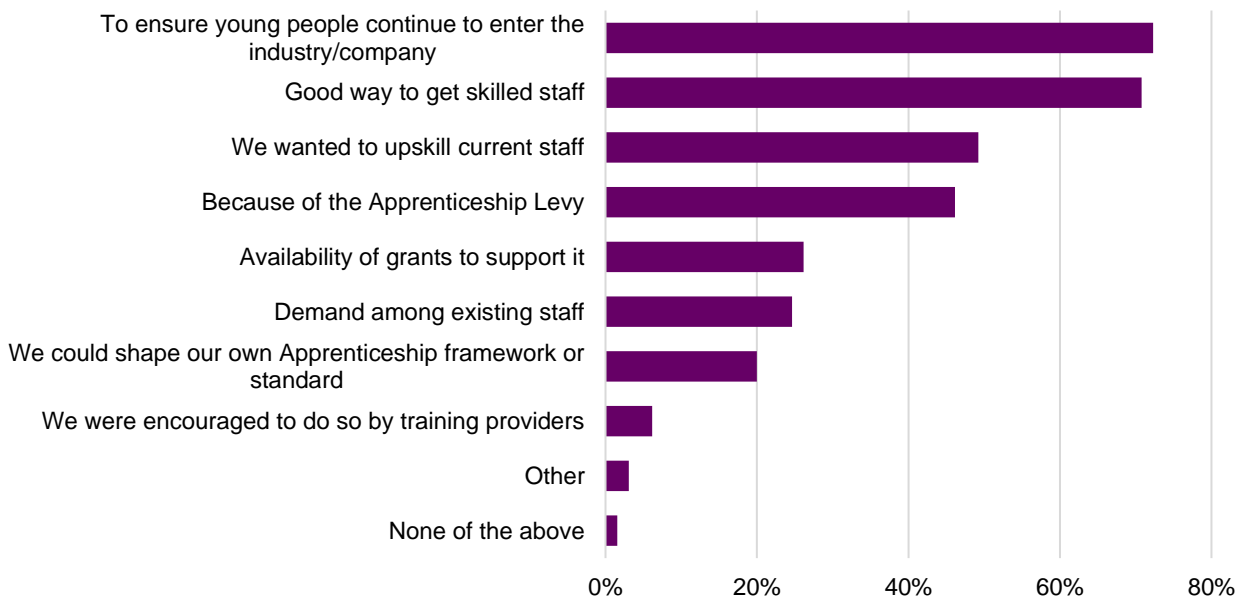**Recruitment of apprentices, by level**

Apprenticeships to fill administrative roles were reported as the most commonly sought after by businesses surveyed, followed by technical/professional roles, then skilled trades and engineers.[9] Respondents also indicated demand for apprenticeships in care and clinical roles.

Among the most commonly cited reasons as to why employers started to offer apprenticeships were ensuring young people continue to enter the industry/company (72%) and it being a good way to secure skilled staff (71%).

**Reasons for offering apprenticehips**

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[9] Q4.10 What types of job roles do you wish to fill through apprenticeships? (N=55)

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## Apprenticeship levy

The survey findings indicated that 58% of employers pay the apprenticeship levy[10], but only 42% of them use all of their funds.[11] The scheme also allows levy paying employers to transfer part of their funds to other employers, particularly to help smaller businesses to invest in training for their apprentices. However, among the 58% of levy payers that do not use all of their funds, only 18% of them transfer the unspent levy to another employer[12], and among those that do not currently transfer, 54% indicated a willingness to transfer it.[13] This is equivalent to 11% of the total levy payers in the sample.

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[10] Q4.5 Do you pay the apprenticeship levy? (N=64)

[11] Q4.6 Do you use all of your apprenticeship levy? (N=31)

[12] Q4.7 Do you transfer your unspent levy to another employer? (N=17)

[13] Q4.8 If no, would you be willing, in principle, to transfer your unspent levy to another employer? (N=13)

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# 4    Skills Supply

## Summary

- Just over half of respondents have experienced recruitment challenges within the last 12 months.

- Recruitment challenges were mainly attributed to there being fewer young people entering the labour market with suitable skills, knowledge and behaviours (two thirds of respondents).

- Particularly difficult jobs to fill include caring and clinical roles in the Health and Social Care sector as well as engineering, skilled trades and technical roles.

- The poor quality of applications was cited as the biggest factor affecting employers' ability to recruit, followed by factors relating to experience and qualifications.

- Customer service skills, employability skills, planning and organisational skills and technical, practical or occupation specific skills were reported as being to most important to employers over the next three years.

- Areas where the biggest reported shortages were for technical, practical and occupation-specific skills, employability skills and skills relating to low carbon / net zero.

- Interpersonal skills such as time management and work prioritisation were seen as the most difficult skills to find in applicants.

- 40% of employers considered that the time available to enable their staff to undertake training is a barrier.

- While 70% of employers reported that they knew where to access training services to support their needs, a significant proportion of employers (39%) indicated that they do not have any relationship with training and education providers in the Cheshire and Warrington area.

## Recruitment challenges

Just over half of the survey sample reported having issues with recruitment over the past 12 months.[14] When asked about the difficulties that local businesses have been facing to recruit employees, two thirds considered that there are fewer young people coming into the labour market with the appropriate skills, knowledge and behaviours. This was identified as the most important barrier to recruitment, ahead of older people leaving the labour market since the pandemic (29%) and changes to working practices (16%). Within the spread of responses noted within 'Another significant factor' category (36%), themes of sector perceptions and lack of interest were frequently identified (particularly in the Health and Social Care sector) as well as several responses highlighting the downstream effects of there being a smaller pool of applicants such as increased competition for wages and flexibility.

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[14] Q2.1 Have you had issues with recruiting employees over the past 12 months? (N=234)

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**Barriers to recruitment**
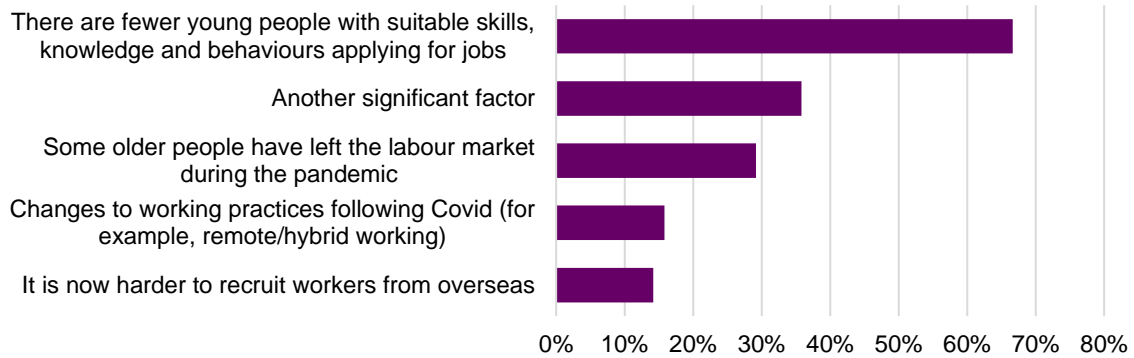


*Q2.2a Which, if any, of the following factors have you found to be an issue in recruiting employees? (N=120)*

Reflecting the strong representation of the Health and Social Care sector within the survey, care (including care assistants, support workers etc) and clinical (doctors, nurses etc) roles were the most commonly identified where employers have difficulty filling.[15] Engineering, skilled trades and technical roles were also commonly highlighted as difficult to fill, again, perhaps reflecting the strong representation of the manufacturing sector within the survey.

Delving into the specific reasons for recent recruitment difficulties, nearly 80% of respondents reported that there were not enough people interested in doing the type of job advertised. A further 70% reported that there were low numbers of applicants with the required skills. Among other important factors were low numbers of applicants with the required attitude, motivation or personality (49%) and a competitive job market (39%).

**Difficulties in recruiting employees over the last 12 months**
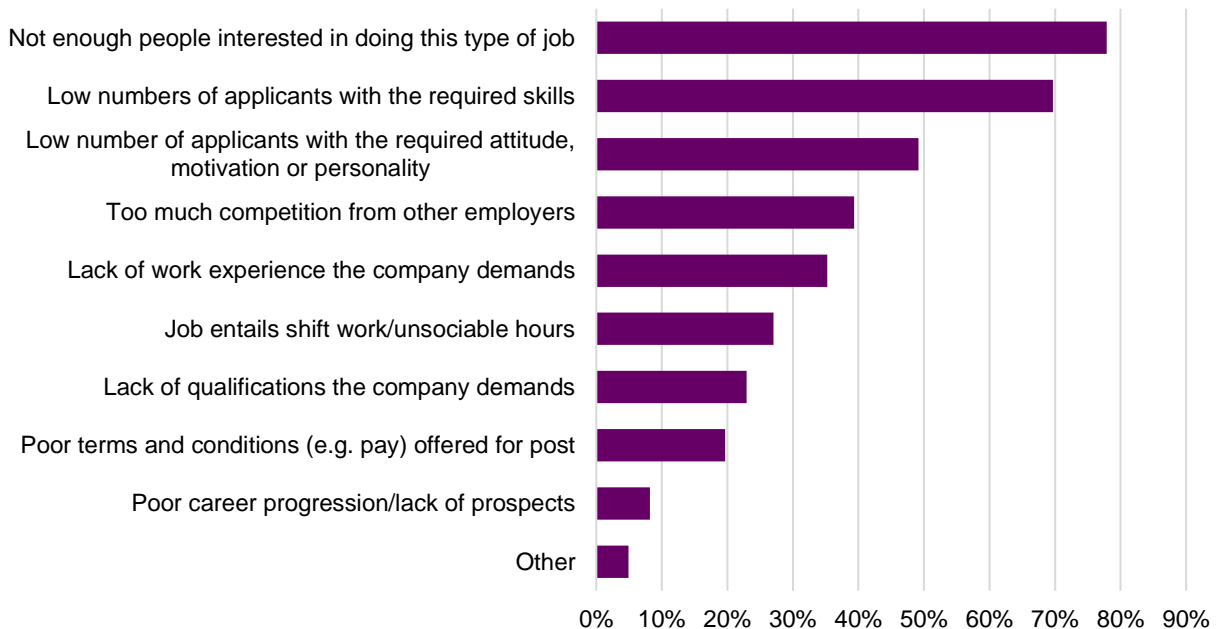


*Q2.3 During the last 12 months, have you experienced any of the following difficulties in recruiting? (N=122)*

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[15] Q2.2b Should you wish, please use the space below to provide details of any jobs or types of jobs that you have difficulty filling (N=109)

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Survey responses indicated that the biggest factor affected employers' ability to recruit was the poor quality of applications (45%). This was followed by a lack of appropriate experience (37%) and qualifications (36%). A lack of specific technical skills was among the least important factors for employers at present (23%).

**Factors that affect ability to recruit**
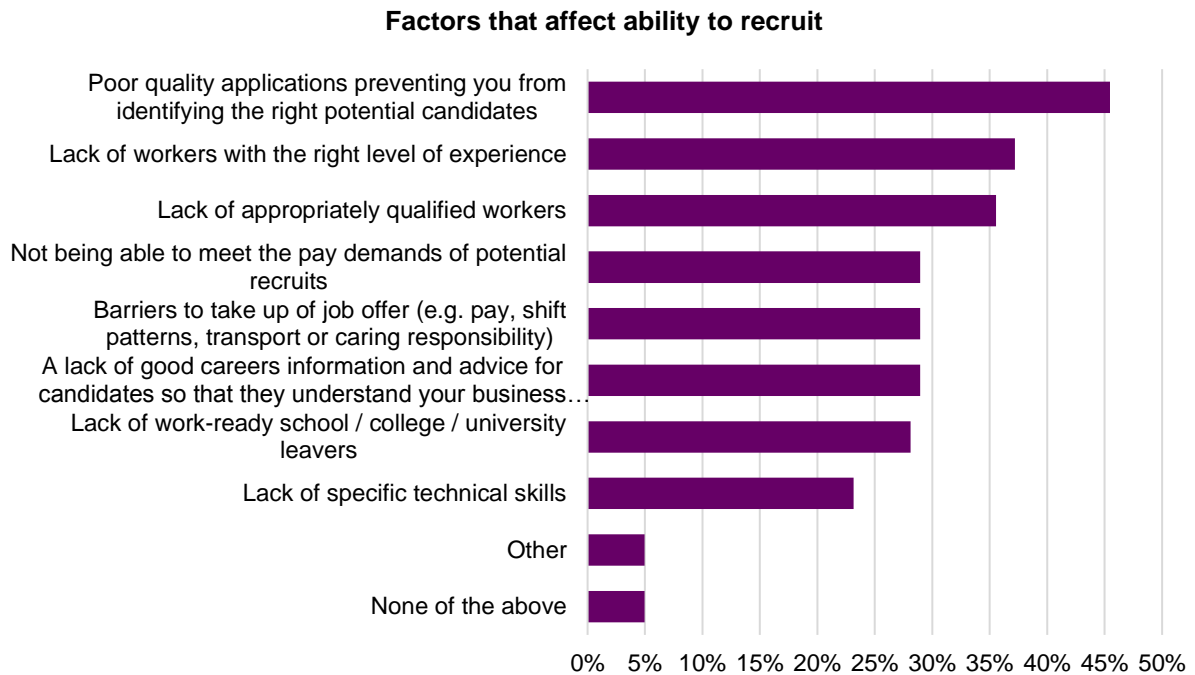


*Q2.4 Do any of the following affect your ability to recruit? (N=121)*

## Skills gaps

Respondents indicated that the skills that were likely to be most important to them over the next three years were customer service, employability skills, planning and organisational and technical, practical or occupation specific skills. In terms of how this is translated into skills shortages or gaps, 43% of respondents reported that technical, practical and occupation-specific skills shortages were being felt to a great extent. Similarly, 35% of respondents reported employability skills shortages being felt to a great extent.

**Importance of skills shortages**
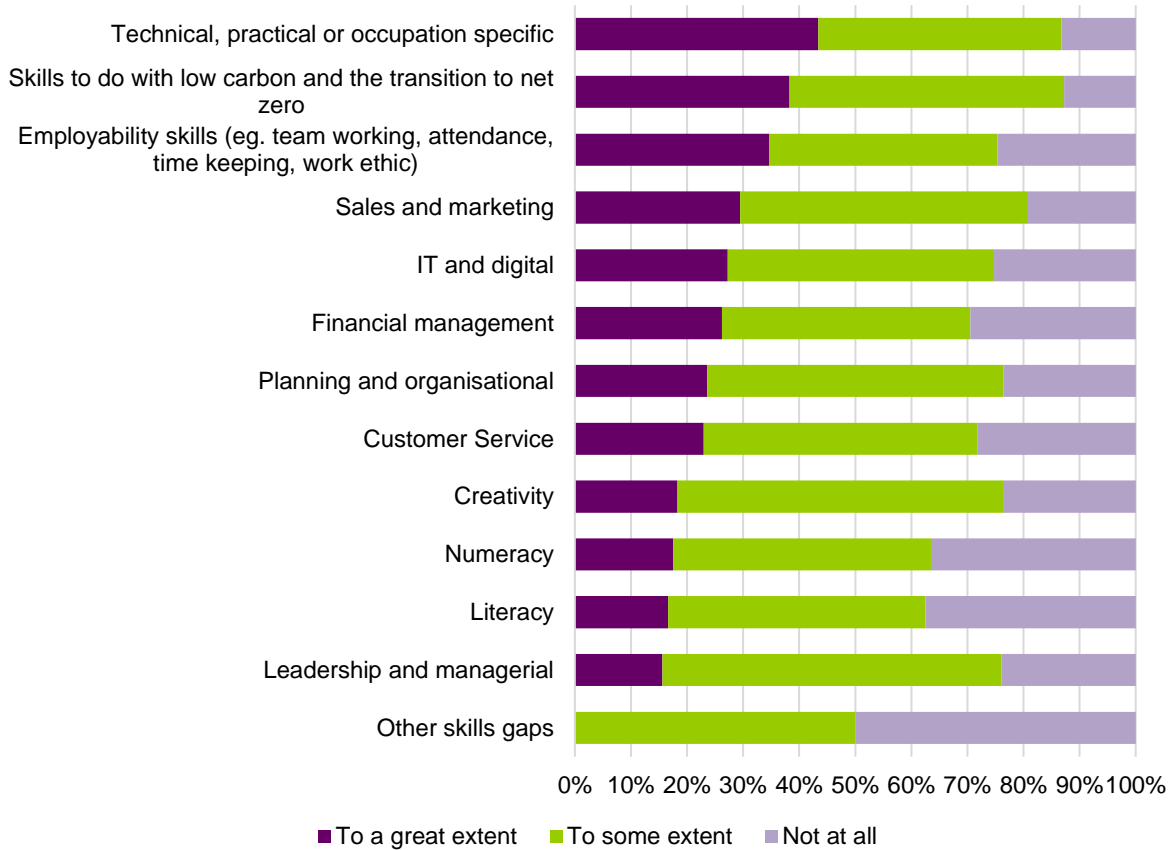


*Q3.6 To what extent are there currently skills shortages or gaps in those areas that you have said are important? (N=205)*

Despite employers indicating that skills relating to net zero and the transition to a low carbon economy were among the least important to them over the next three years, it was in this area where there were skills shortages being felt both to some extent and a great extent (87%) – the highest relative to other skills shortages. In contrast, numeracy and literacy skills were reported as being the least important in terms of current skills shortages (64% and 62%, respectively, reporting these as being important to some or a great extent).

A significant majority of respondents indicated that specialist skills or knowledge needed to perform the role were the most difficult skills to find in job applicants (45%). Aside from other skills not listed, the next most difficult skill to find was reading and understanding instructions, guidelines, manuals or reports (24%), followed by problem solving and basic numerical skills (both 22%).

**Difficult skills to find in job applicants**
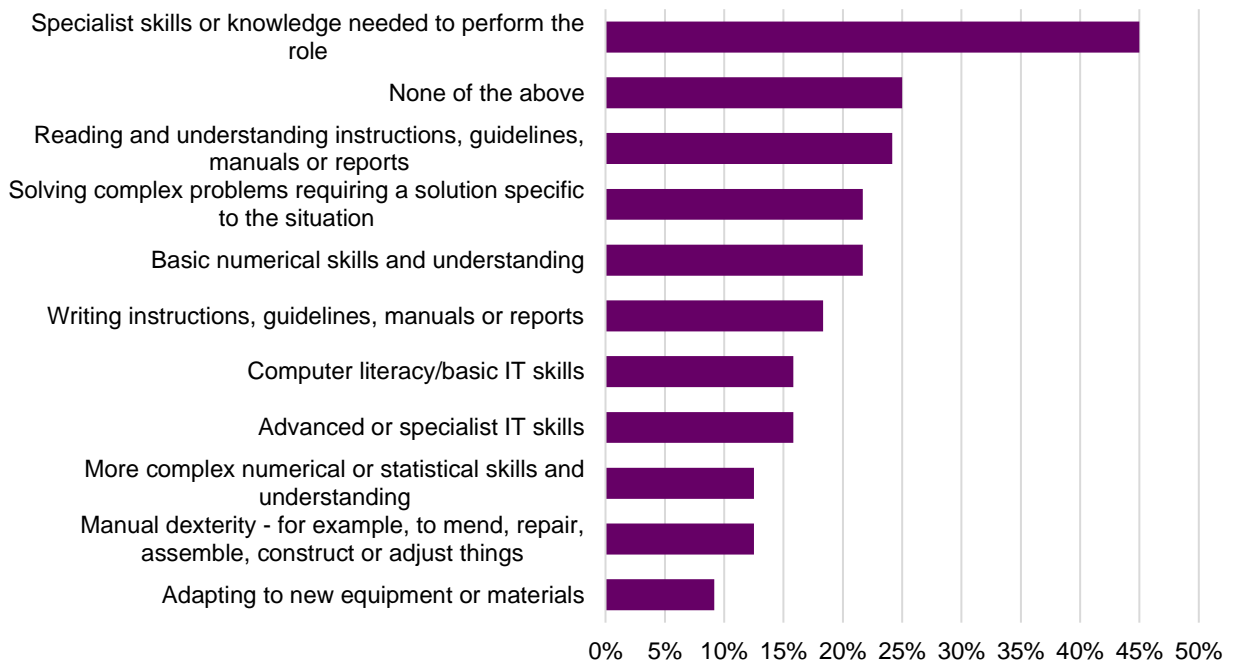


*Q2.5 In terms of skills you look for, have you found any of the following skills difficult to find in job applicants? (N=120)*

The ability to manage one's own time and work prioritisation was identified as the most difficult interpersonal skill to find among applicants (42%), followed by customer handling skills and management of feelings/feelings of others (both 27%).

**Difficult skills to find in job applicants related to dealing with other people**
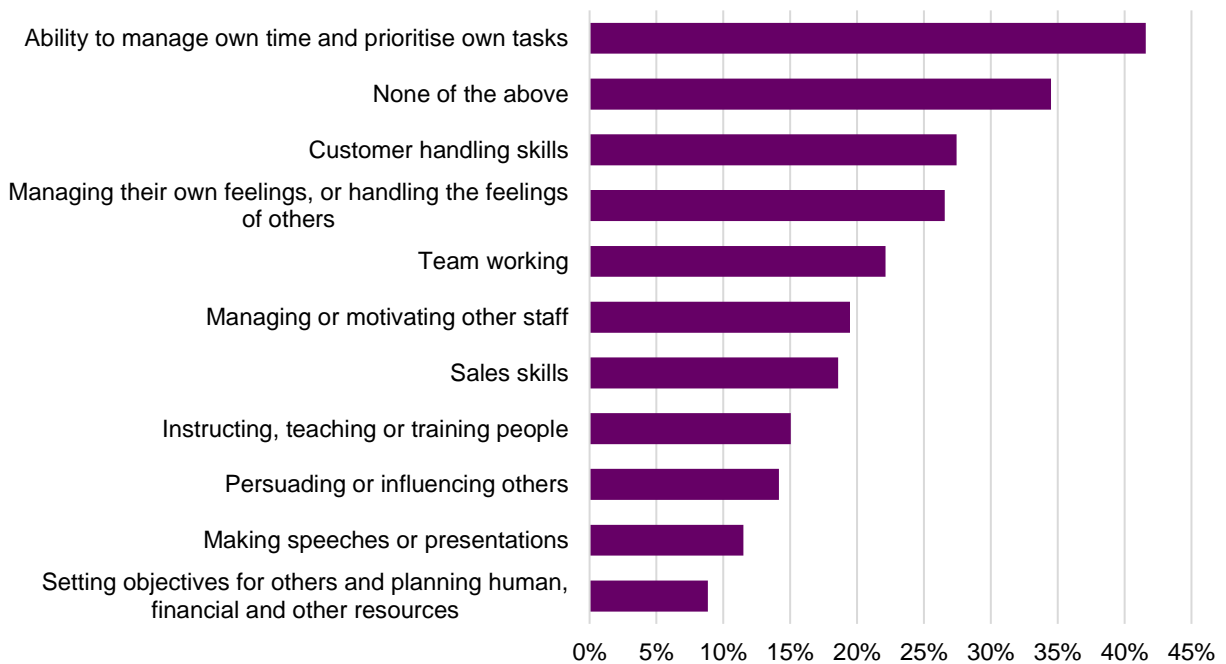


*Q2.6 In relation to skills in dealing with other people, have you found any of the following skills difficult to obtain from applicants for any vacancies? (N=113)*

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According to one third of respondents their skills gaps could be met through flexible, short training courses.[16] Aside from occupation specific technical skills, basic IT and digital literacy skills (such as use of Microsoft Office applications) were noted as the skills shortages most likely to benefit from this kind of training (21%).[17] Additionally, foundational workplace skills (10%) – such as time-keeping, communication, work prioritisation and team working – and management and leadership (9%) were commonly identified as skills that flexible, short training courses could help to address.

## Training difficulties

With respect to staff training, almost 40% of respondents considered that the time available to enable their staff to undertake training is a barrier, with other significant barriers including the relevance and cost of training courses (30% and 29%, respectively).

**Current barriers to staff training**



*Q3.2 Which of the following are barriers to your business undertaking staff training? (N=210)*

Echoing the barriers reported above, time (36%) and cost (32%) factors were also cited as the main barriers to employers providing more training over the past 12 months.

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[16] Q6.1 Do you have any specific skills gaps that could be met through flexible, short training courses? (N=194)

[17] Q6.2 Which skills gaps do you think could be met through flexible, short training courses? (N=91)

**Barriers for providing more training over the last 12 months**



*Q3.12 What barriers, if any, have prevented your organisation from providing more training over the last 12 months at this location? (N=207)*

## Training providers

A majority (70%) of respondents reported that they had an understanding of where to access the training they needed for their workforce.[18] Levels of understanding displayed strong variation by business size, with only 53% of respondents from micro businesses showing an understanding of where to access training, compared to 93% for large firms.

**Relationship with training providers within Cheshire and Warrington**
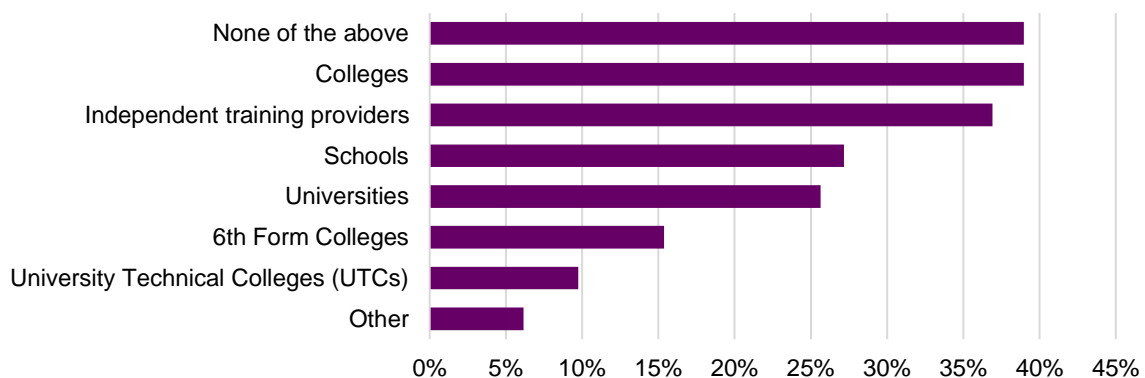


*Q6.4 Do you have any relationships with any of the following training and education providers within Cheshire & Warrington? (N=195)*

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[18] Q6.3 In general, do you know where to go to access the training and development support you need for your workforce? (N=195)

Nearly two in five respondents reported that they do not have any relationship with training and education providers in Cheshire and Warrington ('none of the above'). Of those respondents that did, these were mainly with colleges (39%) and independent training providers (37%). 41% of respondents indicated that they have used the services of training providers within Cheshire and Warrington within the past three years.[19]

## Rated experience of training and education services
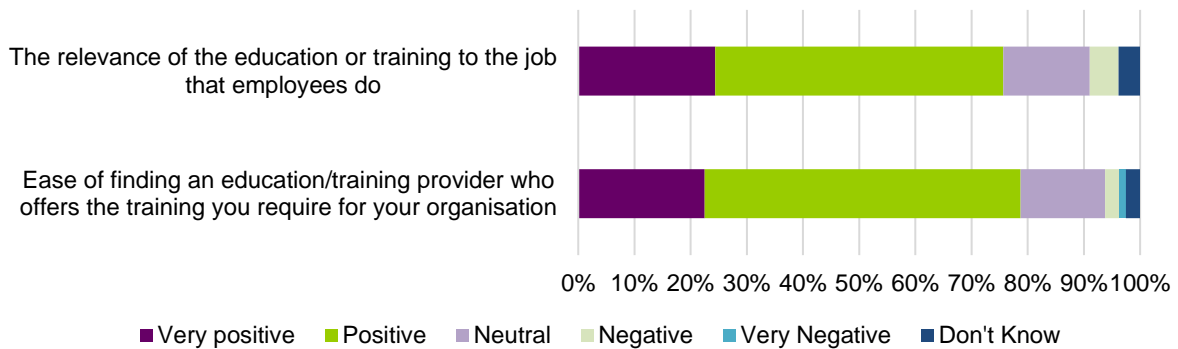


*Q6.5b How would you rate your business's experience of these training and education services? (N=80)*

Overall, 75% of respondents were satisfied with the relevance of the training or education provided ('positive' or 'very positive'). Similarly, 79% were satisfied with the ease with which the education/training provider could be found. Generally, a very low proportion of respondents reported being dissatisfied with the training service experience ('negative' or very negative').

59% of employers reported using the services of external training providers in the last 12 months.[20] Among the main reasons cited for not using external training providers were employers doing in-house training (42%) and staff already having the training and qualifications they need (31%).

## Reasons for not using external training providers



*Q3.11 Why have you decided not to use the services of external training providers in the last 12 months? (N=86)*

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[19] Q6.5a Has your business/organisation used the services of any training and education provider/s within Cheshire & Warrington within the past 3 years? (N=195)

[20] Q3.10 Have you used the services of external training providers in the last 12 months? (N=208)

# Apprenticeships

59% of employers that have recruited apprentices in the past reported having a provider within Cheshire and Warrington.[21] Similarly, 61% of employers that are planning to recruit them have been able to find a local provider.[22]

When asked about their experiences relating to apprenticeships, a large proportion of respondents reported either a 'positive' or 'very positive' experience with respect to how easy is to find a training provider who offers the apprenticeship standard employers need (73%). A lower, yet still large, proportion (64%) reported a 'positive' or 'very positive' experience in relation to the quality of training their apprentices receive. Paperwork and administrative aspects were the most likely to elicit a 'negative' or 'very negative' experience, but still account for a relatively low proportion (11%) of respondents.

**Experience relating to apprenticeships**
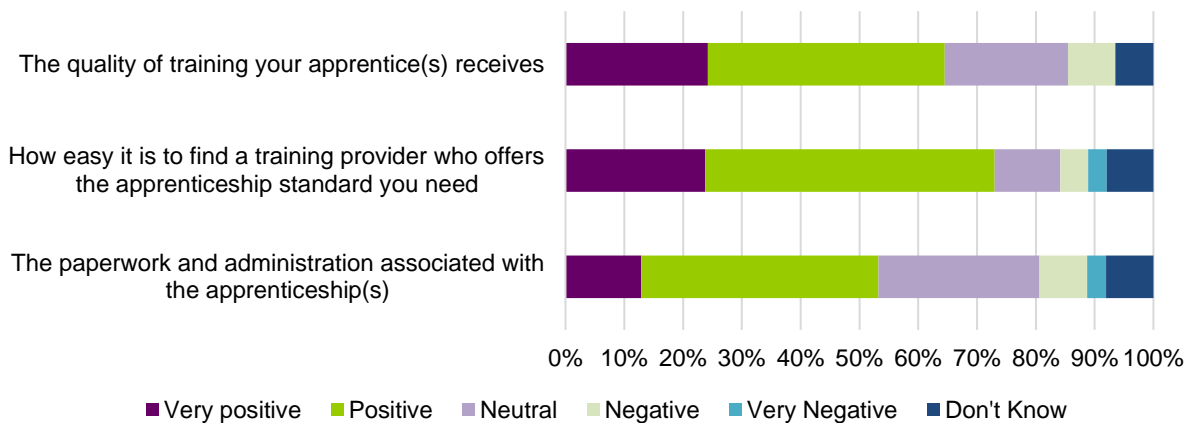


*Q4.4 How would you rate your experience of the following, relating specifically to apprenticeships? (N=63)*
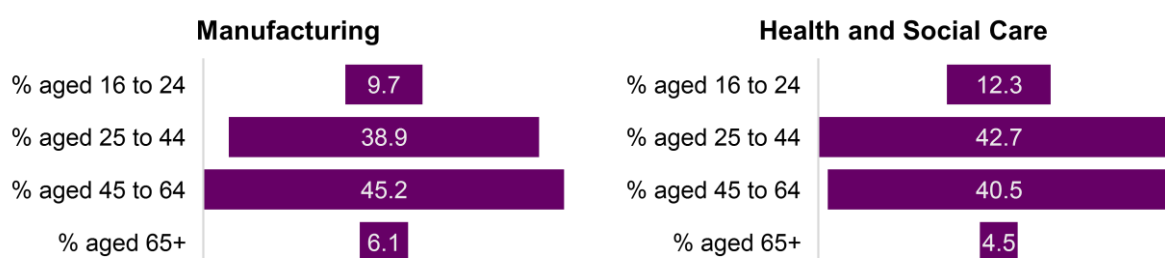
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# 5 Key Sector Findings

## Summary

- By a significant margin, the best represented Cheshire and Warrington target sectors in the survey sample were Health and Social Care and Manufacturing (collectively 43% of the sample).

- 93% of respondents in the Health and Social Care sector reported short term demand for new employees, while only 41% reported demand in the Manufacturing sector.

- Employability and customer service skills were identified as top priority skills for Manufacturing and Health and Social Care sectors for the next three years.

- From caring through to clinical roles, recruitment at all levels has been a significant recent challenge in Health and Social Care with three quarters reporting difficulties.

The sectoral breakdown of survey respondents is shown in Section 2 (Employer Skills Survey Characteristics). As explained above, this analysis is based upon the respondents' selection of the relevant broad sector category. It has not been possible to create a 'best-fit' definition for the life sciences, digital and low carbon sectors on the basis of broad industrial groups, which are not sufficiently granular to capture the breadth and cross-cutting nature of the activities that these sectors capture. In lieu of being able to quantitatively analyse the employer survey data by these target sectors, insight is provided from their respective focus groups either below (Life Sciences) or in subsequent sections (Sections 6 and 7). Manufacturing and Health and Social Care sectors, however, are reflected within the broad industrial groups therefore allowing an analysis of employer survey data within these two sectors. Collectively, these sectors were represented by 99 employers (43% of the total sample).

## Employer Characteristics

Compared to the business size profile for the survey as a whole, the Health and Social Care sector was well represented for large and medium sized firms. The Manufacturing sector was well represented in terms of small firms. Compared to the all sector age profile, the Health and Social Care sector displayed a young age profile with 12% aged 16-24 and 40% aged 25-44. By contrast, Manufacturing displayed a smaller proportion of its workforce within these age brackets – at 10% and 39%, respectively.

### Workforce age profile, by sector (%)

| Manufacturing | | Health and Social Care | |
|---|---|---|---|
| % aged 16 to 24 | 9.7 | % aged 16 to 24 | 12.3 |
| % aged 25 to 44 | 38.9 | % aged 25 to 44 | 42.7 |
| % aged 45 to 64 | 45.2 | % aged 45 to 64 | 40.5 |
| % aged 65+ | 6.1 | % aged 65+ | 4.5 |

*Q1.4 If you are able, please indicate what percentage of your workforce are in the following age groups. (N=192)*

## Skills demand

Respondents from the Health and Social Care sector reported a very high level of demand for new employees, with 93% indicating their intention to recruit within the next 12 months.[23] This was accompanied by high reported levels of recruitment for school leavers (58%), apprentices (49%) and

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[23] Q2.7 Which of the following do you plan to do over the next 12 months? (N=46)

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graduates (40%). By contrast, respondents in Manufacturing reported a lower short term demand, with 41% reporting no plans to recruit in the next 12 months.

**Relevant skills for the following three years by sector**

| Skill / attribute | Total | Manufacturing | Health and Social Care |
|---|---|---|---|
| Customer Service | 68% | 73% | 63% |
| Employability skills | 65% | 78% | 80% |
| Planning and organisational | 54% | 65% | 55% |
| Technical, practical or occupation specific | 54% | 75% | 50% |
| IT and digital | 50% | 49% | 55% |
| Leadership and managerial | 49% | 59% | 63% |
| Creativity | 47% | 59% | 48% |
| Sales and marketing | 40% | 55% | 23% |
| Numeracy | 37% | 45% | 45% |
| Literacy | 36% | 41% | 43% |
| Financial management | 32% | 41% | 35% |
| Skills to do with low carbon and the transition to net zero | 25% | 33% | 10% |
| *Total respondents* | *204* | *51* | *40* |

*Q3.5 Which of the following types of skills and attributes will be important to your business over the next three years? (N=204)[24]*

Both employability and customer service skills were identified as top priority skills for Manufacturing and Health and Social Care sectors for the next three years. Aside from these, technical, practical or occupation specific were noted as among the most important in Manufacturing and leadership and managerial skills were seen as important in Health and Social Care. The short term importance placed on skills relating to low carbon / net zero was low for both sectors (particular for Health and Social Care), reflecting the findings of the wider survey respondents.

Having access to funding for staff training was identified as the most beneficial approach for both Manufacturing (65%) and Health and Social Care (60%) employers.[25] The second most beneficial approach identified for Manufacturing was access to short, flexible courses (57%); for Health and Social Care this was having a relationship with training providers who understand their needs (56%).

## Skills supply

Compared to the survey sample as a whole, Manufacturing employers reported having marginally less difficulty recruiting new employees over the past 12 months (45%) with low numbers of applicants with the required skills (N=23) and not enough people interested in the type of work (N=21) the main reasons cited for this. Overwhelmingly, the main barrier to recent recruitment identified in this sector was that there were fewer young people with suitable skills, knowledge and behaviours applying for jobs (88%, N=21) and poor application quality (74%, N=17) the main factor affecting employers' ability to recruit more generally. As reported in Section 4, Engineering, skilled trades and technical roles were commonly highlighted as difficult jobs to fill. [26]

Recruitment was reported as a major recent challenge within the Health and Social Care sector with 74% of employers reporting issues. The main reasons attributed to this were not enough people interested in the type of work (N=29) and shift work / unsociable hours (N=22). The main barrier to

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[24] Top three skills / attributes by company size are highlighted

[25] Manufacturing N=53; Health and Social Care N=46

[26] Q2.2b Should you wish, please use the space below to provide details of any jobs or types of jobs that you have difficulty filling (N=109)

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recent recruitment identified in this sector was that there were fewer young people with suitable skills, knowledge and behaviours applying for jobs (59%, N=19) whereas factors such as pay, shift patterns, transport or caring responsibilities were prominent in affecting employers' ability to recruit more generally (52%, N=17). As reported in Section 4, care and clinical roles were the most commonly identified roles that employers have difficulty filling.

A majority of respondents indicated that specialist skills or knowledge needed to perform the role were the most difficult skills to find in job applicants in Manufacturing (54%, N=13). An ability to manage one's own time and work prioritisation was reported as the most difficult interpersonal skill to source within the sector (57%, N=13).

Within Health and Social Care specialist skills or knowledge needed to perform the role were among the most difficult skills to find (36%, N=12) whereas sourcing applicants with the requisite interpersonal skills was reported as being less of an issue to this sector (52% 'None of the above', N=16).

The time available within businesses was identified as prominent barriers to undertaking staff training across both Health and Social Care (40%, N=17) and Manufacturing (37%, N=19) sectors. Additionally, for Manufacturing employers other prominent barriers included the relevance of local training course (39%, N=20) and knowing where to find the right training / qualification (37%, N=19). For Health and Social Care employers, the cost of training was cited as a prominent barrier (37%, N=16) and the joint largest proportion reported that there were no barriers to training (40%, N=17).

# Focus Groups

## Manufacturing

In attendance at this focus group was representation from automotive and construction firms as well as college and training provider representatives. In total, there were nine attendees.

**Key findings included:**

- Key drivers of change within the sector include a shift towards automation and the corresponding requirement for staff to embrace digital and technological skills. Within the automotive sector specifically, the drive towards net zero (full electrification by 2030) is leading to marked changes in business structure and workforce training programmes to meet the skills requirements associated with manufacturing electric vehicles. Cyber security skills needs were cited as an important part of this requirement.

- From the construction sector, the transition to a low carbon economy is also a significant driver of change in skills required, including skills related to the installation of solar panel, electric vehicle charging points and low carbon heating systems (eg air source heat source pumps).

- Core employability skills are a key component of employers' current requirements, including communication, resilience and team working skills. Attendees suggested that more could be done to improve employer engagement with schools and colleges to facilitate direct interaction with young people, promote awareness of opportunities and pathways in the sector and to offer support with life/employability skills such as interviewing and CV writing.

- An attendee from the automotive sector suggested that workforce and skills has steadily risen up the agenda – above energy costs – as the number one challenge facing the sector impacting upon productivity and competitiveness. The sector is experiencing production stoppages because of labour shortages in the supply chain which has a significant and costly impact on the sector. Similarly, attendees from across the manufacturing sector more widely highlighted chronic recruitment difficulties for skilled roles such as electricians and mechanical fitters. Apprenticeships are increasingly being seen as a mechanism by which employers can upskill people and then fill roles that they have been struggling to recruit for.

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- Supporting employees for whom English is their second language was cited as a specific challenge facing the sector. The shift towards automation has placed a requirement for staff who can confidently read error messages; this was reported as an area where there are currently skills shortages, particularly in parts of Cheshire & Warrington where schools are attended by a large proportion of EAL (English as an Additional Language) pupils. Currently, the existing support offered (eg English lessons) can be difficult to accommodate around shift patterns.

- Attendees reported that the structure of skills and training information is not transparent and cited the need to have a central resource where all of the information can be accessed. An attendee from the automotive sector cited a negative experience of skills bootcamps in digital skills (not modular or short enough).

## Health and Social Care

The focus group was well-attended with representation from across the sector, including frontline care providers and employees in NHS administration. In total, there were thirteen attendees.

**Key findings included:**

- An ageing population was identified as the key driver of change in the sector. Attendees cited potential implications / responses to this challenge such as standardisation of care delivery and developing formal, mandatory training.

- The continued impact of the pandemic on labour market participation (eg effects of long Covid) and the effect on labour supply for the education and health sectors was noted. At the same time it has had a dual impact on staffing with many opting to leave roles in the sector due to heightened demand pressures and resulting impact on lifestyle. The messaging around the proposed (but not enforced) mandatory requirement for vaccinations also was the cause of many to leave the sector due to the uncertainty this caused.

- The current cost of living crisis is the dominant challenge facing the sector, particularly for smaller organisations. This is the key driver of change as opposed to the implementation of policies relating to net zero / transition to a low carbon economy, although there was a general acknowledgment of these on the horizon.

- Attendees reported several key challenges to new employers in the sector within specific areas such as training audits, budgets, legal responsibilities and dispute resolution. More support was needed to help these new employers.

- In terms of existing recruitment challenges, attendees reported that the past 18 months have been the most challenging for a decade. There are low levels of interest in personal assistant (PA) employment as well as generally seeing fewer and poorer quality applications. Employers also reported receiving more applications from overseas requiring visa sponsorship, which smaller employers are less able to offer. Creating a compelling offer for the sector in the eyes of young people is at the heart of the recruitment challenge.

- Attendees noted a disparity in terms of the clarity of routes into the health sector (and required qualifications) compared with social care. There is a challenge that qualifications are not mandatory in terms of regulation and there is no specific social care T level to engage students from school.

- It was noted that apprenticeships have an important role to play and can help at all levels from entry level up to degree level courses. One attendee reported that apprenticeship provision is good in the Warrington area for anything below level 5's in local colleges. However, for anything at degree level (Level 5+) there is a lack of local provision in local universities. For example, in areas such as physiotherapy or midwifery, there is a need to travel further to get qualifications.

- The main barrier to providing training reported was capacity within the business to release staff. Also referenced was the accessibility and disjointed offer, noting that it can be hard to locate

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support available across multiple places and especially challenging alongside delivering frontline services.

## Life Sciences

Representation at this focus group was limited to one medical communications company, alongside college and Cheshire & Warrington LEP Pledge representation. In total, there were three attendees.

**Key findings included:**

- The demand for digital skills has become more important to meet the requirements of greater remote working, necessitated by the pandemic. The firm in attendance suggested that basic digital skills (eg Microsoft Excel) were not necessarily being taught at schools whilst more enhanced skills (eg coding, digital science) were, leading to some skills mismatches. Employability and generic skills such as work ethic were also cited as important fundamental skills for early career / emerging talent within the sector.

- Current challenges in recruitment are centred on perceptions of the sector that it is exclusive and requires a life sciences degree. Whilst the sector is becoming less prescriptive in terms of requirements for higher degrees / doctorates, the firm in attendance reported that many of its clients still make an exclusive requirement of these qualifications. Notwithstanding this, there is a general lack of awareness of opportunities for people across the skills spectrum within the life sciences. This was noted as a key issue that is causing current skills supply challenges, particularly among the early careers/emerging talent market segment. Other recruitment challenges focused on supply shortages for experienced labour, with firms having to rely on remote workers from out of area and even overseas.

- An attendee from Pledge reported that they were aware of employers that did not fill their apprenticeship cohort, citing the quality of applications as the main reason for this. Whilst being convinced that a talent pipeline is available to employers, it was suggested that the confidence levels among young people had taken a significant hit as a result of the pandemic. As such, they require more support with applications, CV writing and softer skills to help build confidence in preparing applications and interview technique/practice. Work experience placements/ T-levels were seen as invaluable means of helping young people to develop these skills as well as assisting employers by helping them to spot talent at an early stage. Allied to this is a need for a more joined up approach to identifying apprenticeship opportunities for young people by having a central government resources that lists all opportunities.

- The firm in attendance reported that the principal barrier to staff upskilling is the demand on time.

# 6 Digital Skills

## Summary

- Half of employers reported that digital and creative technology was essential for their business, with Microsoft applications, foundational digital skills and internet-based problem solving representing the most sought after digital skills.

- Employers indicated that skills shortages in foundational IT skills and digital literacy were the most conducive to being addressed through short, flexible training courses.

- Only 38% of the respondents reported that they were able to access all the digital skills training they needed, with the main reasons cited for a lack of access being the cost and availability of training.

Half of respondents reported that digital and creative technology is essential for their business, while 5% did not consider it important. The sectors with the highest proportion of firms considering this theme essential for their businesses were: Information & communication (92%), Finance & insurance (86%), Property (80%), Retail (78%), Business administration and support services (75%) and Professional, scientific & technical (71%).[27] In contrast, the sectors with least importance attributed to digital and creative technology skills are Accommodation & food services (14%) and Arts, entertainment & recreation (17%).

**Importance of digital, technology and creative technlogy**



■ Essential ■ Important ■ Necessary ■ Not important
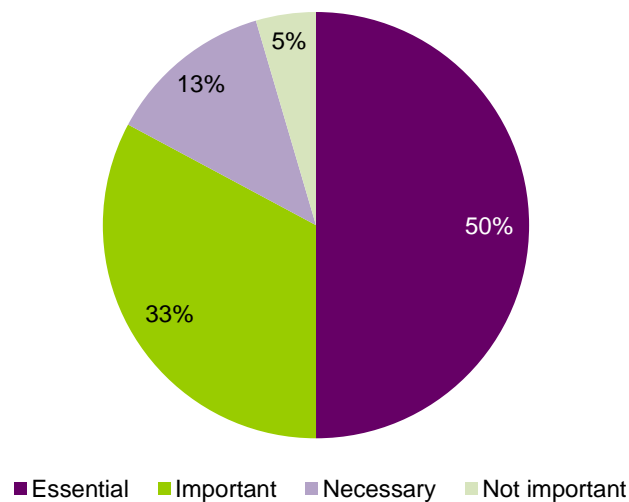
*Q5.1 How would you describe the extent to which Digital, Technology and Creative Technology is important to your business? (N=198)*

In terms of employer size, the survey indicated that large firms were likely to attach greater importance to IT and digital skills (62%) over the next three years compared to the average of 50% for all surveyed firms.[28]

When asked to rate themselves according to their ability to adapt to digital technologies and opportunities, 42% of respondents considered themselves 'very good' and 37% 'good'. Only 8% of the respondents rated their ability as 'poor' or 'very poor' and 13% remained neutral. Smaller firms reported

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[27] This discounts Education and Transport & Storage (both 100%) as they reflected a sample size of one.

[28] Q3.5 Which of the following types of skills and attributes will be important to your business over the next three years? (N=235)

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being the most adaptive, with 85% of small firms and 77% of micro firms reporting their abilities as being 'good' and 'very good'.

**Ability to adapt to digital technologies and opportunities**
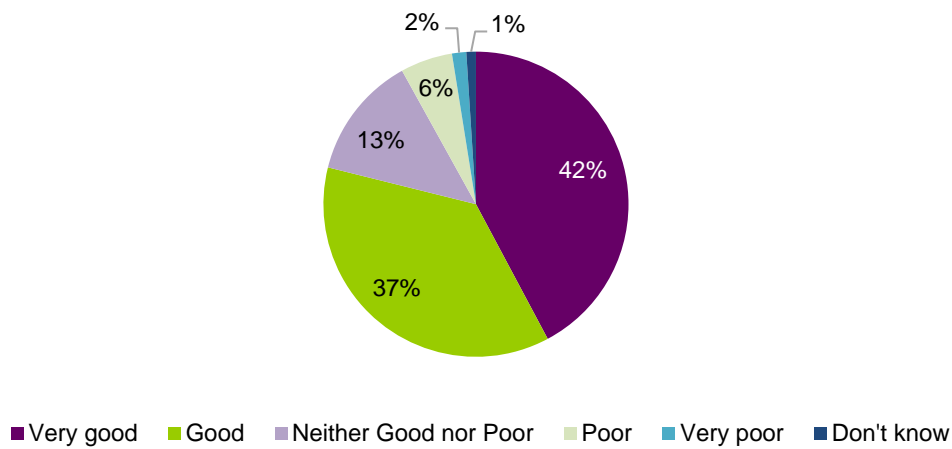


*Q5.2 How would you currently rate your organisation in its ability to adapt to digital technologies and opportunities? (N=199)*

In terms of the specific IT and digital skills needed by employers, 85% of respondents reported that Microsoft Office applications were important. Around 70% of respondents reported a need to understand online risks and threats, using the internet to solve problems as well as foundational digital skills. More technical skills (eg web development, data analysis, graphic design and app programming and development) were reported as being needed by a much smaller proportion of employers.

**IT and digital skills needed**
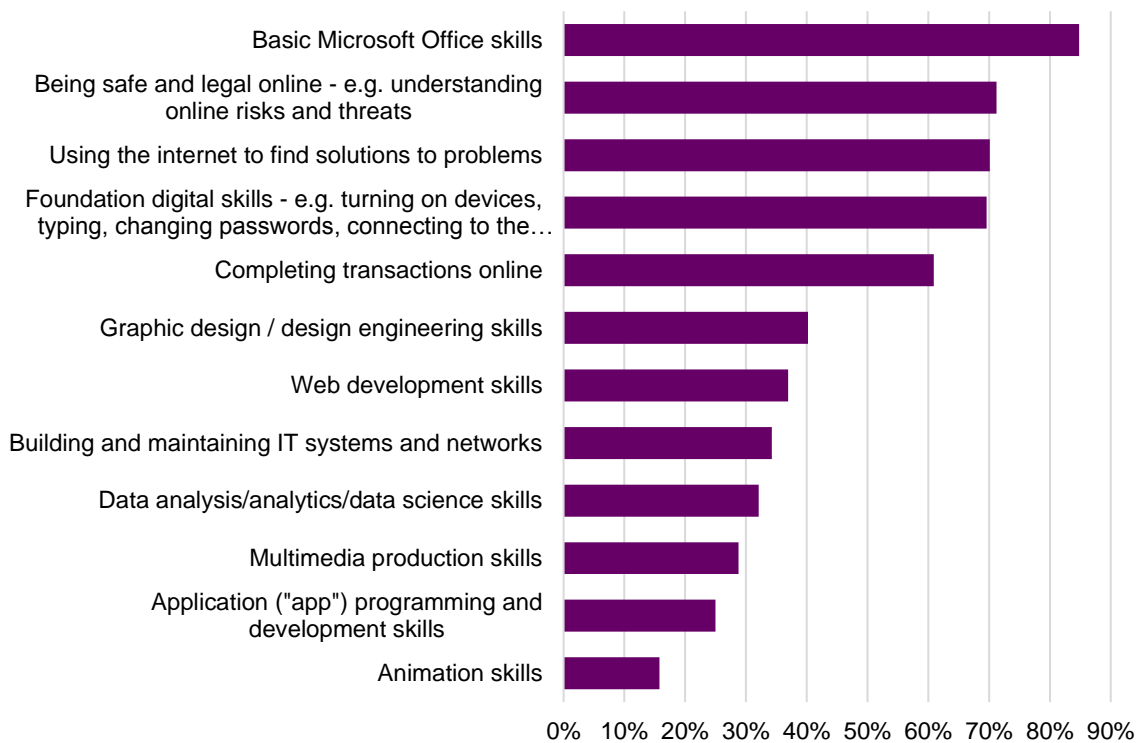


*Q5.3 What type of IT and digital skills are needed within your business? (N=184)*

As reported in Section 4, it was basic IT and digital literacy skills (including use of Microsoft Office) that were identified as the skills shortages that could be most readily be addressed through short, flexible training courses (21%).[29]

38% of respondents reported that they were able to access all the digital skills training they needed. Among businesses that reported only partial (31%) or no access (4%), 61% considered that their restriction was attributable to the cost of training, while 60% reported that the availability of training was a factor.

**Access to digital and technical skills training**



■ Fully  ■ Partly  ■ Not relevant  ■ Not al all
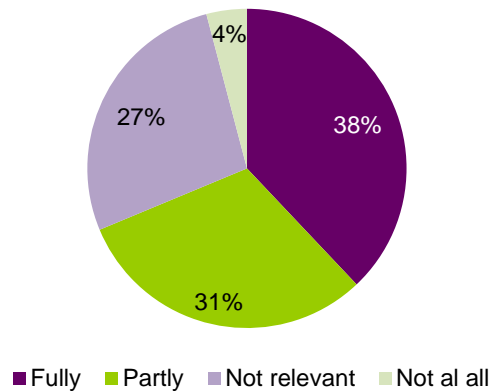
*Q5.4 To what extent are you currently able to access the required digital and technical skills training for your business? (N=195)*

**Reasons for not accessing to digital skills training**
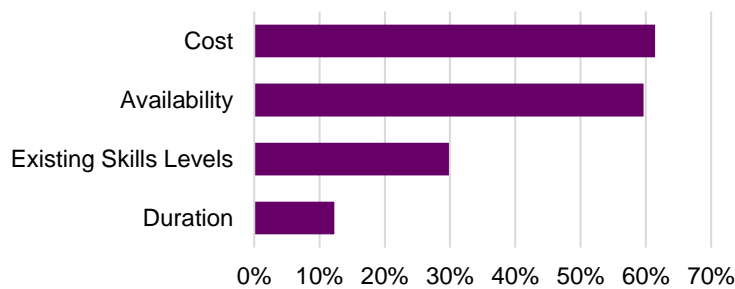


*Q5.5 Which of the following have been reasons why you have not been able to access digital skills training? (N= 57)*

## Digital Focus Group

This focus group was well-attended, with representatives from a small number of digital technology and marketing firms, training and apprenticeship providers as well as representatives from colleges and higher education. In total, there were ten attendees.

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[29] Q6.2 Which skills gaps do you think could be met through flexible, short training courses? (N=91)

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**Key findings included:**

- Increasingly, employers are searching for talent with a highly specialised and narrow technical skillset (eg software and web development, coding). In a competitive market location (in between Liverpool and Manchester) this is leading to skills shortages and employers are looking to alternatives to ensure their needs are met e.g. apprenticeships.

- Employer confidence in basic digital and IT skills are sought after by employers. For example, competencies in Microsoft Excel were noted as ranking highest among skills needs in job postings. Attendees suggested that there has been inconsistency within the education system with regards to the emphasis being placed on business office software and on higher level digital skills such as coding.

- Alongside basic technical competencies, core skills such as communication and attitude are increasingly seen as important for employers. A commitment to lifelong learning was also cited as particularly important in a sector where it is critical to keep up with the rapid pace of technological change. Alongside this is a requirement to help employees with skills needed to thrive in dynamic work environments such as proactivity and resilience.

- Employers and training providers noted the effect of the pandemic on the softer skills among young people, with lower levels of confidence, resilience and social skills. Factors cited as causing this are limited peer contact and remote working, leading to a lack of exposure in workplace environments.

- A specific geographical challenge is the location of Cheshire and Warrington sandwiched between two major cities each with a competitive IT and digital offer. This leads to significant competition for skilled talent – particularly younger talent for whom the 'bright lights' of the city is a considerable draw. Employers were finding that they are needing to recruit more at junior levels to then upskill rather than recruit more experienced staff due to recruitment challenges in this area. Whilst this was acknowledged as a long term solution, the time and resource implications of this approach is impacted on shorter term business needs and leading to project delays.

- Attendees reported both a general lack of understanding of what 'digital' encompasses and a lack of awareness of the opportunities that the digital sector and the careers it can offer across almost any sector. Its cross-cutting nature contributes towards this meaning that people can passively end up in employment requiring a digital skillset but without actively pursuing this sort of career path.

- Generally, the availability of time and capacity to support training is a key barrier for businesses, rather than the cost. With several attendees operating within the digital skills training landscape, the prominence of easily accessible and affordable online training (through providers such as Udemy) is a significant disruptor / driver of change. Whilst some lower level skills training can be done in house, some attendees reported difficulties for smaller firms to fund more extensive skills training programmes eg software development.

# 7 Low Carbon / Net Zero Skills

## Summary

- Only one in four employers attached short term importance on skills relating to low carbon and the transition to net zero, rising to two in five among larger employers.

- Employers from Manufacturing, Construction and Professional, Scientific & Technical sectors attached the greatest important to these skills, whereas other factors (eg cost of living) are more significant to sectors such as Health and Social Care at present.

- Despite the proportion attaching importance to these skills in the short term, nearly 90% of employers reported that they were experiencing skills shortages in relation to low carbon / net zero related skills to some extent or to a great extent.

- Prominent areas in which there were both reported skills shortages and a demand for them include skilled construction trades for retrofitting and renewable technologies.

- Although varying by sector, employers recognise that the issue of low carbon / net zero is steadily growing more prominent for all sectors and there is an opportunity to capitalise on strong interest in climate change particularly among a younger demographic.

As indicated in Section 3 (Skills Demand), only a low proportion of employers indicated that skills relating to low carbon / net zero were likely to be important to them over the next three years (25%).[30] The survey fundings suggest that these skills appear to be most relevant to larger companies, with 41% of respondents in larger firms considering these as important in the short term future.

The importance attached to these skills also varied by sector, with the greatest number of respondents within Manufacturing, Construction and Professional, Scientific & Technical sectors suggesting that these skills were important. This was reflected in focus group insight where attendees from the Construction sector indicated that the transition to a low carbon economy is a significant driver of change in skills required, from retrofitting through to the installation of renewable technology. A number of open text responses from the survey provided good insight into the challenges that exist in the sector, highlighting that retrofitting skills are not present in the workforce, particularly smaller companies or sole traders employed on single property projects. Whilst one response reported that there are suppliers of individual products, there is a shortage of skilled retrofit assessors who can advise on what is needed to improve the fabric of buildings and therefore minimise issues associated with poor advice or incorrect installation. One respondent suggested that this skills shortage *"…undermines the growth of the retrofit industry and efforts to reduce Cheshire East's carbon footprint."*

Despite the generally low indication of short term demand for skills relating to low carbon / net zero across the survey sample, it was in this area where there were skills shortages being felt both to some extent and a great extent (87%) – the highest relative to other types of skills shortage. This proportion rises to 93% for large firms and 92% for small firms. This implies that this issue is not an immediate priority for employers, with insight from focus groups (Health and Social Care) suggesting that other issues such as the current cost of living crisis are more prominent in the minds of employers at present. However, there is also wider acknowledgment that the issue of low carbon / net zero is steadily rising to the top of employer agendas and that in the coming years support may be required to address what appear to be significant skills shortages in this particular area.

## Low Carbon Focus Group

This focus group was attended by four employers representing a breadth of activities, including construction, automotive and architecture. College and higher education representatives were also

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[30] Q3.5 Which of the following types of skills and attributes will be important to your business over the next three years? (N=204)

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present as well as a representative from an industry training board. In addition, other sector focus group sessions provided some insight on this cross-cutting issue. In total, there were nine attendees.

**Key findings included:**

- Generally, net zero policy implementation is dictated by company size, with larger organisations typically already have net zero/green policies, procedures etc. as they are more closely linked to government agenda on the issue.

- The view from the construction sector was that there is need, particularly among micro employers, to understand what skills will be needed to support retrofitting activities which will be a significant driver of change within the sector. Reference to a green skills academy was made in this context where people can be provided with the technical training needed (eg installation of photovoltaics, air source heat pumps).

- Potential to tap into strong interest among young people regarding issues like climate change and how industries can respond to the challenges it poses. Attendees suggested that it is the younger demographics that tend to be most open to new ideas or learning new skills and in general this represents a strong opportunity to capitalise on. Despite this, with people working longer, attendees suggested that there also needs to be greater emphasis on lifelong learning, to support people to upskill/retrain as they get older and apply their skills and experience to supervisory and managerial roles. In this context, it was suggested that the focus of apprenticeships should not just be viewed as the domain of young people but should be opportunities for workers of all ages to reskill throughout their career.

- Although technically competent, attendees reported a shortage of softer skills among graduates that enable them to be workplace ready and expressed a preference to hire apprentices with better work experience and more life skills over graduates for this reason. The pandemic has impacted the ability of all young people to gain this valuable work and life experience and more support needs to be provided to these groups.

- Funding was reported as a significant barriers to training for smaller employers. Other barriers cited were the time commitment to training around existing work and life commitments – greater flexibility of training provision could help to improve uptake.

# 8    Conclusions and Implications

This section draws out conclusions from the survey research and the implications arising to inform the development of the LSIP.

*There is a need to raise awareness of LSIPs and qualification types amongst employers…*

A high proportion of respondents (63%) have not heard of LSIPs and there is a relatively low level of understanding of different qualification types, with apprenticeships, Foundation Degrees, BETCs, HNCs and HNDs being the greater understood qualifications. Recently launched schemes such as Skills Bootcamps and T-levels were least understood.

**Implications for the LSIP:**

- Greater awareness raising of LSIPs and their intent is required to support understanding of skill requirements, the case for intervention and secure buy-in to support delivery

*There is a high level of recruitment intent over the next 12 months…*

Two thirds of respondents intend to recruit new employees and over 40% intend to recruit apprentices. Just over a quarter of respondents intend to recruit graduates and school/college leavers.

**Implications for the LSIP:**

- Ensure there are strong links between providers and employers in Cheshire and Warrington to support local residents into local businesses to facilitate inclusive and sustainable growth, retain talent within the region and address skill shortages and gaps

*Work experience placements and graduates are a well utilised mechanism for recruitment and training…*

Nearly 40% of respondents currently host, or intend to host, work experience placements and just under 30% offer, or intend to offer graduate placements. Less utilised routes include supported internships, traineeships and T level students.

**Implications for the LSIP:**

- Raise awareness amongst employers of the value of different types of recruitment and training strategies in meeting identified need and provide support to employers to help them establish these recruitment routes and training pathways

*Softer skills such as interpersonal and employability skills dominate short term skill needs…*

Key attributes sought by over two thirds of respondents include customer service skills (68%) and employability skills such as team working, attendance, time keeping and work ethic. These needs are most acute amongst micro and SME respondents. Planning and organisational skills, and specific technical, practical and occupation skills are also in high demand, with 54% of respondents citing these requirements, and this increases by size of company, with large companies in particular seeking technical, practical or occupation specific skills (76%).

**Implications for the LSIP:**

- Mechanisms to increase exposure of learners to the world of work will support acquisition of customer service and employability skills. This can be achieved through an increased focus on work placements and internships within the curriculum and requires enhanced partnership working between providers and employers to facilitate this.

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- Enhanced focus on sector skill needs through a demand-led response will help to ensure that the specific technical, practical and occupation specific skills required by employers are provided by local providers.

### *Addressing barriers to investing in skills and training…*

Respondents highlighted that access to funding for staff training would be beneficial (55%) and that relationships with training providers who understand business sector needs (45%) and can provide short flexible courses designed specifically for their sector (49%) are most useful.

**Implications for the LSIP:**

- Mechanisms for incentivising investment in training through subsidy and flexible course provision require further investigation. This includes raising awareness amongst employers about what already exists, as well as informing new provision.

- Consideration should be given to Local Training Boards to ensure that the skills system reflects the needs of key sectors. Industry needs to work closely with providers to ensure sufficient tutors are available and appropriately trained to meet their needs.

### *Apprenticeships provide a valuable route to encourage young people to enter the business and to access skilled staff…*

Nearly a third of respondents plan to recruit apprentices in the next 12 months. A large focus is on the recruitment of new apprentices (46%) however 45% of respondents seek to take up apprentices via upskilling/reskilling existing staff as well as new recruits. Level 2 and 3 apprenticeships are most sought after, but there is increasing demand for advanced, higher and degree level apprentices.

The survey found that 42% of levy paying respondents do not use all of their funds. Less than 20% of respondents transfer the unspent levy to another employer, despite a high level of willingness to do so (54%). There was a high level of interest in accessing Apprenticeship Levy funds amongst those who do not pay it (48%).

**Implications for the LSIP:**

- Employers require greater awareness of the ability to transfer levy money to another employer and the benefits to them in doing so. More flexibility is required through the Apprenticeship Levy to enable spend to be better matched to what employers need and the system needs to reflect sector specific requirements at a local level.

### *A substantial proportion of employers face recruitment challenges…*

Over 50% of respondents reported recruitment issues over the past 12 months. This was attributed to factors such as fewer young people with suitable skills, knowledge and behaviours applying for jobs (67%), older people leaving the labour market during the pandemic (29%) and other significant factors such as perceptions of the sector, lack of interest, and increased competition for wages and flexibility. Respondents cited reasons for recruitment difficulties such as not enough people interested in doing the type of jobs (78%), low numbers of applicants with the required skills (70%) as well as low numbers of applicants with the required attitude, motivation or personality (49%).

Poor quality applications makes it difficult to identify potential candidates (45%), and a lack of appropriate experience (37%) and qualifications (36%) also featured.

**Implications for the LSIP:**

- Career inspiration activity and progression pathways that inspire and support young people to progress into local employment opportunities to meet identified demand can help to build a future

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- talent pipeline. This requires enhanced understanding by learners, educators and CEIAG about the career paths and opportunities within key sectors.

- Embedding employability skills, interpersonal skills and work experience further in the curriculum can help to address issues/shortages associated with quality, attitude and practical skills.

- Supporting those looking for work, or those in work looking to progress, with the skills they need to write good quality applications could help recruitment. Labour market brokerage, advice and guidance can play a role here.

### *There are a number of barriers stopping employers from investing in training…*

Almost 40% of respondents identified time to undertake training as a significant barrier, followed by the relevance of training (30%) and the cost of training (29%). A high number of respondents find it hard to find the time to organise training (23%) and approximately 20% of respondents identified a lack of appropriate training/qualifications in the subjects needed, or a lack of knowledge about training opportunities and/or suitable courses. The level of understanding about where to access training was highest amongst large firms (93%) and lowest amongst micro firms (53%).

Approximately two in five respondents report that they do not have any relationship with training and education providers in Cheshire and Warrington.

**Implications for the LSIP:**

- Opportunities to provide financial support to employers and provide more flexible, short course provision can help to overcome time constraints. Support to alleviate administrative burdens of apprenticeships will also be helpful, particularly for SMEs.

- Future reforms to the Apprenticeship Levy may provide more flexibility in how these funds are spent to provide financial support to employers to invest in training. Meanwhile, encouraging the transfer of levy funds and raising awareness of the benefits of doing so can help supply chains to meet their skill needs.

- Furthermore, business support which helps employers to diagnose current and future skill needs and provides advice and guidance about available provision.

- Raising awareness of all types of local training provision in the Cheshire and Warrington area through mapping supply by qualifications and competencies can help to connect local employers to providers.

### *Technical, practical or occupation specific skills, and skills related to net zero were identified as areas with the most acute skill shortages…*

43% of respondents identified that technical, practical or occupation specific skill shortages were being felt to a great extent, followed by 38% of employers citing skill shortages to do with low carbon and the transition to net zero. Employability skill shortages strongly feature, with 35% of respondents citing these shortages are felt to a greater extent.

A significant majority of respondents indicated that specialist skills or knowledge needed to perform the role were the most difficult skills to find in job applicants. Comprehension, analysis and problem solving skills were also sought after.

**Implications for the LSIP:**

- As identified above, mechanisms for enhanced demand-led provision through employer / provider networking and collaboration will support a more responsive skills pipeline. This could be achieved through Local Training Boards to ensure that the skills system reflects the needs of key sectors, specifically technical, practical and occupation skill requirements, as well as specialist skill needs.

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- Embedding employability skills, interpersonal skills and work experience further in the curriculum can help to address issues/shortages associated with quality, attitude and practical skills.

### *Flexible and short training courses are a sought after mechanism for easing skill gaps…*

One third of respondents identified their skill gaps could be met through flexible, short training courses. This will help to address the identified challenge of a lack of time available to enable staff to undertake training, felt by some 40%of respondents.

**Implications for the LSIP:**

- Close working with providers to identify how provision can be more responsive to changing demands from employers and the way in which learners consume learning

### *There are acute recruitment challenges facing key sectors such as manufacturing and health and social care…*

The health and social care sector had a high demand for new employees, with 93% indicating their intention to recruit. Particular skills and attributes sought include employability skills, leadership and managerial skills, and customer service skills. The impact of the pandemic on labour market participation in this sector was noted. Focus group feedback noted a lack of clear qualification routes in the social care sector.

Approximately 60% of manufacturing respondents planned to recruit. Technical, practical or occupation specific skills are particularly sought after by 75% of respondents. Other important skills include employability skills and customer service skills. Low carbon skills and the transition to net zero were particularly sought after by the manufacturing sector (33% of respondents compared to 25% in the total sample).

The survey found access for staff training, access to short flexible courses, and a relationship with providers who understand their needs most beneficial.

**Implications for the LSIP:**

- Sector specific networking and collaboration between employers and providers will help to identify and respond to need
- Provision of clear qualification pathways to support progression in key sectors

### *Digital and creative technology is increasingly essential for local businesses…*

50% of respondents identified that creative and digital technology is essential for their business. The majority of respondents identified that they were highly adaptive to digital technologies and opportunities.  Specific IT and digital skills sought included Microsoft Office applications, cyber security, problem solving and analysis.

Less than 40% of respondents reported that they were able to access all of the digital skills training that they needed, and this was attributed to the cost and availability of training. Focus group attendees also identified the availability of time and capacity to support training as a barrier.

**Implications for the LSIP:**

- Embedding Microsoft applications and social media in the school curriculum will help acquisition of these basic digital skills.
- Provision of business support advice and guidance to diagnose digital skill needs and signpost to digital training provision.

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- Identifying gaps in digital skills provision and addressing through targeted intervention. Online provision can support accessibility and affordability.

*There is a growing understanding of the importance of green skills…*

Only 25% of respondents reported a short term demand for skills relating to low carbon and the transition to net zero, rising to 41% among larger employers. This demand was highest amongst the Manufacturing, Construction, and Professional, Scientific and Technical sectors. Despite a generally low indication of short term demand, this is an area where skill shortages are having a significant impact (87% of respondents).

**Implications for the LSIP:**

- Supporting employers to understand the implication of net zero and decarbonisation policies for their business through diagnosis of need, and the implication arising for future skills development.

- Horizon scanning and collaborative work with providers will help position local providers to respond to future skill requirements. Current skill demands include retrofitting and the installation of renewable technology.

- Aligning careers inspiration activity with the strong interest among young people regarding climate change can drive participation

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