



## Skills in Dorset

'Thriving local businesses, good quality jobs and a skilled workforce' was identified as a top ten outcome for respondents to the 12,000 strong Ask Dorset survey in 2014.

This edition of **ourcommunities** will explore the issues surrounding skills in Dorset (Bournemouth, Dorset and Poole), what is being done currently, what else we can do and why it is important.



### Box 1: What's the problem?

Dorset has a relatively older workforce compared to the national picture. 32% of the workforce is aged 50+ and 28% of highly skilled (A-level+) residents are aged 50+<sup>1</sup>. More people need to be trained to replace those with skills and experience retiring from the workforce.

#### Age profile



By 2024, Dorset is expected to require an extra 29,600 high skill jobs in expansion demand alone (in addition to replacements for retirements)<sup>2</sup>. People need to be trained now to fill these roles in the future.



The skills profile of the local area doesn't always match demand. For example, the Bournemouth and Poole cluster is the fastest growing in England in terms of creative and digital businesses but only 2.8% of people are working in this sector<sup>3</sup>.



<sup>1</sup> Census of Population, 2011

<sup>2</sup> Local Economy Forecasting Model, Cambridge Econometrics

<sup>3</sup> Technation: Powering the digital economy 2015: <http://www.techcityuk.com/wp-content/uploads/2015/02/Tech%20Nation%202015.pdf>



## Box 2: What's the problem for young people?

Those aged 16-24 make up 16% of the Dorset working age population<sup>4</sup> but 43% of unemployed people (aged 16-64)<sup>5</sup>. Starting working life unemployed has negative effects on the rest of life in terms of lower earnings, further periods of unemployment and ill health<sup>6</sup>.

Young people are struggling to find jobs with training and are leaving the area to find more attractive opportunities.

Experience is often valued above qualifications by employers so young people often lose out to older applicants in a catch-22 situation<sup>7</sup>.

Potential employers often view education leavers as being ill-prepared for work when in reality, Dorset education leavers are more prepared than average according to employers who have taken on a young person straight from education.

Dorset businesses are more likely to have taken on a young person in the last 12 months compared to the national picture but are less likely to have had someone on work experience or offer apprenticeships. This potentially adds to the issue of young people in jobs without training<sup>8</sup>.

The number of apprenticeship starts increased year on year to 2011/12 but since then has decreased, particularly in Bournemouth<sup>9</sup>. Only 13% of businesses in Dorset offer apprenticeships though 41% plan to in the future. The apprenticeship route allows people to earn while they learn and access high quality training.



## Box 3: What's being done?

The government has just released its final response to the Wolf report<sup>10</sup> on recommendations for vocational education, most of which have now been implemented including a requirement for the attainment of grades A\*-C in GCSE English and maths.

Now young people have to be in some form of education or training until the age of 18 and if they haven't secured a position by the end of September they will be guaranteed a place in learning. Jobseekers Allowance claimants aged 18-24 who have been claiming for six months are guaranteed a job, additional support to compete for jobs, work focussed training or work experience.

The Government's Inspiration Agenda aims to bridge the gap between education providers, local communities and employers to create opportunities that match local skills requirements.

Employers have been invited to help design apprenticeships to suit business and sector needs and government is creating apprenticeship standards to ensure high quality vocational education.

The Dorset LEP have identified priority sectors to develop including: Advanced manufacturing, Food & drink, Environmental technology, Marine & leisure, Creative & digital and Care. These are all high productivity or high employment sectors in Dorset. The LEP has also launched the Young Person Forum to oversee skills related initiatives across BDP.



4 Mid year population estimates (2014), ONS. Working age refers to those aged 16-64

5 Annual Population Survey (Apr 14-Mar 15), ONS

6 Youth unemployment: the crisis we cannot afford, Acevo 2012: [www.cesi.org.uk/sites/default/files/events\\_downloads/ACEVO\\_report.pdf](http://www.cesi.org.uk/sites/default/files/events_downloads/ACEVO_report.pdf)

7 Employer Skills Survey 2013, UKCES

8 Employer Perspectives Survey 2014, UKCES

9 FE data library

10 <https://www.gov.uk/government/publications/review-of-vocational-education-the-wolf-report>



## Box 4: What else can we do?

Businesses can work with communities and education providers locally to help with careers advice, interview preparation, provide work experience and apprenticeships and help develop courses to suit business and sector needs.

Individuals and communities can work towards changing perceptions of apprenticeships as a second class route into employment. Local authorities can promote the benefits to young people in education.

Businesses can plan for retirements by creating opportunities for training to fill roles that might otherwise cause a skills gap.

Individuals can take up opportunities for learning wherever possible to develop more diverse skills. Lifelong learning can be seen as standard to develop transferable skills and contribute new ideas and practices and in turn enhance quality of life.

Skills development should not be thought about in terms of people starting out in the working world: learning should be lifelong.



## Box 5: Why does it matter?

Increasing skills in the workforce is key to increasing productivity, along with investment, innovation, competition and enterprise. Raising productivity is widely accepted as the most sustainable way of improving long-term living standards.

Giving young people the best start in their working life is key to safeguarding against unemployment and inequalities later in life, saving money in the long-term.

If skills demand doesn't match the local skills profile, employers look outside the immediate area which can lead to local unemployment. Skills also need to be transferable and broad as jobs become more technology based and hybridised. Anticipating future need helps to protect local employment and businesses.

Providing people with appropriate training and opportunities has the potential to slow migration of young people from the area and allow businesses to become more innovative, creative and competitive.

Lack of experience is the biggest barrier to young people gaining meaningful employment. Apprenticeships allow a certain protection for businesses as employees are training whilst gaining experience. Funding is also available to businesses taking on young people aged 16-24.

On average an apprentice increases productivity by £214 per week with the benefits including new ideas and improved products/services<sup>11</sup>. Engineering and manufacturing sectors see the most gain in productivity (£414) per week and Apprenticeships are expected to contribute £3.4bn a year in productivity in the UK.

Apprenticeships also offer a way for young people to gain experience and earn money whilst learning.