

The means: to change places for the better.

Local skills gaps and needs Crawley

Executive Summary

December 2018

Brief

- Crawley is an important economic hub in the South East, with a strong economy of more than 3,000 businesses directly generating 95,000 jobs. This is 1.46 jobs for every working-aged resident in Crawley
- Crawley has a historically low unemployment rate but there are questions over the extent to which Crawley residents are succeeding in taking advantage of the breadth of well-paid positions available on their doorstep
- At the same time there is anecdotal evidence to suggest some businesses are struggling to recruit staff
- This research was commissioned by a partnership of Crawley Borough Council, Manor Royal BID and Crawley College to:
 - Identify recruitment and skills challenges faced by local businesses and how to overcome them
 - Make recommendations on the configuration of local skills training provision to build more pathways for local residents into higher value employment
 - Review the current evidence underpinning the Crawley Employment and Skills Plan and provide recommendations for how the partnership can support the local community and businesses to enhance skills opportunities

The means: to change places for the better.

The study

The study focussed on a desktop review of existing policies and data, accompanied by in-depth interviews and surveys of businesses, as well as training providers and other stakeholders



Context - policy

The main contextual changes to note since Crawley's current Employment and Skills plan was created in 2016 are:

- **The Industrial Strategy, Nov 2017**, which prioritises boosting productivity by focussing on five key areas. The LEP is creating a regional response to this that will play a part in setting priorities for the region
- **The Apprenticeship Levy and Reforms**, initiatives by government to increase the number of apprenticeships. Much of this levy remains unspent
- **The Introduction of T-Levels**, a new technical route for Further Education involving significant work experience. Chichester College Group will be involved in the first rollout
- **The National Careers Strategy and All Age Career Service**, published in December 2017
- **Social Mobility Commission Report 2017**, which highlights some areas that help contribute to Crawley being a 'cold-spot' for social mobility
- **Coast to Capital Strategic Economic Plan**, that prioritises creating skills for the future, seeking funding for training opportunities and high quality training facilities, and aspiring to establish a stronger university presence across the region

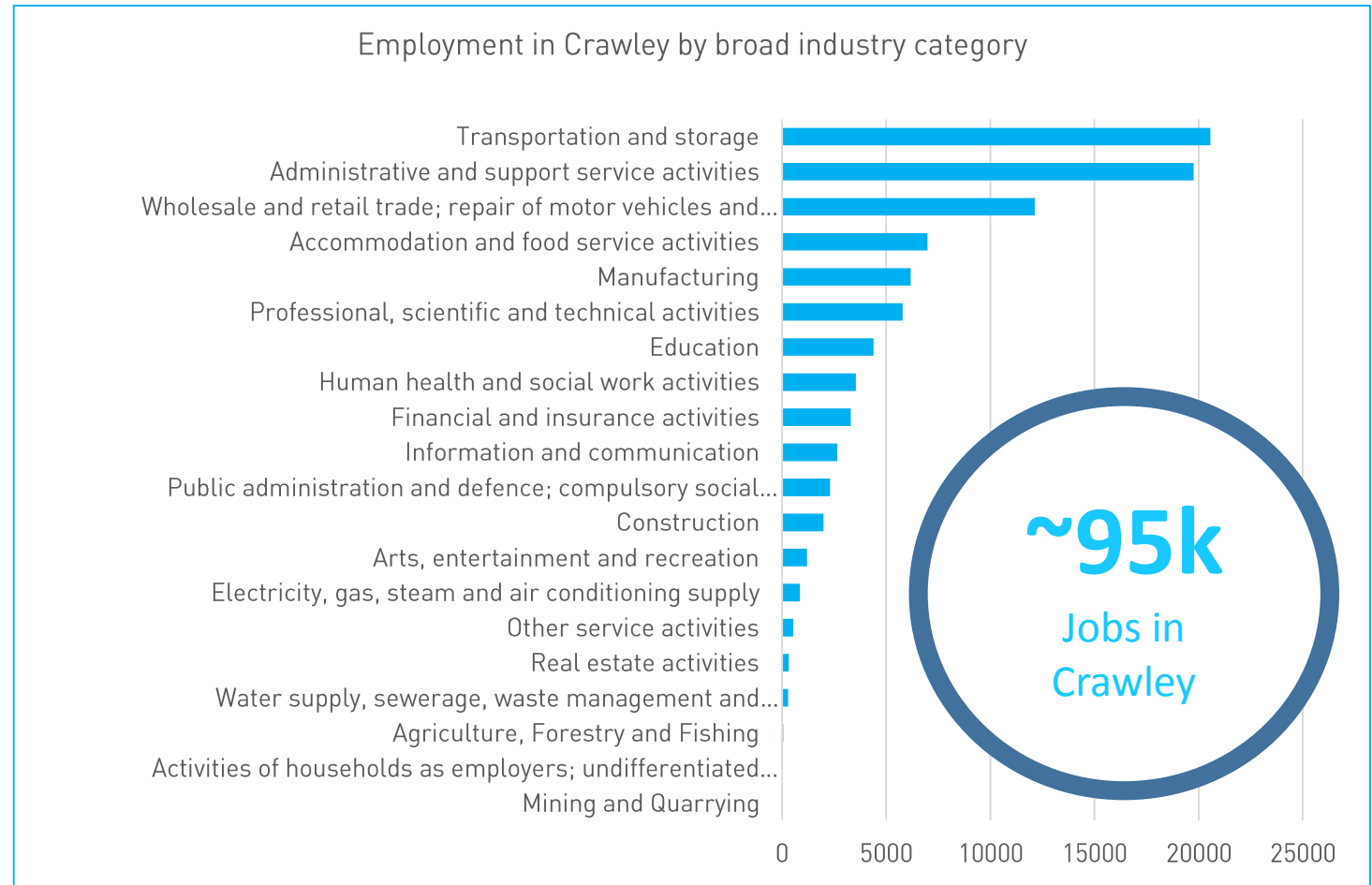
Context – Socio economic profile

Crawley is a thriving economic hub, with key employment industries shown opposite.

Gatwick Airport's supply chain is clearly a large job creator in the borough.

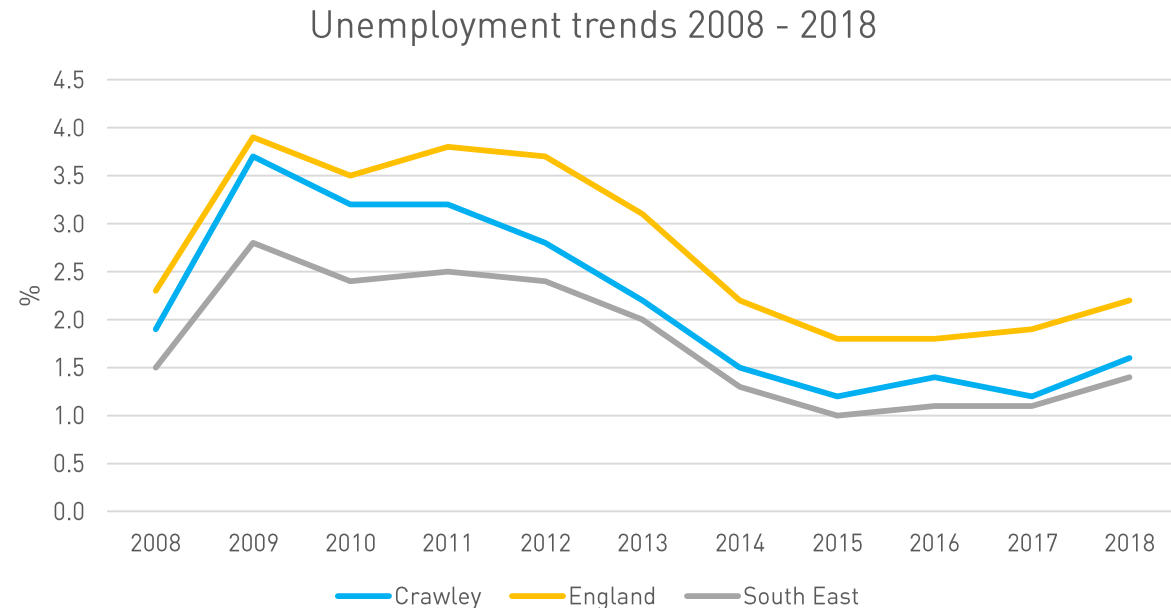
C2C LEP identifies a number of high economic output sectors that are key to future growth:

- Med Tech
- Computer Software Programming and Publishing
- Data Processing & Hosting
- Insurance and Financial Services
- Visitor Economy and support Services
- Air Transport
- Communications & Navigation Equipment
- Electric Power Generation and Transmission



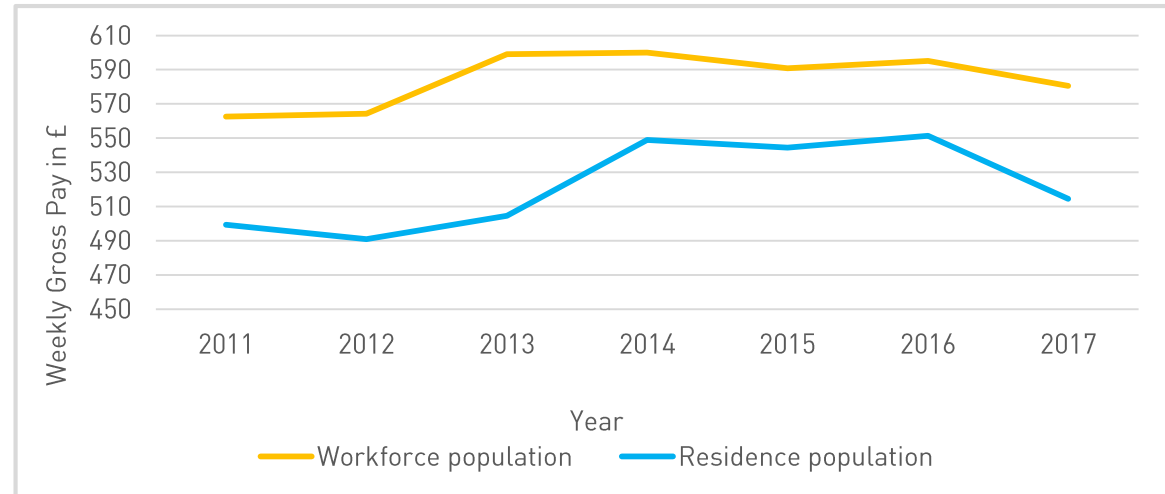
Context setting – Socio economic profile

Partly as a result of the number of local jobs, and partly as a reflection of the national economy, unemployment in Crawley is historically low, and is lower than the national average. On top of this, *employees* in Crawley are some of the best paid in the country.



Context setting – Socio economic profile

However there are questions about how well wealth is distributed to local *residents*. Crawley was identified by the Social Mobility Commission, 2017, as a “cold-spot” for social mobility and the data suggests that local *residents*, on average, achieve lower qualifications and carry out lower-paid jobs than the average *employee* in Crawley.



Highest Level of Qualification	Highest qualifications of the workforce	Highest qualifications of residents in employment
No qualifications	7.8	9.3
Level 1 qualifications	17.0	19.3
Level 2 qualifications	18.2	19.0
Level 3 qualifications	14.6	14.0
Level 4 qualifications and above	32.5	26.4
Apprenticeships and other qualifications	9.9	12.1

2011 Census

Findings

This context prompts the need to explore challenges both from the point of view of supporting businesses with their employment and skills needs, and from the point of view of supporting Crawley residents with their career aspirations.

The study addressed the topics through seven inter-related research questions. The following slides briefly summarise our response to each of these questions



The means: to change places for the better.

Question 1

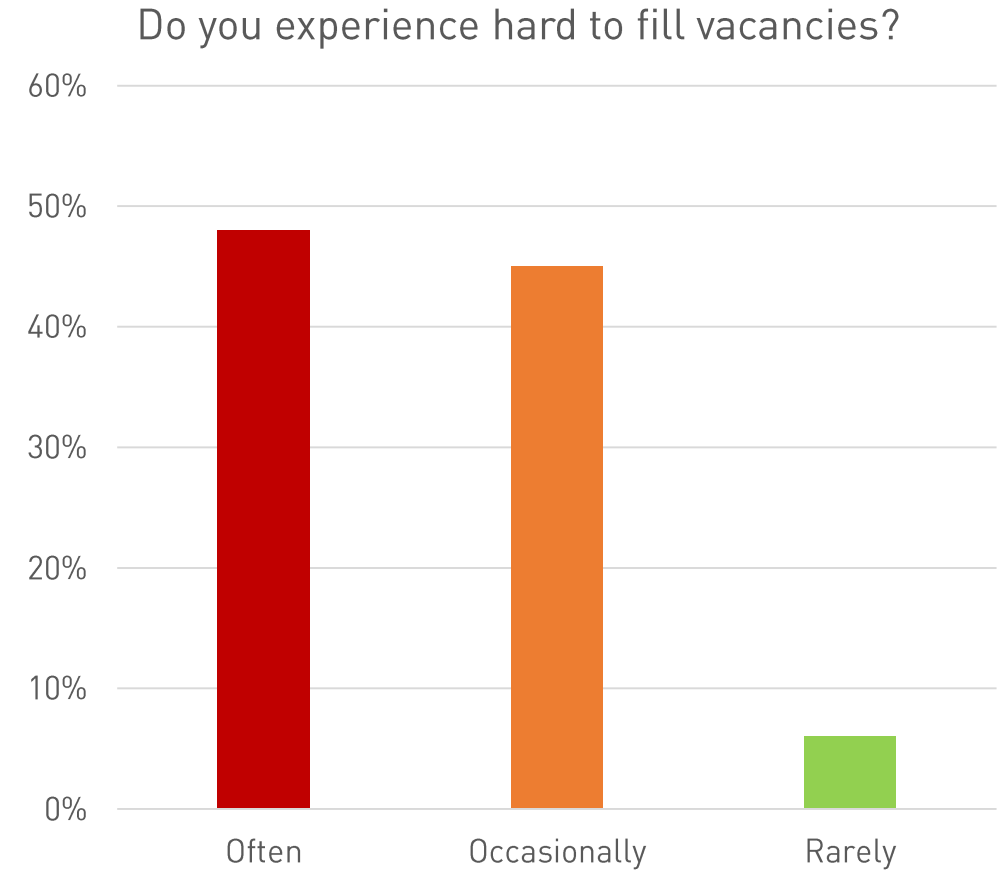
What are the most important skills gaps and recruitment challenges facing local businesses and why do these skills gaps persist?

Are there challenges?

The research found that the majority of businesses were experiencing difficulties with recruitment. In addition, 45% of businesses were expecting their workforce to grow over the next year, suggesting that recruitment difficulties would increase.

“We have one vacancy that has been open now for 250 days.”

An advanced engineering company

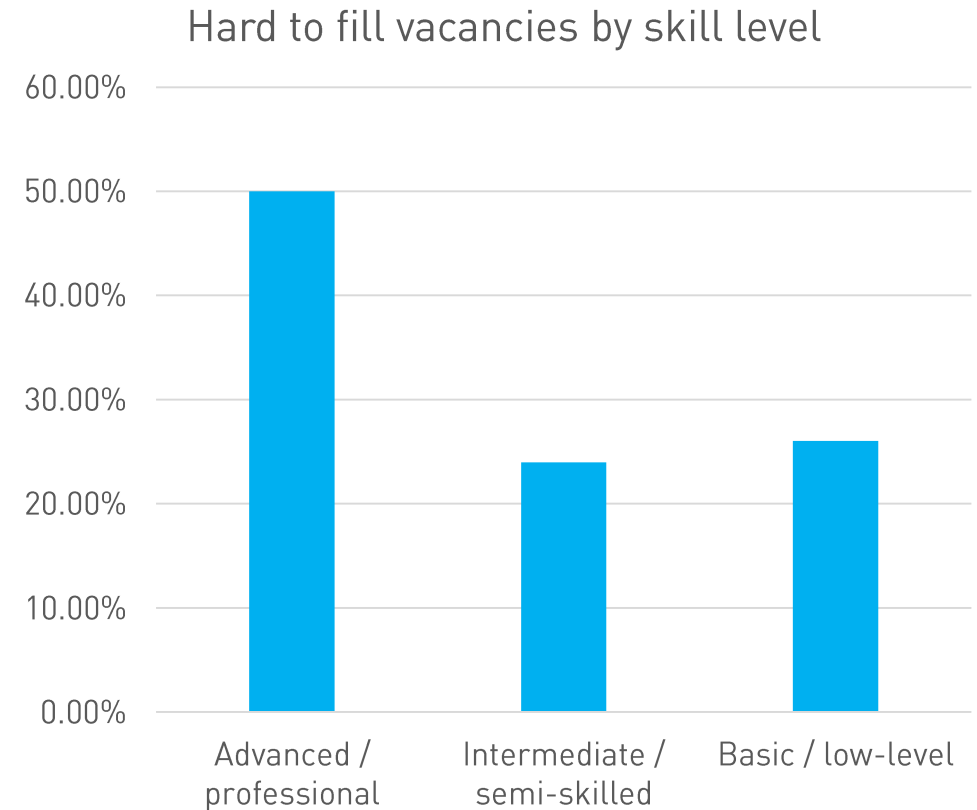


Skill Level

The respondents to the business survey identified in total 96 vacancies for which they struggled to recruit, split into three different skills categories

- **Basic/low-level;** jobs requiring competencies associated with a general education up to GCSE level
- **Intermediate / semi-skilled;** jobs that require competencies roughly equivalent to A-levels / HND or significant in-work experience
- **Advanced / professional;** jobs that require degree level or higher qualifications and/or equivalent in-work experience

The most prevalent difficulty was with higher-skilled positions. In addition, the qualitative interviews with businesses suggested that those struggling to fill 'intermediate' or 'basic' positions regularly cited a shortage of candidates possessing basic employability skills (motivation, behaviour in the work-place etc.).

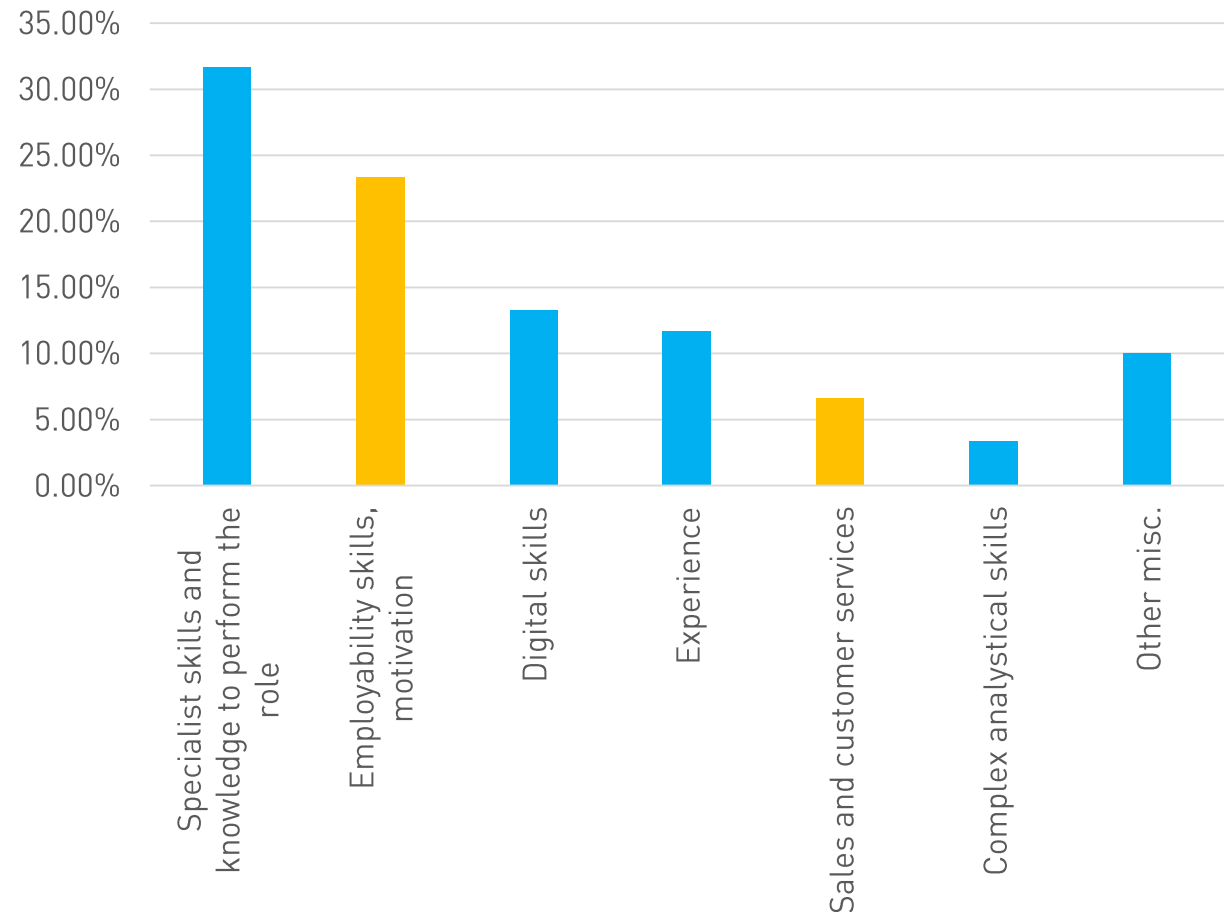


Skill Type

Analysing the hard-to-recruit-for skills identified by this study suggests that the largest category is job-specific skills and knowledge required to perform a specific role. These skills and knowledge vary depending on sector, suggesting that any intervention needs to be targeted at key sectors for Crawley.

In addition, businesses were asked where they felt their skills needs may change in the future and almost all interviewees expected engagement with new digital technologies to become an increasing part of employees' roles

Difficult-to-recruit-for skills, broken down by category



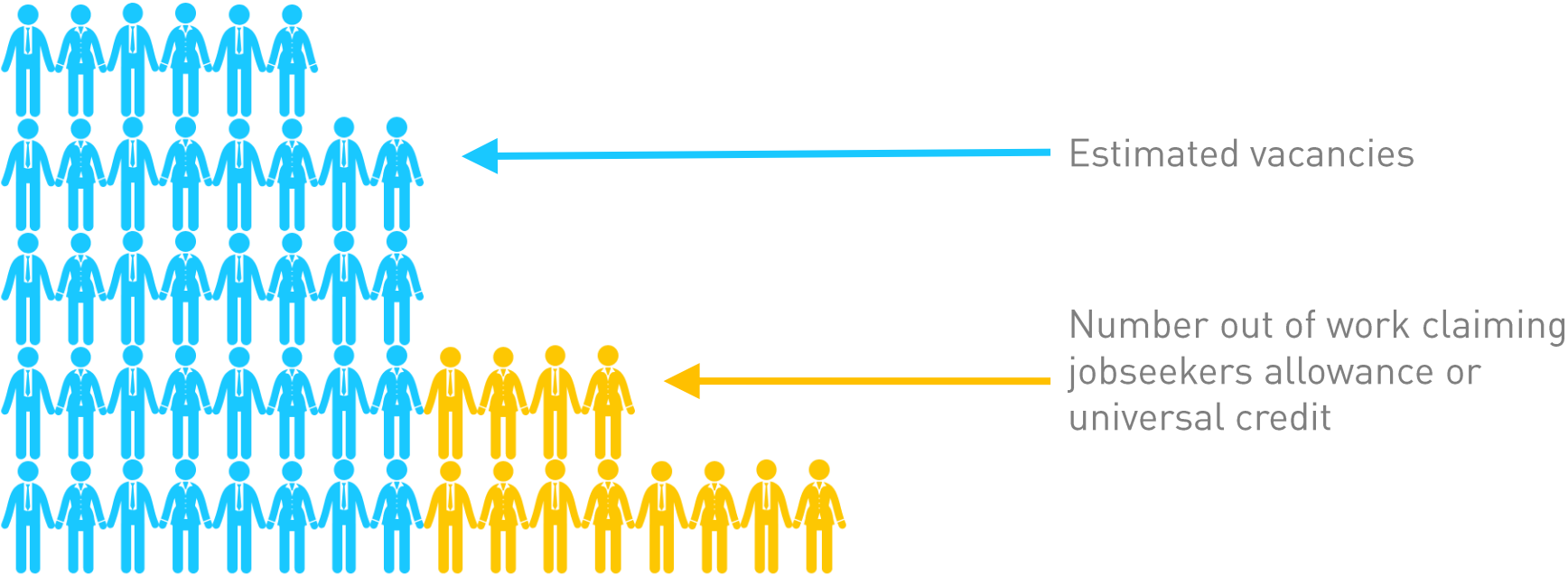
Summary

The research identifies the following key areas for which businesses are facing recruitment challenges:

- High level sector-specific skills
- Basic employability skills
- Digital skills (at all levels)

Reasons

Crawley's economy means there are far more jobs than local residents, and unemployment locally is low. With local residents achieving qualifications lower than the national average, businesses need to be able to attract in large numbers of workers, particularly for more highly skilled positions...



Reasons

...This exposes businesses to the following key interlinked challenges, identified through surveys and interviews with businesses and stakeholders:

- **Competition with nearby economies** – the ability to offer packages and lifestyles that attract talent from other nearby hubs such as London
- **Perception and awareness** – a perceived lack of awareness of the diversity and depth of opportunity in Crawley and its dynamism as a place to work

A lower level of qualifications amongst Crawley residents exacerbates these challenges, increasing the importance of being able to attract talent from further afield. Meanwhile, a number of other factors were identified as impacting, in particular, foundation sectors drawing on the local population:

- **Low awareness of opportunities and ambition** – businesses were keen to do more to help raise awareness throughout the education system of the local opportunities that people can aim for
- **The attractiveness of businesses' offers** – the need to be able to differentiate oneself from the crowd and raise awareness of career diversity and progression opportunities
- **Under-employment v unemployment** – If local figures reflect the national situation, they may be approximately 4,500 underemployed Crawley residents who could be helped into more work

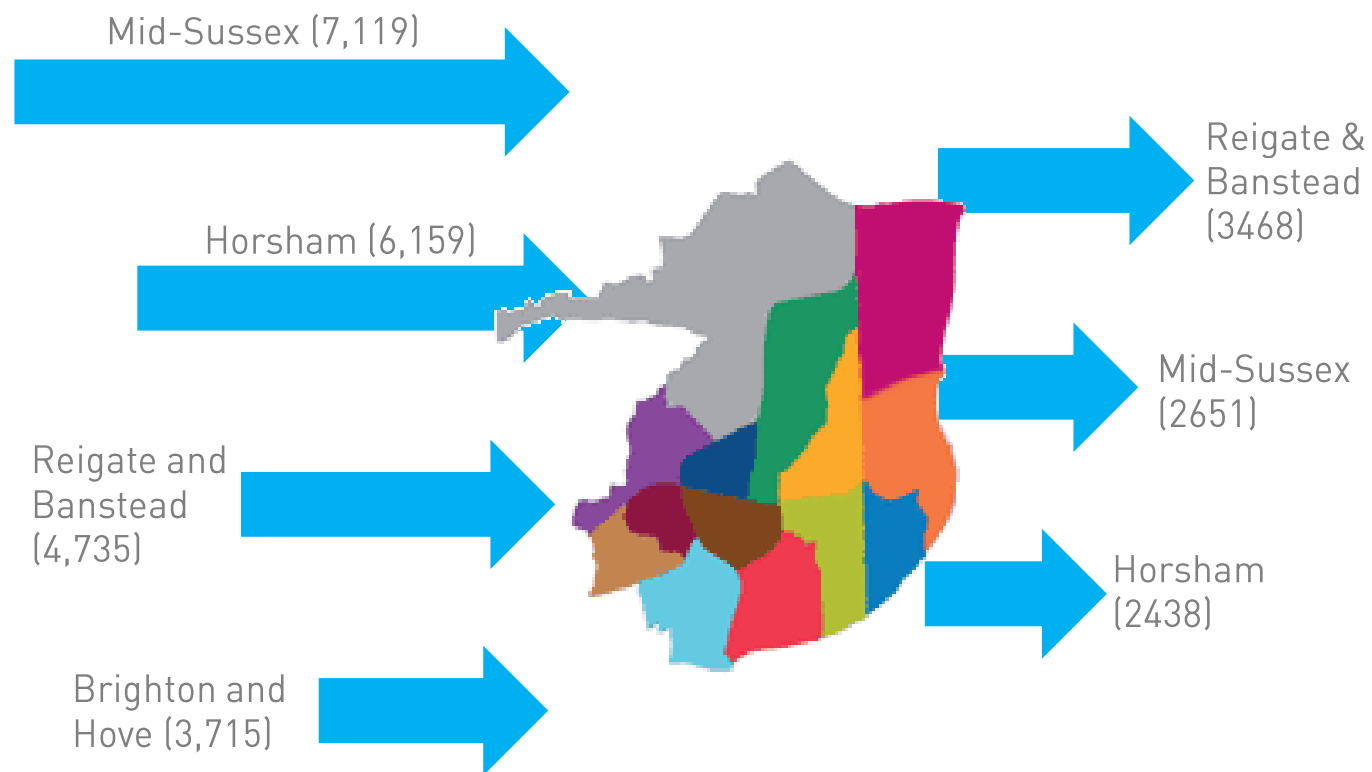
The means: to change places for the better.

Question 2

What catchment areas are the workforce coming from?

Crawley experiences large daily population flows both into and out of the borough. Census data suggests that over 43,200 workers commute in to Crawley, while over 19,100 residents commute out. Crawley's job density means it is relatively dependent on the inflow of workers to meet its labour demands. The main flows are shown in the image to the right.

There is potentially an opportunity for Crawley businesses to seek to target the number of employees they attract from locations with good public transport links to Crawley, such as Brighton.



Top inflows and outflows, Census 2011

The means: to change places for the better.

Question 3

What is the opportunity cost of these challenges?

Responses suggest that the number of hard-to-fill vacancies in Crawley currently stands at approximately 1% of the total number of employees. Respondents highlighted a number of impacts on their businesses, as shown in the graph to the right



Putting a figure on it

Overall, the number of hard-to-fill vacancies suggests an estimated annual reduction in Crawley's GVA of £49m due to unfilled positions.

Additionally, it is possible to estimate a figure for the total impact on local earnings of the pay-gap between local *residents* and the average Crawley *worker*. This is approximately £230m



£49 M

Reduced GVA



£230M

Lower local
earnings

The means: to change places for the better.

Question 4

What types and level of training need to be drawn up to help overcome these challenges?

The business interviews indicate that businesses would like to engage with training providers on more vocational training, and on short courses relevant to their working context.

In addition the skills gaps and recruitment challenges identified suggest a number of other priorities to address through training provision. This study suggests a focus on the local provision of the course types highlighted in the table to the right.

COURSE TYPE:	Degree—level apprenticeships	T-Levels	Short courses aimed at those in work	Learning for students through extra-curricular clubs
TO ACHIEVE:				
Higher level qualifications and specialist skills developed locally	X			
Greater retention of university-aged residents	X			
Developing skills more relevant to the workplace	X	X	X	X
Basic digital skills			X	X
Advanced digital skills	X			X
Improved employability skills	X	X		X
STEM delivery	X	X		

The means: to change places for the better.

Question 5

How can local training providers work with businesses to help design skills training interventions that will overcome these skills gaps?

This study highlights that there are already a wide range of initiatives aimed at skills and employment in Crawley and that a strategic review of these and how they are coordinated would help to define the best way forward for providing an easily navigable landscape for businesses and residents.

In addition, this study highlights the following potential areas for collaboration:

- **The local education / business interface** – a forum for collaboration would be useful for a number of reasons, including coordinating T-Level work experience and increasing business involvement in careers advice and education opportunities. The remit of existing groups could be expanded, or a new group could be formed.
- **Sector-based collaboration** to develop sector relevant courses. Local digital Skills Partnerships are a pilot model for this and DCMS is currently inviting LEPs to express interest in forming further pilots
- **LEP Employment and Skills Board** – this is being formed by the C2C LEP to “build strong partnerships between education and skills providers and employers” and should be engaged with by Crawley representatives

The means: to change places for the better.

Question 6

How might the needs of local businesses change in the short to medium term?

This study highlights a number of political, social, economic and technical factors that will either change businesses' needs, or change the makeup of businesses operating in Crawley. In particular, these are:

- **Brexit and other external factors** – this may have a particular impact on certain foundation industries such as hospitality, which rely heavily on EU nationals in their workforces. It also has a number of implications for skills for which there may be increasing demand, e.g. around exporting and regulatory compliance
- **Industries of growth and decline** – a number of areas were noted that may impact in particular on sectors important to Crawley including the digital innovation in the financial services sector, Gatwick's proposal to increase the number of flights it operates, and the national decline in high-street retail
- **AI and high productivity** – Crawley is identified as the second most vulnerable constituency in the country to the impacts of AI due to the potential of automation in the Gatwick supply chain and Crawley's logistics sector
- **Digital developments** – digital skills are becoming increasingly important for STEM and non-STEM jobs. Meanwhile development such as virtual reality may significantly change the way in which training can take place and businesses can operate remotely
- **Multidisciplinary** – Crawley's important specialist sectors identified by the C2C LEP are likely to require non-traditional combinations of specialist skills and experience, and employees who have the flexibility to adapt to new situations and learn new skills as their sectors evolve

The means: to change places for the better.

Question 7

How can we ensure that all local people are represented in the workforce and how might we best improve social mobility to help both residents and businesses?

The report explores the socio-demographic profile of Crawley and suggests three particular groups facing complex barriers to employment. Whilst the number of 'unemployed' in Crawley is low and initiatives to reach the remainder can be resource intensive, the study suggests that focussing efforts on supporting the identified demographic groups could be high impact, particularly in the long-run. The identified demographics are:

- **Those returning to work from parental leave** – Crawley was identified as having a higher than average number of women of child-bearing age, and a higher than regional proportion of economically inactive women who say they would like a job. A survey, and focus group with women returning to work suggested a number of areas in which employers could help accommodate more returners
- **Over 50s** – The number of people in this demographic is expected to significantly increase while, at the same time, retirement ages are rising. Older workers can bring a large amount of experience and skills, but may struggle to retrain or switch careers as sectors evolve
- **Young people** – Educational attainment in Crawley is below average for the region and nationally. Awareness of job opportunities appears to be low. Working with young people throughout the education system to raise awareness and ambition will be important for both their futures and the future of Crawley's competitiveness

The report provides a number of case-studies supporting these groups

The means: to change places for the better.

Objectives

The study also carried out a light-tough review of the Employment and Skills Plan 2016 and, in response to the research, highlights 14 specific objectives for future collaboration that relate to the four main workstreams:

Development and Infrastructure

- 1) Further raise the profile and perception of local career opportunities within the construction sector; in particular to STEM students and women
- 2) Increase female representation within the construction sector at all levels
- 3) Ensure T-Level work experience works well for construction employers and young people and is adopted
- 4) Ensure the employment and skills agenda continues to be an integral component of regeneration activities and a key consideration in planning and infrastructure development

Education and Schools

- 5) Simplify the landscape of employment and skills initiatives for employers and residents
- 6) Improve the awareness amongst young people of local career opportunities, raising levels of ambition and basic employability skills
- 7) Retain more degree level students locally and improve graduate returner rate

Business and Employers

8) Increase the ease with which businesses can compete with nearby economies to attract talent

9) Improve the local provision and take up of training of most relevance to employers:

- Vocational training (e.g. apprenticeships, T-Levels, short courses)
- High-level, sector-specific skills
- STEM and digital skills

And to ensure the skills provided on these courses prepare students for work

10) Support businesses with attracting and retaining talent with the right skills

11) Ensure work experience is well-promoted, high quality and works well for businesses and students

Employability and Social Inclusion

12) Improve the employability and skills of disadvantaged adults and young people

13) Help local people access higher paid jobs and progress through career pathways

14) Increase the pool of local skilled labour available to local businesses

The means: to change places for the better.

Taking action

This commission is to inform the way in which the partners may work together to address identified challenges.

The report therefore makes a number of recommendations about potential projects on which partners may collaborate. These are listed on the next slide and mapped against the objectives.

The report provides further information about these projects and a number of case-studies relevant to these that demonstrate how actions have worked in other areas.

Successful delivery relies on a few key principles:

- Partnership working between the public sector, private sector and training providers
- Partnership across the geography of the town
- Clear outlining of responsibility for a partnership to push forward actions
- A minimisation of duplication by building on existing initiatives where possible, and reviewing the existing landscape



		Objectives met
PROJECT 1 – HELP BUSINESSES ATTRACT AND RETAIN TALENT	1a. Sector Collaboration on Recruitment – Option 1	1, 6, 7, 8, 10
	1a. Sector Collaboration on Recruitment – Option 2	1, 6, 7, 8, 10
	1b. Advice on differentiating a businesses’ offer	8, 10
	1c. App / website targeting Crawley residents leaving for university	7, 10, 14
PROJECT 2 – CAREER PATHWAYS FOR FOUNDATION SECTORS	2a. Foundation Sector Support	1, 2, 6, 8, 10, 13
PROJECT 3 – SECTOR SPECIFIC TRAINING COURSE COLLABORATION	3a. Skills partnership pilot	7, 9, 13, 14
PROJECT 4 – IMPROVE THE EDUCATION-BUSINESS INTERFACE	4a. Business-Education Forum	3, 5, 6, 9, 11
	4b. Tour your local...	1, 6, 10
	4c. VIP Head Teacher tour	6, 11
	4d. Resourcing careers leads in schools	6, 7, 10, 11, 13
	4e. Summer school option	6, 11, 12, 14
	4e. Extended format	6, 11, 12, 14
PROJECT 5 – FOCUS ON APPRENTICESHIPS	5a. Taking the lead to support SMEs to take up apprenticeships	7, 9, 10, 14
	5b. Developing more HE-level vocational training locally	7, 8, 9, 13, 14
PROJECT 6 – INITIATIVES AIMED AT OPPORTUNITY GROUPS	6a. Mapping and review	5, 12, 13
	6b. Employ Crawley succession plan	12, 13, 14
	6c. Manor Royal Training Programme – Use of empty spaces	9, 10, 12, 13
PROJECT 7 – STRUCTURE FOR DELIVERY	7a. Responsibility for advancing this action plan	All, in particular 4
	7b. Influencing the LEP’s Employment and Skills Board	All

The means: to change places for the better.

Thank you

Swyddfa Cymru

Unit 3, 21-25 West End, Llanelli, Sir Gâr / Carmarthenshire, SA15 3DN
Phone / Ffôn: +44 (0)1554 780170

London Office

28 Marshalsea Road, London SE1 1HF
Phone / Ffôn: +44 (0)20 7403 4135

The means Limited. Registered Office
80-83 Long Lane, London EC1A 9ET

Website: www.themeans.co.uk