

# West Midlands & Warwickshire Local Skills Improvement Plan

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BCC Economy & Skills Scrutiny Committee



# WM LSIP: Research



## To Date:

- Conducted a mapping exercise, identifying existing research
- Worked with the Operational Board to finalise research questions
- Delivered focus groups with c.60 employers in the following 'Priority Growth Clusters':
  - Manufacturing of electric light vehicles and associated battery storage devices and Aerospace, Logistics & distribution, Health Technology and Medical Technology, Professional and financial services and supply chain, Modern and low carbon utility and manufacturing of future housing
- Delivered focus groups with c.60 businesses through BITC, Make UK, NHS and FSB
- Roundtables with c.50 West Midlands Training Providers, Colleges and Universities
- Quantitative survey of 501 businesses (reflecting the business demography of the region)
- Qualitative surveying of c.400 businesses (across all sectors and business sizes)

# WM LSIP: Emerging Themes



Coventry & Warwickshire  
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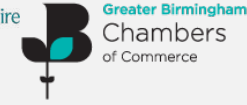
Greater Birmingham  
Chambers  
of Commerce



Black Country  
Chamber of  
Commerce

1. Strategic Leadership
2. Core and technical skills
3. Identifying the right providers
4. Identifying the right means of delivery
5. Recruiting into education

# Strategic Leadership



## Evidence:

- Focus on short term business survival and current cost pressures
- Understanding that there are opportunities (especially associated with digitisation) but lack of certainty around how to maximise them
- A lack of understanding of what the transition to net zero means for businesses
- Focus on soft skills (communication, collaboration)
- Inclusivity

**16%** and **14%** respectively don't believe all leaders and people managers within their business have adequate skills to overcome challenges and/or maximise opportunities associated with the transition towards net zero and digitisation/the advancement of new technologies.

Strategy Development (**43%**) and Performance Management (**42%**) were the most frequently identified additional skills needed

**42%** of businesses currently have no plans to address these gaps. **20%** and **24%** respectively plan to address through training in technical skills.

## Barriers:

50% of businesses surveyed identified barriers to increasing investment in skills and training. Most frequently, these are:

- Money: **51%** - lack of budget for training
- Time: **21%** lack of staff time to oversee training; **19%** Lack of staff time to undertake training; **14%** lack of staff time for administration associated with training
- Uncertainty: **15%** Providers not offering what we require; **10%** uncertainty over what training is needed; **8%** uncertainty over the quality of external providers

# Core and technical skills



## Evidence:

- WM QES: Q3 2022, 66% of businesses looking to recruit staff experienced difficulties doing so – 72% of manufacturers and 64% of services firms
- Particularly in automotive and aerospace manufacturing – employers want broad, base engineering skills and more practical experience than current apprenticeships offer
- Building problem solving, innovation and commercialisation into standards
- Health and Med Tech – strengths in research, less so development
- Soft skills (as per previous slide)

## Barriers:

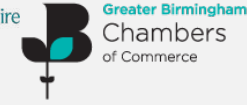
74% of those surveyed haven't worked with post-16 education and training providers in the last 5 years

As per previous slide: time, money & uncertainty

Examples of specific training employers report struggling to access in the West Midlands:

- Hydraulic engineering
- Heat pump engineering
- Welding NVQ
- Machine engineering
- Data analytics
- Event management
- Basic IT skills, IT literacy

# Identifying the Right Providers



## Evidence:

### Focus groups identified:

- Challenges identifying opportunities and larger organisations having to piece together provision
- Capacity to build genuine relationships between providers and businesses
- Concerns about the number of providers trying to engage with businesses

### Primary means of identifying appropriate providers:

- 25%** - Utilising existing relationships/connections with providers
- 24%** - Online Research

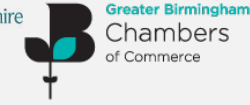
**20%** of survey respondents identified that Independent, funded support to identify skills needs and advise on suitable training provision would help them overcome barriers to increasing investment in skills and training

## Barriers:

**50%** of businesses surveyed identified barriers to increasing investment in skills and training.

Of these, **8%** cite uncertainty over the quality of external providers

# Identifying the Right Means of Delivery



## Evidence:

### Focus groups identified :

- a need for short, modular, accredited training around technical digital skills and sustainability management in particular
- scope for the bootcamp model to be used to upskill technicians and mechanics (at L3)

Our surveying found that a majority of businesses are unaware of or only have a limited awareness and understanding of all post-16 education and training initiatives, including T levels, trainee ships, apprenticeships, SWAPs and skills bootcamps

**17%** identified they would like access to shorter, modular training courses

**17%** would like access to in-person training nearer to business premises (critical for D&I)

Businesses would most frequently utilise Employer Representative Organisations (**49%**), Local Universities, colleges and/or training providers (**49%**) and Local Authorities (**44%**) for reliable advice or other practical help on skills and training related challenges

## Barriers:

- Awareness and understanding of means of delivery
- Length of training – need for more short, modular training
- Cost of training

# Recruiting into Education



## Evidence:

### Focus groups identified :

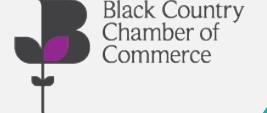
- Difficulties accessing staff, to deliver provision needed to close skills gaps (trades, engineering, digital)
- Challenges incorporating new technologies and approaches where these are developing quickly, in part due to workforce requirements
- Appetite among employers to work more closely with education (particularly to raise awareness of their sector)
- Surveying identified that 17% of businesses would be interested in provision co-developed with their organisation to be more specific to their needs

## Barriers:

- Competitive labour market and salary costs
- Staff time and resource, particularly among smaller employers



# Local Skills Improvement Fund



## 1) Local Skills Improvement Fund (LSIF):

- Following the submission of the West Midlands and Warwickshire LSIP, we have supported a successful application to the Local Skills Improvement Fund.
- We have and the region has been awarded the largest settlement in the country with a £10.6m allocation. T
- The proposal was a joint application, led by Solihull College, on behalf of the regions FE Colleges and private providers. It will focus on the key areas highlighted in the LSIP

## Key Themes:

- **Expanding the regional electrification and engineering offer.**
- **Low Carbon/Sustainable Construction**
- **Green Skills**
- **Digital Transformation**
- **Employer Engagement**

# Birmingham CC: Issues to consider



- Most businesses are overwhelmed by amount of choice/ don't know what to choose
- Recruitment is more important than upskilling for most employers
- Modular/ Shorter Courses focused on getting people job ready were hugely popular
- Broadly – only larger businesses are engaged strategically with apprenticeship programmes
- Smaller businesses need long term relationships and physical support to organise work placements/ apprenticeships/ T-Levels
- Blocks of placements rather than day release seems more attractive to businesses
- Nearly all businesses ranked Net Zero and Digitalisation as important – few were doing much about it with lack of internal capacity and expertise the main reason
- Different Sectors need different sales approaches and delivery techniques – Tech Sector and Hospitality polar opposites

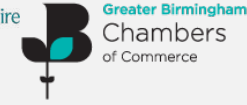
# WM LSIP: Next Steps

- October 2023: LSIF Launch and Start
- November 2023: Curriculum Research commences
- December 2023: Employer Board Launched
- Jan – April 2024: Data Refresh – Sector Deep Dives





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Any Questions?

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