

Skills Needs Assessment for Coventry and Warwickshire

2003/04

Produced by

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Annex 1 Cluster Skills Need Assessments

Executive Summary

Introduction

This is the second annual Skills Assessment produced by the Learning and Skills Council (LSC), Coventry & Warwickshire. Rather than being a complete reworking of the first document, this year's assessment aims to build on many of the issues discussed in its predecessor. The assessment is a synthesis of existing sources of intelligence on the labour market and economy. It aims to provide an assessment of the **needs of employers and individuals** within the Coventry and Warwickshire sub-region. This section is a summary of the full Skills Assessment – a copy of which will be available to the public on request from February 2003 and will also be available on our website from then.

The key purpose of the assessment is to inform planning within the Local LSC, ensuring our plans are based on sound analysis. Last year's Skills Assessment was used to inform the Strategic Plan which outlines the objectives and activities of the local council for the period 2002-05. This year's document informs the local Annual Plan for the year 2003/04.

Socio-Economic Profile

The recent economic history of Coventry and Warwickshire is decidedly mixed. Both Marconi and Agco have announced large-scale job losses over the past year. Moreover, the long-term employment decline in manufacturing generally, and automotive specifically, suggests that economic prospects are less than bright. But this would be a partial reading of recent events. Inward investors, most recently Aston Martin, are being attracted to the area and business confidence is buoyant.

The Coventry and Warwickshire sub-region is recognised as one of the economically stronger parts of the West Midland region. Employment levels are high (74.1% - West Midland 70.1%) along with gross value added (GVA) per head (Warwickshire £13,288, Coventry £12,018 – West Midlands £11,455) (Office of National Statistics, Regional Trends 2002). This performance is founded on a strong base of world class manufacturing companies (such as Peugeot, Jaguar), research institutions and universities. There are also a number of well-known tourism and cultural facilities.

There is generally low claimant unemployment – 2.5% in November 2002, compared to 3.5% in the West Midlands and 3.1% in the UK. However in some areas in the north of the sub-region unemployment is higher. In particular Coventry (3.9%) is experiencing rising unemployment (up from 3.3% in November 2001), while in St Michaels ward in Coventry unemployment is 12% (Office of National Statistics).

Young People – Raising Participation and Achievement

Participation of young people (16 to 19 year olds) in learning is broadly in line with the national average. The proportion of young people continuing in some form of structured learning after school increased slightly by 0.3 percentage points to 88.2% in 2001. The numbers continuing in full-time education increased by 1.8 percentage points whereas numbers entering employment with training decreased by 1.5 points (Coventry and Warwickshire Connexions – Success Index 2002).

Young people are less likely than adults to experience barriers to learning (68% report no barriers compared to 57% of 16-65 population). Of the barriers given, most of these related to motivational reasons, mainly that the learning would have taken too much time (10%). Personal reasons collectively were common (11%), particularly having to look after children or other dependents (6 %). There are also a number of issues relating to supply, such as the cost being too high (8%) (West Midlands Household Survey 2002, Coventry and Warwickshire dataset).

Achievement at Level 2 qualification (equivalent to 5 GCSEs A*-C) increased by 1 percentage point to stand at 48.5% of 16 year olds. Achievement levels are still much higher in Warwickshire than Coventry. The sub-regional figure is slightly lower than the national average of 51.5% (DfES website, 2002).

Adults – Increasing the Demand for Learning

Just under half of the resident adult population (49.2%) have participated in some form of learning activity over the past 12 months. Participation is lowest amongst groups not in employment, and those employed in lower level occupations (West Midlands Household Survey 2002, Coventry and Warwickshire dataset).

The single main response given by people as a barrier to learning is that 'nothing prevents undertaking learning' (57%). This could be interpreted in the same category as motivational barriers such 'the learning would have taken too much time' (17%). Where barriers do exist they tend to relate to personal circumstances, particularly having to look after children or other dependents (9%). There are also a number of issues relating to supply, with the cost being too high for 5 per cent of respondents.

In the 16-65 resident population 71.3% are qualified to level 2, 45.7% to level 3 and 27.9% to level 4. There is a sizeable section of the population (17.2%) who have no qualifications (West Midlands Household Survey 2002, Coventry and Warwickshire dataset).

It is estimated that one quarter (25%) of Coventry and Warwickshire residents have poor numeracy skills and 24.3% poor literacy skills (Basic Skills Agency). Local evidence suggests those with no qualifications, unemployed, or employed in low level occupations (particularly in the tourism and leisure

cluster), are most likely to experience problems with their basic skills. Further research in this area is planned for the beginning of the 2003/04 year.

Employers – Encouraging Engagement in the Workforce Development Agenda

Employment is concentrated within 4 major industrial sectors; 'manufacturing'; 'distribution, hotels and restaurants'; 'banking, finance and insurance' and 'public administration, education and health'. Employment in manufacturing is particularly high in the sub-region accounting for 21% of all employment, compared to 15% in Great Britain as a whole (Annual Business Inquiry 2000).

Forecasts show that engineering, manufacturing and construction employment are expected to fall, but these sectors will need to attract new entrants to replace those who retire or leave the industry. Across the economy as a whole the number of people employed in higher skilled occupations is expected to increase, whereas the demand for lower level occupations is falling (Coventry & Warwickshire Economic Forecasting Model, Business Strategies Ltd).

Many employers are experiencing difficulties obtaining the skills they require from their employees. These employers report skills shortages within the labour market as a whole, as well as skills gaps amongst their current workforces. In total 12% of recruiting employers had a vacancy, which was hard to fill due to a skills shortage. These shortages vary significantly by business type. This year they are particularly prevalent within the Transport Technologies Cluster (mainly automotive engineering), ICT (mainly software programming) and Building Technologies (mainly the construction sector) (Cluster Skills Papers, based on Coventry and Warwickshire Employer Survey 2002).

Employers are key purchasers of training and learning. In 2002 63% of employers funded or arranged training for their employees, a significant increase from the 55% in 2001. Small employers were less likely to fund or arrange training.

Investors in People recognitions stand at 8% of all employers, with 33% of employees in Coventry and Warwickshire employed in an IiP recognized company. This indicator and others of workforce development varies by size and sector. Employers within the Food and Drink Cluster and Higher Value Added Consumer Product (mainly clothing manufacture) are least likely to be engaged in the workforce development agenda.

Key Planning Themes

The Skills Assessment 2001/02 identified five key planning themes, which the LSC plans aimed to address. These are long-term issues, which will not be addressed overnight. As such they remain relevant one year on.

Structural issues relate to the economic geography of the sub-region. There is a clear geographic imbalance in the sub-region between a prosperous south and a relatively poor north. In addition it is clear that the sub-region faces problems due to its comparative reliance on manufacturing. Employment in these industries is in decline yet there are skills shortages and an increasing demand to recruit young people into skilled occupations.

Workforce development issues relate to meeting the skills needs of employers, and engaging them with the workforce development agenda. Skills shortages exist across the economy but particularly in the transport technologies cluster and ICT. Employers are key purchasers of training; so it is encouraging to see their training activity increase over the past year. Yet this remains low in some sectors and in small companies generally.

Achievement and retention in learning relates to various issues connected to participation in learning as well as achieving a recognised qualification. Here there is a geographic imbalance between educational achievement in Coventry and Warwickshire. There are also imbalances between the participation and results of male and females as well as by ethnic group.

Under the 'learning divide', there are issues around access to learning. Here it is noticeable that people who are economically inactive are less likely to undertake learning, and are more likely to experience barriers to learning. By contrast those in employment, particularly those in higher level occupations and with existing qualifications, are more likely to be learners. Basic skills problems are concentrated within particular sections of the population.

Quality of provision is fundamental to the LSC achieving its strategic aims. Recent guidance on Skills Assessments from LSC National Office has indicated that this should be more properly addressed through Provider Performance Review and the Quality Improvement Strategy.

Gaps in Intelligence

In last year's Assessment a series of gaps in intelligence were identified. Some of these are listed below together with the steps, which have been taken to address them. Those that have not been addressed this year will be addressed between April 2003 and March 2005.

Information on Asylum Seekers and Refugees and their needs

- A research study started in November 2002 focusing on this group
- 300 asylum seekers and refugees will be surveyed together with their representatives and learning providers.
- Results are expected in March 2003, and will feed into next year's Skills Assessment while immediate issues will be addressed during the year.

Information on Basic Skill needs

- A research study, guided by the Basic Skills Partnership, is due to start April 2003

- The study will focus on ESOL needs, as these are perceived as the main gap in existing knowledge.
- Results are expected in August 2003 and will inform future work on Basic Skills.

Employer satisfaction with local training provision

- This will be addressed in the new national survey of employers which we will participate in.
- This survey, which is being led by LSC National Office, is due to be conducted in April 2003, and every two years thereafter.

Chapter 1 - Introduction

This is the second annual Skills Assessment produced by the Learning and Skills Council, Coventry & Warwickshire. Rather than being a complete reworking of the first document, this year's assessment aims to build on many of the issues discussed in its predecessor. The assessment is a synthesis of existing sources of intelligence on the labour market and economy. It aims to provide a picture of the **needs of employers and individuals** within the Coventry and Warwickshire sub-region.

This assessment has two main purposes.

- The first, and perhaps key purpose is to inform planning within the Local Learning and Skills Council, ensuring our plans are based on sound analysis. Last year's Skills Assessment was used to inform the Strategic Plan which outlines activities of the local council for the period 2002-05. This year's document will be used to inform the Annual Plan for the year 2003/04.
- Secondly, the document identifies areas where there is less intelligence or data available, so that these gaps can be addressed by the LLSC's Research Plan, to improve our understanding of issues facing the sub-region.

This skills assessment includes a far greater detail of analysis on the needs of employers and employees within specific types of companies, or industrial clusters. This analysis is presented in the form of ten cluster need assessments, which can be found in annex 1. These have been included to reflect the vastly different issues affecting different parts of the economy and will be used to inform local Workforce Development Strategies for each cluster.

The remainder of this document is structured around five chapters:

- Chapter 2 outlines the key socio-economic characteristics of the sub-region along with the policy context in which the LLSC operates.
- Chapter 3 looks at issues linked to raising the participation and achievement of young people.
- Chapter 4 investigates issues linked to raising the demand for learning from adults.
- Chapter 5 reviews the skill needs of employers and their engagement in the workforce development agenda.
- Chapter 6 identifies key planning issues for the organisation.

Chapter 2 – A Socio-Economic Profile

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This section provides a context for the rest of the document. It is divided into two main sections:

- Section 2.1 provides an overview of the local economy
- Section 2.2 discusses recent policy developments which impact on learning and skills issues within the sub-region.

2.1 An Overview of the Local Economy

The recent economic history of Coventry and Warwickshire is decidedly mixed. Both Marconi and Agco have announced large-scale job losses over the past year. Moreover, the long-term employment decline in manufacturing generally, and automotive specifically, suggests that economic prospects are less than bright. But this would be a partial reading of recent events. Inward investors, most recently Aston Martin, are being attracted to the area and business confidence is buoyant.

The Coventry and Warwickshire sub-region is recognised as one of the economically stronger parts of the West Midland region. Employment levels are high (74.1% - West Midland 70.1%) along with gross value added (GVA) per head (Warwickshire £13,288, Coventry £12,018 – West Midlands £11,455). This performance is founded on a strong base of world class manufacturing companies (such as Peugeot, Jaguar), research institutions and universities. There are also a number of well-known tourism and cultural facilities.

As a result of these strengths, the sub-region out-performs the region and national level on a number of indicators:

Table 2.1: Key economic indicators

	Coventry	Warwickshire	West Mids	UK
	%			
Employment rate (%)	n/a	79.0	73.2	74.1
Unemployment rate (ILO unemployment rate)	n/a	4.7	6.0	5.1
Average gross weekly full-time earnings (£)	n/a	478.0	462.1	498.3
GDP per head (1998, £)	12,013	13,288	11,455	12,845

Source : ONS, Regional Trends, 2002

In particular there is generally low unemployment – 2.5% (claimant count) in November 2002, compared to 3.5% in the West Midlands and 3.1% in the UK. However in some areas in the north of the sub-region unemployment is higher. In particular Coventry (3.9%) is experiencing rising unemployment (up from 3.3% in November 2001), while in St Michaels ward in Coventry unemployment is 12%.

2.2 The Policy Environment

The previous Skills Assessment provided a detailed breakdown of policies and strategies which impact upon the Learning and Skills Council at a local, regional and national level. This document will not revisit these issues again, and will instead highlight key areas where policy and strategy has been introduced in the past 12 months.

At a national level *Success for All* is a strategy introduced by the DfES which aims to reform further education and training. The total funding for further education will rise by 19 per cent in real terms by 2005/06. In return for this, the government has highlighted four key areas for reform, which are outlined in figure 2.1.

Fig 2.1 – Success for All – areas for reform

- 1. Meeting needs, improving choice** by improving the responsiveness and quality of provision in each area to meet learner, employer and community needs. From April 2003, all local Learning and Skills Councils (LSCs) will lead Strategic Area Reviews to assess the pattern of provision in their area. These are expected to lead to the development of new provision to fill gaps and the rapid replacement or discontinuation of funding for inadequate provision that has poor prospects of improvement. The LSC is consulting on the process for Strategic Area Reviews until February 21, 2003. All providers will also be expected to agree a timetable with the LSC for establishing or reviewing their educational and training mission.
- 2. Putting teaching, training and learning at the heart of what we do** by establishing a new post-16 standards unit to disseminate best practice which will guide learning and training programmes. This unit will develop teaching and learning frameworks for different curriculum areas, starting in the first year with construction, entry to employment, business studies and science. There are also proposals to extend the Curriculum Online mode to support post-16 e-learning.
- 3. Developing the leaders, teachers, lecturers, trainers and support staff of the future** including setting new targets for full and part-time college teachers to be qualified, and developing strong leadership and management through a new leadership college.
- 4. Developing a framework for quality and success** by establishing three year funding agreements, a new system of targets and performance management, a system for recognising and investing in excellence and support and intervention for under-performing providers. The LSC's new approach to performance management will include the establishment of national floor targets which will set expectations about minimum performance levels. For colleges, extra funding will be linked to the achievement of improvement targets. The LSC will begin the consultation on performance management proposals during January 2003.

At a local level a new sub-regional (on this occasion including Solihull, Coventry and Warwickshire) economic strategy has been introduced. An Engine for Growth provides a framework of four inter-related 'pillars', which are seen as the foci for the strategy. These are detailed on figure 2.2.

Fig 2.2 - Pillars of 'An Engine for Growth'

- 1. Creating the conditions for growth**
- 2. Developing a diverse and dynamic economic base**
- 3. Regenerating communities**
- 4. Promoting a learning and skilful Region**

Clearly the last of these pillars is of particular importance to two local LSCs which cover the Coventry, Solihull and Warwickshire area. The strategic priorities under this pillar match the Learning and Skills Councils strategic aims, as such they will not be restated here.

Also of importance is the discussion on business 'clusters' which are addressed in the 'Developing and diverse and dynamic economic base' pillar. Clusters were first outlined in AWM's Regional Economic Strategy (reviewed in last Skills Assessment). Indeed this document includes assessments of the skills needs of each of these ten clusters are included in annex 1. However, an Engine for Growth suggests that five of these clusters are most important to the sub-region. These are:

- Information and Communication Technology
- Transport Technologies
- Culture and Tourism
- Food and Drink
- Specialist Professional and Business Services

Chapter 3 – Young People – Raising Participation and Achievement

One of the key tasks of the Learning and Skills Council is to raise the participation and achievement of young people. To do this it is necessary to ensure that the provision of learning within each local area matches the needs of learners. As such this chapter aims to provide an analysis of who are the learners and non-learners; the extent they are participating and achieving, and what are seen to be the perceived or real barriers to participation and achievement in education and training amongst 16-19 year olds.

The chapter is divided into three sections:

- Section 3.1 provides brief analysis of the characteristics of young people.
- Section 3.2 focuses on participation in learning, and related issues such as motivations for undertaking learning, and barriers to learning.
- Section 3.3 focuses on qualification attainment in the group.

3.1 Characteristics of Young People

The 2001 Census of Population estimated there were 41,390 people aged 16-19 living within Coventry and Warwickshire. This figure equates to just over 5% of the total population. This proportion is higher in Coventry (6%) than in Warwickshire (4.6%)

Young people are more likely to be engaged in full-time learning than other age groups. It is perhaps surprising therefore that close to two thirds (63%) of 16-19 year olds are in some form of employment. This is largely because of the high proportion of the group who are 'working students' (20.8%). Indeed this proportion is higher than the 19.5% of the age group who are 'non working' students. The table below shows the economic status of young people compared to the total working age population.

Table 3.1 – Economic Status of Young People

	Young People %	All
In Employment	63.1	75.7
Full Time	26.9	51.9
Part Time	12.8	15.8
Self Employed	2.0	6.3
Government Funded Training	1.3	0.1
Working Student	20.8	1.6
Unemployed (ILO)	7.4	3.3
Economically Inactive	29.5	21.0
Looking after home/ children etc	4.0	9.0
Non working student	19.5	2.7
Base	149	3060

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset
Base: Young People 16-19

Perhaps the main area of concern from the above table is that young people are more than twice as likely as the general working age population to be unemployed (not in employment but actively seeking work).

Key Issue

There is a small (7.4%) but significant group of young people who are unemployed (ie. Out of work but actively seeking employment). This means unemployment is higher in young people than any other age group.

3.2 Participation of Young People

3.2.1 Measures of Young People's Participation

In 2000 the LSC estimated that nationally 75% of young people within the 16-18 three-year cohort were participating in formal structured learning. Calculating a comparable local figure is difficult due to the movement (or migration) of learners across local LSC borders, particularly at age 18. Locally we know that numbers studying in Further Education or Work Based Learning equate to 90% of the resident population at 16. However, the numbers participating in learning with Coventry and Warwickshire providers is higher than this percentage would suggest. In south and east Warwickshire there is migration into the selective schools, where A level attainment figures are particularly high. In addition in the east and north of the sub-region there is a technical inward migration of students from Leicestershire and Northants to North Warwickshire and Hinckley College, and Rugby College.

Key Issue

There is a significant group of young people (1200 people or estimated 11%) who are not participating in formal structured learning, at age 16.

The Success Index is a locally devised measure of young people's participation in education or training. The index is calculated in October of each year and looks at the routes that young people follow after completion of compulsory school education. Using the index it is possible to calculate the proportion of young people who decide to continue in structured learning, whether in full time education or in employment with training.

Table 3.2 - Young people destinations at 16 (C&W)

	1997 %	1998 %	1999 %	2000 %	2001 %
Total Structured Learning	86.9	88.2	89.3	87.9	88.2
Full time education	67.4	67.6	71.7	71.3	73.1
EWT - (AMA/FMA/WBL) ¹	19.5	20.6	17.6	16.6	15.1
Other Destinations	13.1	11.8	10.7	12.1	11.8
Employment without training	4.2	3.3	2.5	2.5	N/A
Unemployed	4.6	3.1	2.4	3.8	N/A
Other/Unknown ²	4.3	5.5	5.8	5.8	N/A
Cohort size	9092	9434	9573	9618	10361

Source: Connexions Coventry and Warwickshire

Table 3.2 shows that the proportion of 16 year olds participating in structured learning increased slightly by 0.3 percentage points to 88.2% in 2001. This figure has fallen slightly since its highest level in 1999. Last year the numbers entering full-time education increased by 1.8 percentage points where as numbers entering employment with training decreased by 1.5 points.

The results of the index do vary by the personal characteristics of young people:

- Participation for females is 90.3, compared to 86.3 for males. In particular there are much lower levels of male continuing in full time education, although moving into employment with training is higher.
- By ethnic group the highest participation is for those from an Asian ethnic group (92.8). For this group continuing in full time education is particularly popular (86.8%). By contrast participation is lowest for Black ethnic groups (83.7).

Key Issue

Participation levels vary by different groups of young people, with participation relatively low amongst males and Black ethnic groups.

A further measure of participation can be calculated from the Coventry and Warwickshire's local Household Survey. This survey asks respondents about their participation in learning. This survey used a very broad definition of

¹ EWT = Employment with training : AMA = Advanced Modern Apprenticeship programme, FMA = Foundation Modern Apprenticeship programme, WBL= other work based learning

learning, including self-guided learning activities as well as more formal courses. Using this broad definition it is unsurprising to see the proportion of those participate rise. In terms of learning undertaken within the last 12-months 85.9% of 16-19 year olds in Coventry and Warwickshire had undertaken some form of learning, higher than any other age group. This compared to 72% of 16-19 year olds in the West Midlands.

Key Issue

Young people's participation in learning activities is high in comparison to the West Midlands, and high compared to other groups in the sub-region.

3.2.2 Why young people undertake learning

By far the main reason for undertaken learning over the past 12 months had been work-related, to improve long-term career prospects (32.3 per cent) followed by personal motivations: to gain entry qualifications for another course of study 18.1 per cent. These work related reasons may explain why unemployed young people are much less likely to participate in learning.

Table 3.3 - Main reasons for undertaking learning in past 12-months

<i>Multiple responses</i>	2002 %
To improve long term career prospects	32.3
Gain entry qualifications for another course of study	18.1
To maintain/upgrade my current skills	15.8
My employer wants me to	15.8
To increase my personal knowledge	13.8
To help me get a (another) job	12.7
I am interested in the subject	12.3
To help me do my job better	9.2
To increase my self-esteem	4.2
For pleasure/social interaction	3.8
My parents want me to study/learn	1.9
So that I can completely change my career	0.8
Other	0.8
No particular reason	*
Refused/DK	6.5
Base	260

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset
Base: Young People 16-24 – who had undertaken learning in the past 12 months

Key Issue

Young people have a variety of motivations for undertaking learning. The most important motivations appear to be work-related, ie. to improve long-term career prospects.

For young people the most common place where learning took place is at an Educational Institution (62%), followed by 'at work' (31%). Learning through a private training company or provider was only mentioned by just under 2% of respondents.

Table 3.4 - Location of learning

	2002 %
At work	30.8
At home	6.5
Educational institution	61.9
College of Further Education	16.5
University	21.9
School	7.7
Sixth Form College	11.5
College of Higher Education	4.2
Distance learning	
At a Learn-direct or UK online learning centre	*
Through the Open University	*
Other	
Through a private training company or provider	1.9
Other	3.5
Refused/DK	5.8
Base	260

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset
Base: Young People 16-24 – who had undertaken learning in the past 12 months

3.2.3 Barriers to Learning

It is possible to identify factors, which prevent individuals from undertaking learning. These are often referred to as 'barriers to learning'. When asked about these barriers it is encouraging that young people generally feel they don't exist. This is to say that most young people say that there is nothing which prevents them from undertaking learning (68%). This compares to 57.4% for the working age population as a whole. Increasing participation

amongst this group should therefore center on increasing the demand for learning through creating a learning culture.

Of the barriers which are mentioned most are related to motivational reasons, such as the learning would have taken too much time (10%). Personal reasons, particularly having to look after children or other dependents (6%) are also important. The table below gives a full breakdown:

Table 3.5 – What prevents learning

<i>Multiple responses</i>	2002 %
Motivational	13.9
Take too much time	10.1
Just not interested in any more training or learning	1.5
Do not have the right motivation	1.2
Do not need to learn any more to do job	0.5
Personal	10.9
Have to look after children/dependents	6.2
Illness/disability	1.2
Lack of available childcare	1.5
Cost of childcare too high	0.7
Lack the confidence	0.5
Do not have experience/qualifications needed	0.7
Supply	10.4
Cost of learning too high	7.9
Training not provided at suitable times	0.5
Do not know what is available	1.0
Quality of available training poor	0.5
Employer	0.7
Employer will not support by giving time off	0.7
Other	0.5
Nothing prevents	68.3
Base	404

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

Base: Young People 16-24

Key Issue

There are a variety of barriers to learning which reduce the participation of young people. These barriers are generally:

- motivational eg. Lack of time
- personal eg Childcare
- supply related eg. Cost of learning

3.3 Achievement of Young People

It is possible to look at the qualification attainment of young people by using a variety of measures. Achievement at age 16 is relatively easy to measure as the vast majority of young people are attached to a school, as education to this age is compulsory. Table 3.6 below shows the proportion of 16 year olds who achieved 5 GCSEs A*-C (a level 2 equivalent qualification) of those who were entered into the exams.

Table 3.6 – GCSE/ GNVQ Achievement for 16 year olds

		2000	2001	2002
		%	%	%
Coventry and Warwickshire	5 A* - C	46.2	47.5	48.5
	1 A* - G	94.2	94.3	94.3
Coventry	5 A* - C	40.8	42.6	43.2
	1 A* - G	92.5	92.3	93.0
Warwickshire	5 A* - C	49.5	50.5	51.7
	1 A* - G	95.2	95.6	95.1
England	5 A* - C	49.2	50.0	51.5
	1 A* - C	94.4	94.5	94.6

Source: DfES, GCSE and GNVQ Results

The table shows that attainment at 16 is lower in the sub-region than for England as a whole. Attainment in Coventry remains significantly lower than in Warwickshire.

Key Issue

Young peoples achievement at 16 is below the national average, and is significantly lower in Coventry than Warwickshire.

Measuring attainment of young people aged 17 to 19 is much more difficult, in the same way as measuring participation for this age group (see 3.2.1). Not all young people are attached to schools or other providers, there are a wide variety of different learning routes which need to be considered and the migration to learn can often go across LEA and LLSC boundaries. It is possible to look at the average achievement within A level and GNVQ examinations, which is shown below.

Table 3.7: Post 16 performance, A level and GNVQ, 2001

	Average Points per student
Coventry	14.9
Warwickshire	17.3
England	17.4

DfES: Performance Tables

Looking at achievement levels across the population; national 73.4% of 19 years olds have attained a level 2 qualification and 43.1% a level 3 qualification. Calculating these percentages for Coventry and Warwickshire percentages is not possible at present. This could be calculated using an institution based numerator and a resident based denominator, but this likely to over-estimate local achievement. Using this method local achievement is above the national levels. The LSC are currently working on developing a methodology to fairly calculate local achievement of 19 year olds.

Table 3.8: Achievement at 19 year olds, 2002

	Level 2	Level 3
Coventry & Warwickshire (%)	n/a	n/a
Coventry & Warwickshire (n)	7,996	4,750
England (%)	73.4	43.1
England (n)	149,555	264,123

Source: DfES and LSC Targets Data

Chapter 4 – Adult – Increasing the Demand for Learning

As well as considering issues related to the participation and achievement of young people the LSC is also tasked with pushing the wider lifelong learning agenda. A second strategic aim for Coventry and Warwickshire Learning and Skills Council is to raise the achievement and increase the demand for learning by adults. This chapter focuses on these issues and is broken down into three main sections:

- Section 4.1 describes the size, characteristics and economic status of the working age population in the sub-region
- Section 4.2 analyses participation levels, focussing specifically on identifying the characteristics of and who specifically are non-learners.
- Section 4.3 reviews the level of achievement. Looking at qualification attainment plus an indicator of potential basic skills issues.

The focus on the working age population here is deliberate, as this is the group on whom the LSC can have the widest impact – both via academic and employment routes. However, the LSC is responsible for all post-16 learning not involving Higher Education, and post-16 does not have a top age limit. The LSC recognises that learning is also advantageous for personal well-being and is fully committed to adult and community learning.

4.1 Characteristics of the working age population

Table 4.1 shows that there are approximately 502,000 people of working age in Coventry and Warwickshire. Coventry has the largest share of these (36.1%) and North Warwickshire have the lowest (7.4%). Males make up a higher proportion of the working age population across the sub-region than females.

Table 4.1 - Population of working age – Coventry and Warwickshire

	C&W	Coventry	Warwick	North Warks	Rugby	Stratford	Nun & Bed
All	502,000	181,000	80,000	37,000	57,000	69,000	77,000
Male	260,000	92,000	42,000	19,000	29,000	37,000	39,000
Female	242,000	89,000	38,000	17,000	28,000	32,000	37,000

Source: Labour Force Survey Quarterly – August 2002

The remainder of this section will draw on information from our local Household Survey, as it is based on a larger sample than the Labour Force Survey and so is more robust at a local level. It is important to note that the 2002 Household Survey uses a wider sampling range to extend to groups that were previously excluded – notably the long-term sick, early retired and the disabled. These changes reflect the Learning and Skills Councils commitment to lifelong learning for all.

4.1.1 Personal Characteristics of the population of working age

Table 4.2 gives breakdown of the key personal characteristics of the working age population in Coventry and Warwickshire

Table 4.2 - Personal Characteristics of the working age population

	West Midlands	Coventry & Warwickshire
	%	%
Sex		
Male	47.7	47.4
Female	52.3	52.6
Age		
16 – 18	4.8	3.6
19 – 20	3.1	2.6
21 – 24	6.6	7.0
25 – 34	24.0	25.9
35 – 44	26.3	26.8
45 – 54	20.0	20.7
55 – retirement age	14.3	12.7
Refused	0.8	0.6
Ethnicity		
White	88.7	90.3
Mixed	0.7	0.6
Asian/Asian British	7.9	7.2
Black/Black British	2.0	1.2
Chinese	*	*
Other	*	*
Disability		
Suffers from disability or illness	8.5	7.6
Does not suffer from disability or illness	90.9	91.6
Don't know/prefer not to say	0.6	0.8
Unweighted base	24,135	3,060

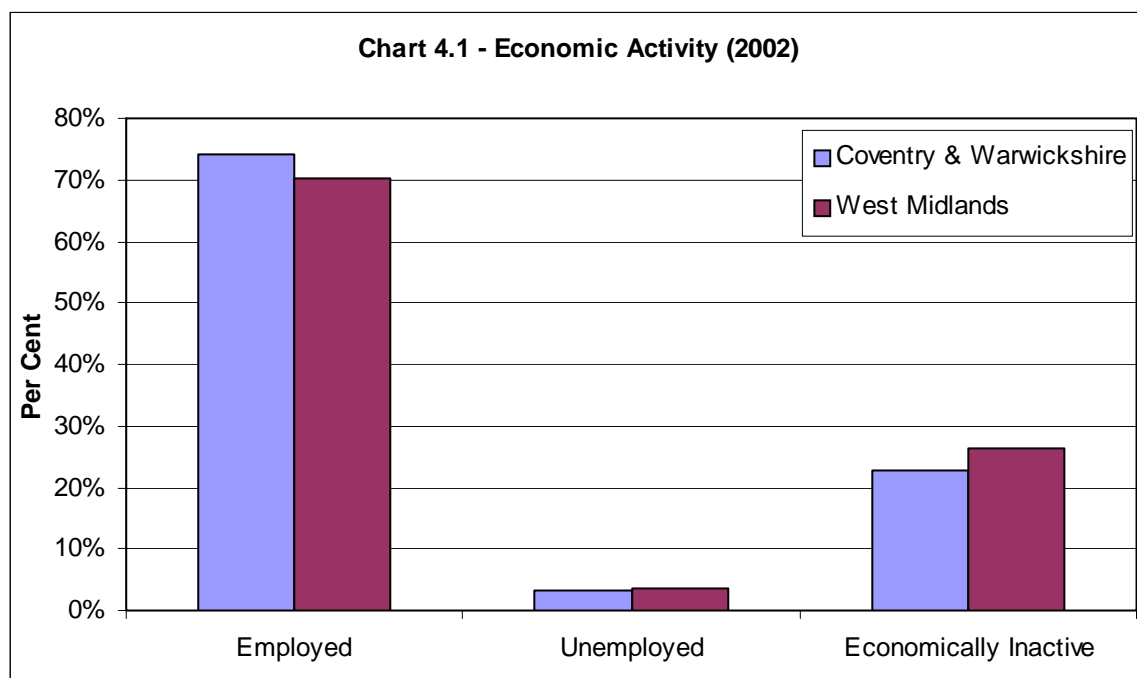
Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

The table shows that the distribution of personal characteristics overall is line with the West Midlands. Close to 10% of the working age population are from an ethnic minority group. In addition, nearly 8% classified themselves as having a disability.

4.1.2 Economic Activity

Chart 4.1 below shows the economic status of the working age population in Coventry and Warwickshire and the West Midlands. Overall there has been a slight fall in the proportion of respondents who are employed in Coventry and Warwickshire area between 2000 (76.7%) and 2002 (74.1%), it remains higher than that for the West Midlands region as a whole. 3.3% of Coventry and Warwickshire are unemployed which is on par with the West Midlands.

The economically inactive make up 22.7% of Coventry and Warwickshire a slight increase on 2000 (18.5%)



Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

Table 4.3 below shows a detailed breakdown of the economic activity of individuals

Table 4.3 - Economic Activity

	West Midlands	Coventry & Warwickshire
	%	%
Employed	70.1	74.1
Self-employed	6.5	6.3
Full-time work (30 hours +)	48.9	51.9
Part-time work (less than 30 hours)	14.7	15.8
Government Training Programme	*	*
Unemployed	3.5	3.3
Claiming Job Seekers Allowance (JSA)	2.0	1.6
Not working, not claiming JSA but have looked for work in last 4 weeks	1.5	1.6
Economically inactive	26.4	22.7
Early retirement	5.2	4.3
Not working, not claiming JSA, not actively looking for work	1.4	0.9
No working, not claiming JSA, not actively looking for work but would take job if one became available	1.1	1.4

Looking after the home/children or other dependents but and not looking to go back to work in then future	5.4	4.1
Looking after the home/children or other dependents but would like to work in then future	5.5	4.9
Doing unpaid voluntary work	*	*
Attending 6 th Form, College or University	4.9	4.3
Long term sick or disabled and away from work	2.8	2.7
Base (all respondents)	24,135	3,060

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

Over two thirds of respondents (74.1%) are employed. The majority of these (52%) work full-time (30 hours or more per week) and a further 6% are self-employed. 16% of the sample is employed part-time.

Men are more likely to be employed (79%) than women (69.5%). They are also more likely to be self-employed and to be working full-time. Females were more likely to be working part-time. In terms of ethnicity 'white' people account for 74.7% of the employed population and 'non-white' account for 68.2%. The proportion of respondents who are employed increases with age, until we reach those aged 35 - 44, with a notable decrease amongst the highest age group (55 and over). The proportion who are self-employed increases with age despite some minor fluctuations: only 1.8% of those aged 16 – 18 and (1.3%) of those aged 19 - 20 are self-employed compared to (7.4%) of those aged 55 and over. 36.5% of employed individuals have a disability or illness. The proportions of individuals who are employed varies only slightly across the Local Authority District from a low of (73%) in Coventry, Warwick and North Warwick to a high of (77%) in Rugby. A detailed discussion of the economic activity of employed individuals in key cluster are contained a series of cluster reports that have been produced. For more information please refer to Annex 1.

Key Issue

The proportion of individuals that are employed generally increases with age. However there is a notable decline amongst those aged 55 plus.

Those who are classified as economically inactive account for the majority of economic activity after the employed whilst the unemployed account for 3.3%

There is little difference in unemployment by the major variables. However unemployment is highest in Coventry. At nearly 5% it is nearly twice the rate experienced in all the other areas.

Just under 23% of the adult population are economically inactive. Within this group, those looking after dependents/home, those attending college, university, those who have taken early retirement made up the largest part. Females are much more likely to be economically inactive (28.3%) than males (16.5%). In particular they are more likely to be looking after dependents (15.9% of females compared to 1.3% of males). Those classified as economically inactive decreases with age until 35 – 44 with a major increase amongst those aged 55 plus.

People who have a disability or long-term illness are far more likely to be economically inactive 60.5% compared to 19.5%. Within this they are more likely to have taken early retirement.

Key Issues

Women are more likely to be economically inactive than men.

Those looking after the home/dependents, students and the retired make up the largest proportion of the economically inactive.

4.2 Participation

4.2.1 Measuring Adult Participation

Respondents from the Household Survey were asked about any learning, **taught and non-taught**, they may have done or may be doing now. The definitions of taught and non-taught learning are:

Taught Learning -	Non-taught learning –
<ul style="list-style-type: none"> • Any taught classes that were meant to lead to qualifications; • Any taught courses designed to help develop skills that might be used in a job; • Any courses, instruction or tuition in driving, playing a musical instrument, in an art or craft, in a sport or in any practical skill; • Evening classes; • Learning which has involved working on one's own from a package of materials provided by an employer, college, commercial organization or other training provider; • Any other taught course, instruction or tuition; 	<ul style="list-style-type: none"> • Studying for qualifications without taking part in a taught course; • Supervised training while actually doing a job (<i>i.e.</i> when a manager or experienced colleague has spent time with an employee helping learn or develop skills as specific tasks are done at work); • Time spent keeping up to date with developments in the type of work done without taking part in a taught course – <i>e.g.</i> by reading books, manuals or journals or attending seminars; • Deliberately trying to improve knowledge about anything or teaching oneself a skill without taking part in a taught course.

Using this data the proportions that have undertaken some form of learning and those who have undertaken no learning were identified. Table 4.4 shows these proportions over the last 12 months and also 3-years. As would be expected the proportion of individuals undertaking learning is higher over 3-years than 12-months.

Table 4.4 – Participation in learning in last 3-years and 12-months

	W Mids	C&W	Employed	Unemploy	Econ Inactive
	%	%	%	%	%
3 Years					
Learner	62.9	67.2	73.1	68.0	45.8
Non-Learner	37.1	32.8	26.9	32.0	54.2
12-months					
Learner	44.1	49.1	54.8	37.0	30.7
Non-Learner	55.9	50.8	45.2	63.0	69.3
Base (all respondents)	24,135	3,060	2,316	100	644

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

Note - The remainder of the discussion will be based on learning undertaken during the past 12-months.

The split between the proportion of learners and non-learners is broadly equal at 49.1% learners and 50.8% for non-learners. Comparisons with the West Midlands show that participation in learning is slightly higher in Coventry and Warwickshire. Within Local Authority District participation is the lowest in Stratford.

In terms of personal and other characteristics of those that have participated in learning:

- There is a general trend that as age increases learning participation decreases. There is a noticeable 'decline' in learning for 55 plus age group
- Those without disabilities are more likely to be learners than those who have disabilities.
- There is little difference by gender
- There is no difference in participation by broad ethnic group
- There is a relationship between qualification attainment and learning participation. A much higher proportion of individuals with no qualifications were classified as non-learners than learners whereas learners are qualified to higher levels than non-learners.

Key Issues

Half of the Coventry and Warwickshire's working age population have not undertaken any learning in the last 12 months, using a very broad definition of what constitutes learning.

Those people with no qualifications, or lower level qualifications, are less likely to be learners than those with higher-level qualifications.

Regarding economic status and learning participation: Those in employment were the most likely to have undertaken learning (54.8%). Within this they were most likely to have undertaken both taught and non-taught learning followed by non-taught learning only. In terms of occupations, the higher the level of occupation the more likely that the individual will have undertaken learning. Please refer to the series of reports in Annex 1 for a discussion of learning with regard to specific industry clusters.

Those classified as unemployed were less likely to have undertaken learning than the employed. Of the learning undertaken it maybe more likely to be both taught and non-taught.

The economically inactive had the lowest participation at 30.7%. Within the learning that was undertaken there is little variation between both taught and non-taught learning and taught learning only. Specific groups within the economically inactive that are the least likely to learn are:

- The long term sick/disabled
- Those looking after home/dependents
- The early retired

Key Issues

Those in employment are much more likely to undertake learning than the unemployed and economically inactive.

Participation in the 'in employment' group varies such that learning is low amongst employees in lower level occupations, particularly those working in Higher Value Added Consumer Products and Food and Drink.

4.2.2 Travel to study

The distances individuals are prepared to travel can impact upon participation. Those that undertake learning but not at home or in the workplace were asked how far they normally travelled to a location where training, learning or studying has been undertaken.

Table 4.5 below shows average distances travelled. The average distance travelled for all individuals was 11.37 miles. This varies by economic activity in that the employed are more likely to travel further 13.55 miles than either the unemployed or inactive. The economically inactive maybe more likely to travel further than the unemployed.

Looking at distance travelled to learn and Local Authority District it can be seen that individuals in Stratford have to travel on average 15.27 miles.

Table 4.5 - Average distance travelled

	Miles (M)	Base
All	11.37	651
Economic Activity		
Employed	13.55	467
Unemployed	3.89	32
Economically Inactive	5.77	152
District		
Coventry	11.42	290
Nuneaton	12.15	93
Rugby	10.22	61
Stratford	15.27	72
Warwick	7.67	96
North Warwick	13.35	39
Urban/Rural		
Urban	11.08	614
Rural	16.60	37

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

Key Issues

Those in employment are far more likely to travel longer distances to learn than the unemployed or economically inactive.

Those living in Stratford have to travel long distances to participate in learning.

4.2.3 Motivations to Learn

Individual's motivations for learning important to consider as they give an indicator as to why people want to learn. Individuals were asked why they had undertaken learning in the past 12-months. These responses are detailed in table 4.6 below.

Table 4.6 - Main reasons why learning was undertaken

	All	Employed	Unemploy.	Econ. Inactive
<i>Multiple responses</i>	%	%	%	%
Personal				
To increase my personal knowledge	22.9	21.6	32.4	29.3
Interested in the subject	12.2	10.7	13.5	21.2
Increased self-esteem	6.9	6.8	8.1	7.6
Pleasure/social inter-action	3.5	2.4	5.4	10.6
My parents wanted me to study/learn	0.6	*	2.7	2.5
Current work-related				
Maintain/upgrade my current skills	33.6	37.1	21.6	13.1
To do my job better	20.1	23.8	0.0	0.0
Employer required it	28.4	33.6	0.0	0.0
Gave some time away from work	*	*	0.0	0.0
Progression/job changing				
Help me get another job	7.8	5.1	29.7	20.7
Gain entry qualifications for another course	5.7	4.6	2.7	13.1
To completely change my career	0.7	0.8	0.0	0.0
Improve long term career prospects	20.1	20.0	21.6	20.7
Other	1.9	1.5	2.7	4.0
No particular reason	1.2	1.2	0.0	1.5
Refused/DK	1.9	1.1	5.4	6.6
Base (respondents undertaken learning in past 12-months)	1,504	1,269	37	198

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset
Base respondents who had undertaken learning in the past 12 months.

Overall the main reason why the respondents had taken part in learning was work-related:

- To maintain or upgrade current skills
- Employer required it

Following this were personal motivations:

- To increase the individual's personal knowledge

Progression/job change reasons included:

- To improve long-term career prospects

Key Issue

Work related reasons are the main motivators for undertaking learning.

There are variations in motivations to learn according to economic status:

Employed individuals as expected were more likely to give current work-related reasons:

Unemployed individuals were most likely to cite for personal matters, as well as reasons related to getting a job.

Economically inactive individuals followed a similar pattern to the unemployed regarding personal reasons in addition to an interest in the subject.

Key Issue

The unemployed and economically inactive tend to participate in learning due to personal reasons (such as an interest in the subject or to increase personal knowledge) rather than work related reasons.

4.2.4 Location of learning

It is interesting to look at where individuals actually undertake learning. Individuals were asked to identify where they went in relation to taking part in a learning activity in the last 12-months.

- Work is the most common place where learning takes place (50.4%)
- This was followed by the home (16.4%)

- Overall 31.9% of individuals attended some form of Educational Institution of which:
 - A College of Further Education (13%) was the most commonly stated.
- Learning through a private training company or training provider received (7.1%)

The use of distance learning is still small as are community venues.

For the employed, apart from 'at work', individuals were more likely to attend an educational institution – in particular a college of Further Education.

The economically inactive were also more likely to attend an educational institution, in particular a University.

Overall those not in employment indicated they were more likely to undertake learning at home than those who are employed.

Key Issues

The most common venue of learning to take place was in the workplace

Colleges appear to be the key venue for learning outside of the home or workplace.

4.2.5 Propensity of continuing or starting learning

Individuals were asked how likely it would be that they would either (i) continue their learning or (ii) start some new learning over the next 12 months. Responses were invited on a scale, ranging from will continue/certain to start to definitely will not start and are shown in table 4.7 below and maybe useful in obtaining a rough gauge as to the propensity for continued/new learning.

Table 4.7 – Likelihood of continuing or starting learning over next 12-months

	All	Employed	Unemploy.	Econ. Inactive
	%	%	%	%
Yes - will continue with learning	22.9	25.0	16.0	16.3
Yes - certain to start new learning	9.4	10.4	15.0	5.0
Yes - likely to start new learning	12.2	13.6	15.0	6.8
<i>Total positive response</i>	<i>44.5</i>	<i>49.0</i>	<i>46.0</i>	<i>28.1</i>
May start new learning	8.6	8.7	11.0	7.9
Unlikely to start any learning	28.6	26.5	19.0	37.9
Definitely will not	7.8	5.8	5.0	15.5
<i>Total negative response</i>	<i>36.4</i>	<i>32.3</i>	<i>24.0</i>	<i>53.4</i>
Don't Know	10.4	10.0	19.0	10.6
Base	3,060	2,316	100	644

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

The likelihood of learning in Coventry and Warwickshire is similar to the West Midlands with the exception that a lower proportion of individuals in Coventry and Warwickshire stated they definitely will not continue or start new learning.

- 44.5% of individuals stated that they would continue, were certain to start or were likely to start learning over the next 12 months.
- 36.4% stated that they were unlikely or would definitely not do so.

Key Issue

Many individuals have a negative view of learning, indicating they are unlikely to start any learning activities in the next 12 months.

Regarding personal characteristics and the likelihood of learning:

- Age is a key factor. In terms of individuals' positive response to learning - this decreases with age. The opposite is true in that the proportion of individuals who give a negative response increases with age.
- Those with a disability may be less likely to give a positive response to learning and are maybe more likely to give a negative response.
- Those who have undertaken learning in the last 12 months are more likely to give a positive response than those who have not undertaken any learning. However it is important to remember that (16.3%) of those who have undertaken some learning in the last 12 months are gave a negative response and (23.3%) of those who had not undertaken learning in the previous 12 months gave a positive response.

Key Issues

Older age groups, particularly those over 55, have the most negative view of future learning.

In terms of economic activity and likelihood of learning:

The employed are the most likely to state a positive response regarding learning (49%) Specifically they are the most likely to continue with learning. However a sizeable number of employed individuals state they are unlikely/definitely will not start any new learning (32.3%).

Forty six per cent of the unemployed gave positive response with regard to future learning. Twenty four per cent stated they are unlikely/definitely will not start any new learning.

The economically inactive are the least likely to be considering undertaking any learning (28.1%) with 53.4% giving a negative response. This is to a large extent due to the individuals who have taken early retirement, or are suffering from a long-term illness or disability, where there is a high proportion of negativity about future learning.

Key Issue

The economically inactive are the least likely to be considering undertaking any learning in the next 12-months.

4.2.6 Barriers to learning

By looking at barriers to learning it may be possible to identify predominant patterns that prevent key groups of individuals from participating in future learning. Table 4.8 below details factors that prevent or discourage individuals from participating in further learning. All respondents have been included.

Table 4.8 – Factors preventing or discouraging future learning

	All	Employed	Unemploy	Economic. Inactive
<i>Multiple responses</i>	%	%	%	%
Motivational	20.9	24.1	8.0	11.5
Take too much time	17.0	20.5	2.0	6.7
Just not interested in any more training or learning	2.7	2.3	4.0	3.9
Do not have the right motivation	0.8	0.8	1.0	0.6
Do not need to learn any more to do job	0.8	1.1	0.0	0.0
Already have enough skills/qualification/knowledge	0.7	0.7	1.0	0.5
Personal	16.0	10.5	14.0	36.2
Have to look after children/dependents	8.6	6.4	7.0	16.6
Illness/disability	2.8	0.5	1.0	11.5
Too old/young	2.5	2.0	0.0	4.8
Lack of available childcare	1.4	1.0	0.0	3.1
Cost of childcare too high	1.1	0.6	2.0	2.8
Supply	7.5	8.0	12.0	5.1
Cost of learning too high	5.2	5.5	7.0	3.6
Training not provided at suitable times	1.3	1.6	0.0	
No suitable facilities close by	*	0.5	2.0	0.6
Do not know what is available	*	*	4.0	0.0
Travel costs too high	0.6	0.5	0.0	0.9
Employer	0.7	0.9	0.0	0.0
Employer will not support me by paying costs	*	0.5	0.0	0.0
Other	0.9	0.9	1.0	1.2
Nothing prevents	57.4	59.8	62.0	47.8
Base (all respondents)	3,060	2,316	100	644

Source: West Midlands Household Survey, Coventry and Warwickshire Dataset

Overall 'nothing prevents me from undertaking learning' was cited the most frequently (57.4%). This was also the most cited reason for the employed, unemployed and economically inactive.

Of reasons given these were largely **motivational**, in particular - Learning would have taken too much time (17%).

Key Issues

The main barriers to learning are either attitudinal (i.e. 'nothing prevents me from undertaking learning') or motivational ('lack of time').

In terms of personal characteristics:

- Females are more likely to state personal reasons than males, as would be expected
- Those with a disability may be more likely to state personal reasons.

In terms of economic status and barriers:

Those in employment were more likely to state motivational barriers 'learning would take too much time'.

The economically inactive were more likely to state personal reasons as barriers, such as:

- Having to look after children/dependents
- Illness/disability prevents me

Key Issues

Over a fifth of the economically inactive are likely to cite childcare as a barrier.

The unemployed are least likely to experience barriers to learning, however they are more likely to highlight factors related to supply (such as cost, not knowing what is available) as a barrier.

4.3 Achievement

The key measure of achievement is qualification attainment of individuals in terms of formally accredited skills. This will be discussed in relation to an individual's achievement against the framework of National Vocational Qualifications (NVQs) equivalencies. Linked to achievement are Basic Skills, which will also be discussed.

4.3.1 Qualifications

Table 4.9 below shows the achievement against the various levels of the national qualifications framework.

Table 4.9 - Highest cumulative qualification held and economic status

	W Mids	Cov & Wark	Employed	Unemploy.	Econ. Inactive
	%	%	%	%	%
No NVQ equivalence	20.3	17.2	14.0	19.0	28.4
NVQ level 1 or above	79.8	82.8	86.0	81.0	71.6
NVQ level 2 or above	68.3	71.3	75.7	62.0	56.7
NVQ level 3 or above	41.1	45.7	50.0	30.0	32.9
NVQ level 4 or above	24.5	27.9	31.4	15.0	17.1
NVQ level 5	3.8	4.7	5.3	4.0	2.6
Base (all respondents)	24,135	3,060	2,316	100	644

Source: West Midlands Household Survey

Key

- Level 1 At least one GCSE A*-G or equivalent
- Level 2 At least five GCSEs A*-C or equivalent
- Level 3 At least two GCE 'A' levels A-E or equivalent
- Level 4 First degree (BA or BSc) level or equivalent
- Level 5 Higher degree (MA, MSc or MBA) level or equivalent

Overall (17.2%) of individuals have no qualifications in Coventry and Warwickshire. This is lower than for the West Midlands as a whole. There has been a substantial reduction in the proportion of people with no qualifications, from the (24%) in the 2000 Household survey. 70% of individuals are qualified to at least level 2 with just under 46% qualified to at least level 3. Just over a quarter have qualifications to at least graduate (Level 4) or postgraduate (just under five per cent at Level 5)

Key Issue

The proportion of individuals in Coventry and Warwickshire with no qualifications is lower than the West Midlands as a whole.

Close to 30% of the economically inactive have no qualifications.

In terms of qualifications and personal and other related characteristics:

- Males are more likely to have a higher qualification attainment (at least level 2) through to level 4 and above.
- The proportion who have no qualifications increases dramatically by age: (13.6%) of those aged 16-24 and (14.5%) of those aged 35 - 44 have no qualifications compared to (31%) of those aged 55 and over.
- A higher proportion of people from ethnic minority groups have no qualifications compared to those from white groups.
- Those with disabilities are more likely to have no qualifications (34%) and less likely to be qualified at higher levels. 21.5% are qualified to Level 4 and above, compared to 28.5% of people without disabilities.
- Individuals who have undertaken learning in the last 12 months are more likely to have qualifications than those who do not (24.2%) compared to 9.9% and are more likely to be qualified to a higher level – 36% are qualified to level 4 and above, compared to 20.1%.

Key Issues

The proportion of individuals with no qualifications dramatically increases with age.

Learners are more likely to have qualifications and at a higher level than non-learners.

In terms of economic activity:

Those in employment are

- Less likely to have no qualifications especially than the economically inactive and also unemployed
- More likely to have qualifications and generally at higher levels
- In general the higher the occupational level the higher the proportion that has qualifications and the higher those qualifications will be.

A discussion on industry clusters and qualifications are detailed in the separate cluster papers detailed in annex 1.

Key Issue

Those in employment are the least likely to have no qualifications and the qualifications they do have are generally at higher levels than the unemployed or economically inactive.

The unemployed are:

- Maybe more likely to have no qualifications than the employed but more likely to have qualifications than the economically inactive
- Display similar attainment levels to the economically inactive with regard to qualifications at levels 3 and 4 and above.

The economically inactive are:

- More likely to have no qualifications than any group especially the employed
- Less likely to be qualified than the employed especially at levels through to level 4 and above.
- Less qualified at lower levels one and two than the unemployed.

Key Issue

The economically inactive are more likely to have no qualifications than any other group.

4.3.2 Basic Skills

Basic skills can be defined as ‘the ability to read, write and speak in English and use mathematics at a level necessary to function and progress at work and in society in general. Basic skills are a key part of the Learning and Skills Council remit both in terms of the achievement of adults and our Workforce Development Strategy.

There are numbers of difficulties in assessing the extent of literacy and numeracy problems in a survey with has a wide ranging of aims. To measure actual literacy and numeracy skills requires complex testing, which is not feasible without being the sole point of the survey. Added to this is the extent to which people recognise and acknowledge (or are willing to admit to) literacy and numeracy problems. As a result the following discussion should be seen as an indication of basic skills issues and will be discussed at a broad level. For more detailed information please refer to the Household Survey 2002.

As an initial filter respondents were asked whether they held any English or Math qualifications. If they did they were not asked any further questions on literacy or numeracy as it was deemed they wouldn’t have a deficiency. Table 4.10 below shows that Coventry and Warwickshire have a lower proportion of individuals who do not have an English or Maths qualifications than the wider West Midlands region.

Table 4.10 – Proportion not holding any English or Maths Qualifications

	W Mids	All	Employed	Unemploy.	Econ. Inactive
	%	%	%	%	%
No English Qualifications	34.3	30.1	27.1	35.0	40.2
No Maths Qualifications	38.7	35.6	32.3	42.0	46.4
Base (all respondents)	24,135	3,060	2,316	100	644

Source: West Midlands Household Survey, 2002

There are differences also by employment status with employed individuals the least likely not to hold any English or maths qualifications with the economically inactive the most likely not to hold any of these qualifications.

Key Issue

Those in employment are the least likely NOT to hold any maths or English qualifications, and the economically inactive the most.

Simply not having an English or Maths qualification on it's own doesn't indicate an individual has a basic skill deficiency. Therefore to measure the extent of any deficiencies, those who did not have a Maths or English qualification were asked a series of further questions.

Table 4.11 below shows that in Coventry and Warwickshire have lower deficiencies than the West Midlands as a whole. Just over 5 per cent of respondents have a literacy skills deficiency and 5.8 per cent of respondents have a numeracy skills deficiency. There is limited overlap between these two groups, as only 1.8 per cent of respondents have both literacy and numeracy problems. In total just under 91 per cent of respondents do not have a basic skills deficiency.

Key Issue

X. As an indicator overall individuals tend to have either literacy OR numeracy deficiencies as opposed to both.

Table 4.11 - Basic Skills deficiencies

	W Mids	All	Employed	Unemployed	Econ. Inactive
	%	%	%	%	%
Has literacy skills deficiency	6.6	5.1	4.2	5.0	8.2
Has numeracy skills deficiency	6.5	5.8	4.9	9.0	8.5
Has both literacy and numeracy skills deficiency	2.4	1.8	1.4	2.0	3.3
Doesn't have literacy and numeracy skills deficiency	89.2	90.9	92.3	88.0	86.5
Base (all respondents)	24,135	3,060	2,316	100	644

Source: West Midlands Household Survey, 2002

In terms of basic skills and personal and other characteristics:

- Deficiencies are generally likely to exist as the age of the respondent increases, although there are minorities of the youngest age groups who face basic skill issues
- Deficiencies are more likely to exist amongst non-white ethnic groups
- Those with disabilities are more likely to have literacy and numeracy problems
- Just less than a third (30 per cent) of those with no qualifications also have basic skill deficiencies.
- It is less likely that a person with basic skills deficiencies will have undertaken any learning

In terms of employment – those who were working are less likely to have any basic skills deficiencies. Also those in lower level occupations are more likely to have a deficiency than intermediate or higher level occupations. An overview of basic skills in relation to industry clusters is discussed in the series of cluster reports detailed in annex 1.

Key Issues

As a proportion of all individuals, those in employment are less likely to have basic skills deficiencies.

Basic skills deficiencies are an issue for some individuals in employment, particularly those in the food and drink and higher value added consumer product clusters.

The unemployed and economically inactive are more likely to have basic skills deficiencies with:

- The unemployed – more likely to have numeracy skill deficiencies
- The economically inactive – more likely to have literacy skills deficiencies and more likely to have both literacy and numeracy deficiencies.

A second way to look at this is to ask 'who are the people who have basic skill deficiencies'? It is useful to look at who these people are. This shows that individuals with basic skill deficiencies:

- Are likely to be older. Young people form only a small percentage of those who have such skill shortfalls.
- Are actually in work
- Nearly all have no, or very low levels of qualifications

Key Issue

Looking specifically at those who basic skills deficiencies – a large proportion are in employment.

4.4 LSC Specific Populations

Based on the discussion on participation and achievement in sections 4.2 and 4.3 above the following are specific populations of interest that are of key importance to Coventry and Warwickshire Learning and Skills Council.

4.4.1 Minority Ethnic Groups

According to the 2002 Coventry and Warwickshire Household Survey approximately 10% of the working age population are from an ethnic minority group

There is no real difference in participation in learning by broad ethnic group with those classified as white 49.3% and non-white 48.3% having participated in learning over the last 12-months.

In terms of achievement, a higher proportion of people from ethnic minority groups have no qualifications at 25% compared to those from white groups 16.4%

Whilst non-white ethnic groups are more likely to have basic skills deficiencies, given the local population those with basic skills deficiencies are more likely to be white.

4.4.2 Asylum Seekers and Refugees

In November 2002 Coventry and Warwickshire Learning and Skills Council commissioned The University of Birmingham in conjunction with NIACE and BMG to undertake a study to:

Identify the number and characteristics of refugees and asylum seekers (aged 14 to 65) living in Coventry and Warwickshire and investigate their skills and support needs.

This project has come about as a result of an identified knowledge gap regarding detailed information on asylum seekers and refugees'

The project has a number of stages including a Household Survey of around 350 individuals, in-depth interviews and focus groups and will provide us with key information amongst other things their participation in learning together with details of qualification achievement both in their home country and whilst in Coventry and Warwickshire.

The project will report at the end of March 2003 together with a series of dissemination events.

4.4.3 Those with a disability or illness

Around 8% of the working age population identified themselves as having an illness or disability that affects the kind of work they could do according to the 2002 Coventry and Warwickshire Household Survey.

Regarding participation, those with a disability are less likely to be learners than those without a disability 30.1% compared to 50.7%

In looking at individuals propensity to start or continue with learning, the disabled maybe more likely to give a negative response 55% compared to 34.9%

Looking at barriers to learning, those with a disability are more likely to state personal reasons 42.9% where as those without a disability are more likely to state motivational reasons.

Achievement of those with disabilities is also lower. They are more likely to have no qualifications 33.5% compared to 15.9%. They are also less likely to be qualified at higher levels.

In terms of Basic Skills deficiencies those with disabilities are more likely to have literacy and numeracy problems.

4.4.4 Older age groups

In terms of age distribution of the working age population, the 2002 Coventry and Warwickshire Household Survey identified:

Age Band	Proportion of Working Age Population
35 – 44	26.8%
45 – 54	20.7%
55 +	12.7%

As a result those individuals that make-up the older population are a key factor.

Age is a key factor in learning participation:

- As age increases, learning participation decreases with a noticeable 'decline' in learning for those aged 55 plus (32.6%). Participation for those aged 35 – 44 (46.9%) and for those aged 45 – 54 (46.7%)
- Regarding an individuals propensity to start or continue with learning - this decreases with age. The opposite is true in that the proportion of individuals who give a negative response increases with age.

As a result participation amongst older groups represents a challenge especially in light of an ageing population. This highlights the need to encourage participation in learning later in life.

Looking at achievement and age, overall the proportion with no qualifications increases dramatically by age:

- Age 35-44 (14.5%)
- Age 45-54 (22.6%)
- Age 55 plus (31%)

Generally qualification attainment at each level also decreases with age.

Regarding Basic Skills deficiencies these are generally likely to exist as the age of the respondent increases, although there are minorities of the youngest age groups who face basic skill issues. However those with basic skills deficiencies are likely to be older.

Chapter 5 – Employers – Encouraging Engagement in the Workforce Development Agenda

The Learning and Skills Council cannot achieve its strategic vision by just persuading individual young people or adults of the benefits of improving their own learning and skills. In driving up the learning and skills of the nation it is recognised that we will also need to ‘convince individual employers that systematic engagement in training and developing their workforce will raise their own productivity and competitiveness.’¹ It follows that a sound insight into employers and employees, and a keen analysis of these needs will help facilitate success in this task

It is important to recognise that employers are not a homogenous group and different types of employers have different skill needs. Following user feedback on the last Skills Assessment we have decided to reflect these differences by providing an analysis of skills and engagement issues for each of AWM’s Industrial Clusters. These cluster papers are included as appendices and review similar issues as presented in this chapter as a whole, along with an analysis of issues for employees in each cluster.

The remainder of this chapter is divided into three sections:

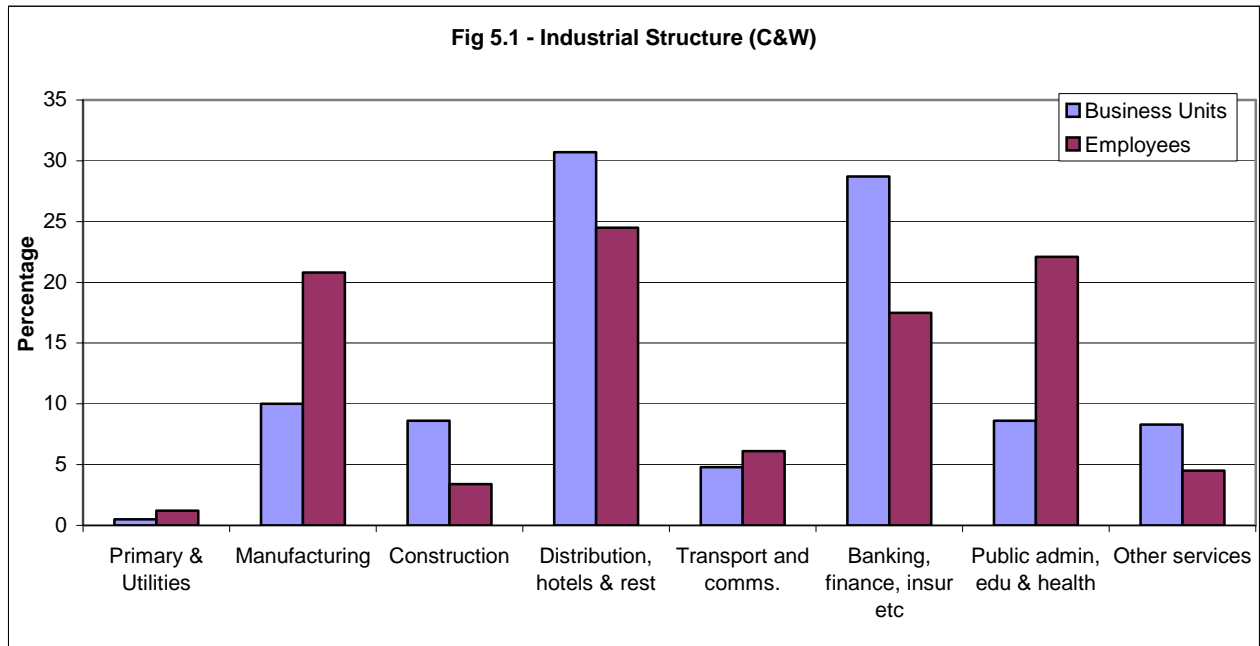
- Section 5.1 provides an analysis of the profile of employers, by size and sector.
- Section 5.2 investigates the skills needs of employers
- Section 5.3 reviews employers engagement with training and human resource development.

¹ LSC, Strategic Framework to 2004: Corporate Plan (Coventry: LSC, 2001), p.6.

5.1 Profile of Employers

5.1.1 Employers and Employees by Sector

There are close to 30,000 employers within the Coventry and Warwickshire sub-region. These employ a total of 355,769 staff (ABI 2000). Figure 5.1 below shows the distribution of these employers, and employees, by broad industrial sector.



Source: ONS, Annual Business Inquiry 2000

The graph above shows that the employment is concentrated within 4 major sectors; ‘manufacturing’; ‘distribution, hotels and restaurants’; ‘banking, finance and insurance’ and ‘public administration, education and health’. Employment in manufacturing is particularly high in the sub-region accounting for 21% of all employment, compared to 15% in Great Britain as a whole.

It is interesting to note that the proportion of employees is much higher than the proportion of business units for some sectors (e.g. manufacturing, public administration, education and health). This indicates that businesses in these sectors employ more staff than average. By contrast where the proportion of business units is higher (e.g. construction) employers will be relatively small. Employment by size of business is investigated in greater detail in the next sub-section.

5.1.2 Employers by Size

Small employers dominate the Coventry and Warwickshire economy. Employers with ten or fewer employees account for 83% of all business. This proportion is even higher for some sectors; notably construction (94.2%) and banking, finance and insurance (91.2%). Full details of employment by size and sector are shown on the table below:

Table 5.1: Business Units by Sizeband

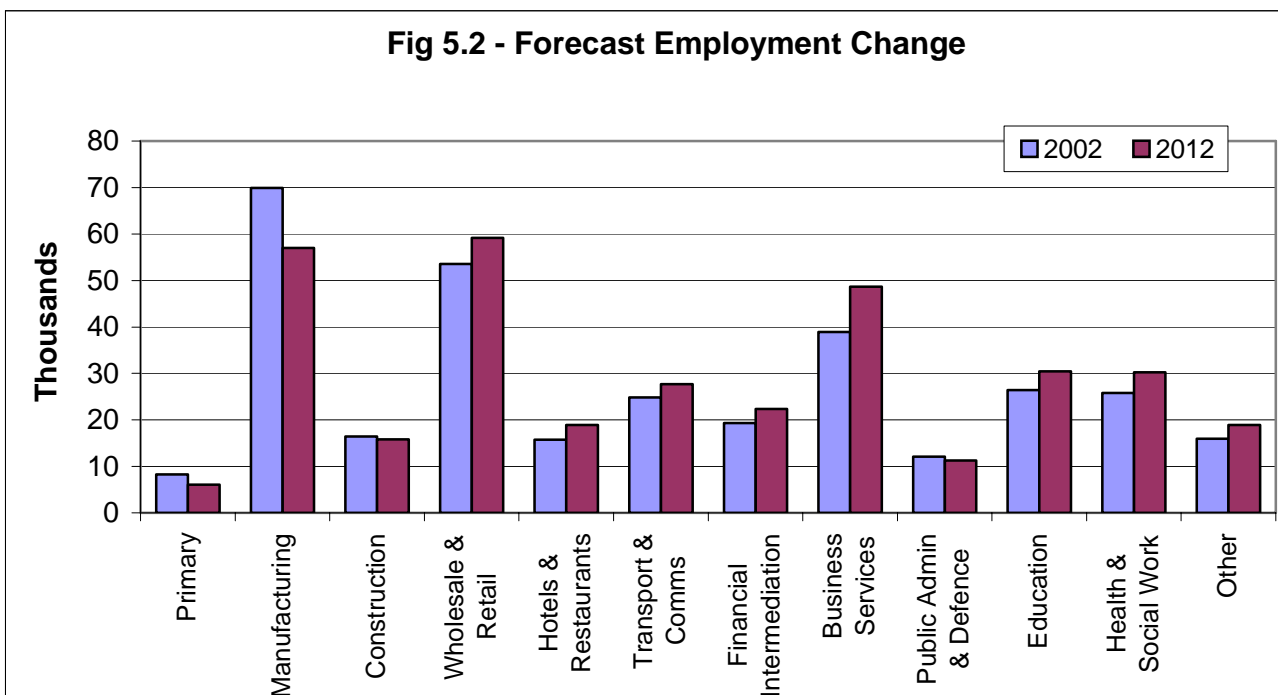
Industry	1-10 employees %	11-49 employees %	50-199 employees %	200+ employees %
Primary and Utilities	71.4	16.5	8.3	3.8
Manufacturing	73.3	18.1	6.7	1.9
Construction	94.2	4.9	c	c
Distribution, hotels & rest	83.4	13.8	2.3	0.5
Transport and comms	82.3	12.0	c	c
Banking, finance & insurance	91.2	6.9	1.4	0.5
Public admin, edu & health	48.7	39.9	9.7	1.7
Other services	90.1	8.1	c	c
Average	83.0	13.2	3.1	0.7
Total (n)	24701	3926	909	223

Source: ONS, Annual Business Inquiry 2000
c = confidential data (less than 20 units)

It is important to note that although businesses with more than 200 employees account for only 0.7% of business units they are extremely important to the local economy due to the number of staff they employ. These 223 employers employ a total 116,315 employees. This amounts to 33% of all employment in the sub-region.

5.1.3 Economic Forecasts

Clearly the economic structure as outlined in 5.1.2 and 5.1.3 is continually changing. As such it is important that the LSC is aware of future as well as current needs. The graph below starts this process by looking at how we expect the industrial structure to change in the period to 2012. Generally it can be seen that there is expected to be a growth in service sector industries (eg Wholesale and Retail, Business Services, Education) and a fall in primary and secondary industries (eg primary, manufacturing).



Source: Coventry and Warwickshire Economic Forecasting Model, Business Strategies Ltd

Key Issues:

Overall employment is expected to fall in manufacturing, which has relatively high local employment. However there is a need to encourage young people into high skilled occupations within the sector.

Employment is rising in the service sector, particularly in Business Services.

5.2 Skill Needs of Employers

Skills needs and problems vary by different types of employers. As such a general analysis of skills needs by all employers will not be presented in this assessment. Instead a detailed analysis of skill needs, along with skills deficiencies is presented on a cluster-by-cluster basis. A detailed assessment for each cluster can be found in annex 1, the table below presents a very brief summary of key issues:

Table 5.2 : Skills Needs by Cluster (summary)

	Cluster	Skill Needs	Skill Deficiencies
1	Building Technologies	Job Specific Technical Skills	Average
2	Food & Drink	Job Specific Technical Skills	None
3	Environmental Technologies	Job Specific Technical Skills	High
4	HVA Consumer Products	Customer Handling Job Specific Technical Skills	None
5	Tourism & Leisure	Customer Handling	High
6	Specialist Business Services	Job Specific Technical Skills	Low
7	Transport Technologies	Information Technology Job Specific Technical Skills	Very High
8	Medical Technologies	n/a	n/a
9	Information Communication Technology	Information Technology	Very High
10	Education and Entertainment Media	Job Specific Technical Skills Communication	Very Low

Source: LSC Cluster Skills Papers – see annex 1

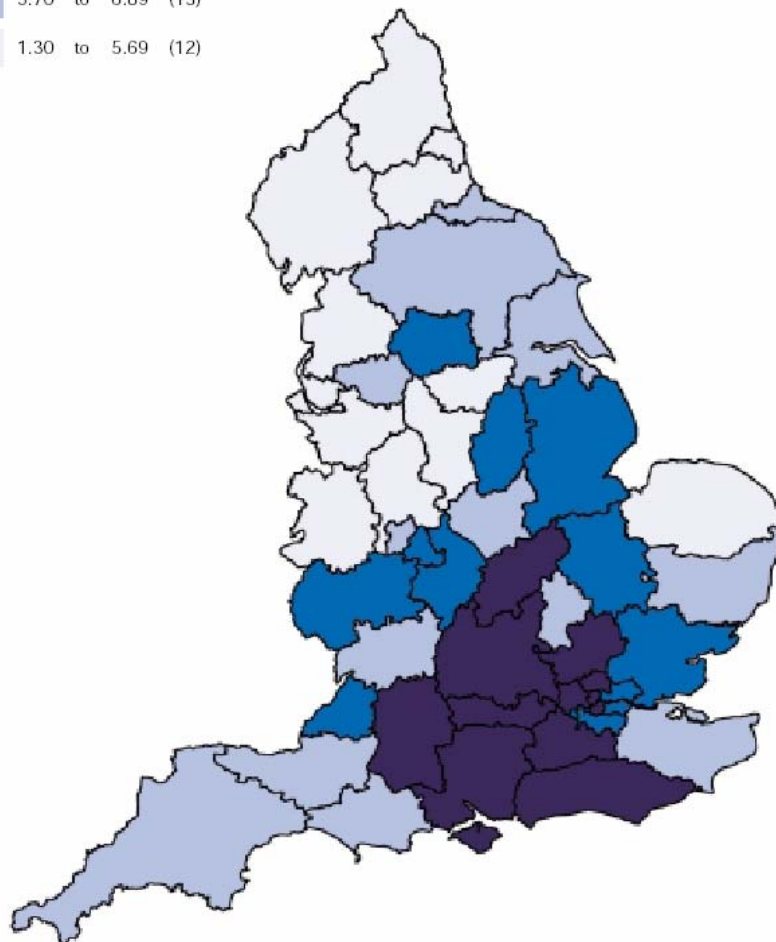
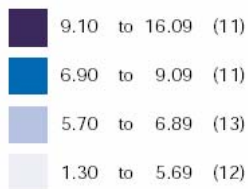
Key Issue:

Skills needs and shortages vary significantly across the economy.

Many employers, particularly those within **Transport Technologies, ICT and Building Technologies**, experience difficulties obtaining the skills they require from their employees..

When comparing the incidences skills shortages they seem to be a bigger issue in Coventry and Warwickshire than many other parts of the country. In 2002 the Institute of Employment Research conducted a spatial analysis of the national Employer Skills Survey¹. This study found that there was a general North-South divide, with the incidence of skill deficiencies greatest in southern England. Skills shortages were found to be more prevalent in Coventry and Warwickshire than any other areas of the West Midlands. A map of the findings is shown below.

Skill shortage vacancies
Percent of establishments reporting



¹ Skills, local areas and unemployment (IER, DfES 2002)

A typology of LLSC areas was developed, incorporating two dimensions. These were the density of skill-shortage vacancies and the expected density of skill-shortage vacancies on the basis of the ILO unemployment rate.

1st Dimension:

- 1) *higher* than England average density of skill-shortage vacancies (code 1)
- 2) *lower* than England average density of skill-shortage vacancies (code 2)

2nd Dimension:

- a) *higher* than expected density of skill shortages on the basis of ILO unemployment rate -(code a)
- b) *similar* to expected density of skill shortages on the basis of ILO unemployment rate -(code b)
- c) *lower* than expected density of skill shortages on the basis of ILO unemployment rate -(code c)

Combining these two dimensions, a 6-fold categorisation is obtained. 7 LLSC areas were allocated in each of the 6 categories. Coventry and Warwickshire was categorised as a Category 1C area. This is to say that:

Key Issue:

In comparison to England as a whole there is a higher than average density of skills shortages in Coventry and Warwickshire, but this level is lower than would be expected given the unemployment rate.

5.3 Employer Engagement

Employer training activity varies by different types of employers. In the same way as section 5.2 a detailed analysis of training activity, business planning and human resource issues is presented on a cluster-by-cluster basis in annex 1. The table below presents a very brief summary of key issues:

Table 5.2 : Employer Engagement by Cluster (summary)

	Cluster	Training Activity	Human Resource Issues
1	Building Technologies	Average	Low
2	Food & Drink	Very Low	Very Low
3	Environmental Technologies	Very High	Average
4	HVA Consumer Products	Low	Very Low
5	Tourism & Leisure	High	Average
6	Specialist Business Services	Average	Average
7	Transport Technologies	Very High	Average
8	Medical Technologies	n/a	n/a
9	Information Communication Technology	Average	Average
10	Education and Entertainment Media	High	High

Source: LSC Cluster Skills Papers, annex 1

Key Issue:

Employers commitment to training and developing the skills of their staff varies significantly.

Many employers, particularly those within High Value Added Consumer Products and Food and Drink do not appear to be engaged with the workforce development agenda.

Chapter 6 – Key Planning Issues and Priorities for Future Research

This chapter discusses key planning issues (section 6.1) and outlines future research priorities for the local LSC (section 6.2)

6.1 Key Planning Issues

The Skills Assessment 2001/02 identified five key planning themes, which the LSC plans aimed to address. These are long-term issues, which will not be addressed overnight. As such they remain relevant one year on.

Structural issues relate to the economic geography of the sub-region. There is a clear geographic imbalance in the sub-region between a prosperous south and a relatively poor north. In addition it is clear that the sub-region faces problems due to its comparative reliance on manufacturing. Employment in these industries is in decline yet there are skills shortages and an increasing demand to recruit young people into skilled occupations.

Workforce development issues relate to meeting the skills needs of employers, and engaging them with the workforce development agenda. Skills shortages exist across the economy but particularly in the transport technologies cluster and ICT. Employers are key purchasers of training; so it is encouraging to see their training activity increase over the past year. Yet this remains low in some sectors and in small companies generally.

Achievement and retention in learning relates to various issues connected to participation in learning as well as achieving a recognised qualification. Here there is a geographic imbalance between educational achievement in Coventry and Warwickshire. There are also imbalances between the participation and results of male and females as well as by ethnic group.

Under the 'learning divide', there are issues around access to learning. Here is noticeable that people who are economically inactive are less likely to

undertake learning, and are more likely to experience barriers to learning. By contrast those in employment, particularly those in higher level occupations and with existing qualifications, are more likely to be learners. Basic skills problems are concentrated within particular sections of the population.

Quality of provision is fundamental to the LSC achieving its strategic aims. Recent guidance on Skills Assessments from LSC National Office has indicated that this should be more properly addressed through Provider Performance Review and the Quality Improvement Strategy.

6.2 Research Priorities

In last year's Assessment a series of gaps in intelligence were identified. Some of these are listed below together with the steps, which have been taken to address them. Those that have not been addressed this year will be addressed between April 2003 and March 2005.

Information on Asylum Seekers and Refugees and their needs

- A research study started in November 2002 focusing on this group
- 300 asylum seekers and refugees will be surveyed together with their representatives and learning providers.
- Results are expected in March 2003, and will feed into next year's Skills Assessment while immediate issues will be addressed during the year.

Information on Basic Skill needs

- A research study, guided by the Basic Skills Partnership, is due to start in April 2003
- The study will focus on ESOL needs, as these are perceived as the main gap in existing knowledge.
- Results are expected in August 2003 and will inform future work on Basic Skills.

Employer satisfaction with local training provision

- This will be addressed in the new national survey of employers which we will participate in.
- This survey, which is being led by LSC National Office, is due to be conducted in April 2003, and every two years thereafter.