

APPENDIX 1

Isle of Wight Skills Plan

Contents

- 1) Introduction
- 2) Executive Summary
- 3) Economic overview
- 4) Impact of COVID – unemployment; occupations; sectors
- 5) Educational attainment and participation
- 6) Policy context – national and local
- 7) Current employment and skills landscape
- 8) Challenges and opportunities
- 9) Priorities and key actions
- 10) Action Plan
- 11) Governance

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1) Introduction

The Island Regeneration Strategy ‘Inspiration Island’ outlines an ambition for the Isle of Wight to be *“an inspiring place to grow up, live, work and visit”*. It will do this taking forward a series of actions to address the key challenges facing the island’s economy. Central to this is the need to ensure that there is a skilled and productive workforce available to meet the current and future skills needs of employers.

This means working together with employers and educators to help them to identify and address some of the key challenges that stand in the way of this ambition.

This plan aims to describe some of these key challenges, particularly as we emerge from the pandemic, and suggests a series of priorities and action that can be taken now and into the future, to help grow the skills base of the island, give young people high quality career opportunities and help adults to train and upskill throughout their working lives.

2) Executive Summary

The Isle of Wight economy generated some £2.8bn of economic activity (GVA) in 2019, which accounts for about 10% of the total GVA of the Solent economy. Prior to the pandemic there was strong growth – comparable to Hampshire - and outperforming South East, Solent and the cities.

However the Island has a large skills gap with comparator areas at the top of the skills distribution. 33.4% residents of working age have a degree or higher (Level 4+) qualification compared to 44.9% in the South East and 43.1% in the UK . The proportion of highly skilled residents on the Island has increased in line with the national average but the gap with other areas has widened.

The growth in highly skilled occupations on the island was faster than the UK average but below other comparator areas. One in five residents are found in low skilled occupations and the Island has, alongside Southampton, seen growth in low skilled occupations since 2010.

In summary, the occupational structure of the island mirrors its demographics and industrial structure, and the skills profile of its residents, suggesting that there is a need to raise both the demand for, and supply of, higher level skills in order to support the future growth of the economy.

The impact of COVID has been significant and in particular has had a negative impact on 18-24 unemployment and sectors such as tourism and manufacturing which employ relatively large numbers of people on the island. However, there has been an increase in demand for jobs – including higher level skilled roles – in the health and social care sectors.

Government has put in place a package of measures to strengthen existing employment and skills support and help people back into the labour market as soon as possible. Importantly there is a recognition that young people are particularly vulnerable due to their lack of experience in work.

There are already many successful programmes operating across the island to promote skills and employability and to support vulnerable young people and adults at risk of social and economic exclusion. In particular there has been significant progress recently to better engage employers in education and careers programmes through the work of Island Futures and the Island Careers

Partnership. There has also been a commitment to grow apprenticeships, as well as technical skills through initiatives such as the Isle of Wight College's new Centre of Excellence for Composites, Advanced Manufacturing and Marine (CECMM). The i-aspire initiative has begun to raise the profile of higher level opportunities and support the development of targeted provision to meet identified needs. The recent designation of the Isle of Wight College as a University Centre is also a welcome development in expanding the offer and encouraging the take up of higher level skills across the island. Also the government's flagship Skills Boot camp programme, which upskills employees without the need to take a qualification, is being delivered on the island in digital marketing, digital technician and engineering technician roles. In addition, the Isle of Wight is a partner in the Skills Accelerator (Strategic Development Fund pilot) which allows the growth of higher level skills in emerging technologies, cleaner growth, and digital sectors. Alongside these programmes, a more highly targeted adult and community learning offer is encouraging adults to engage in learning, creating progression into higher level opportunities and championing a culture of lifelong learning for wellbeing as well as work.

Through consultation with key stakeholders the following priorities have been identified, which are underpinned by a more detailed action plan to be taken forward over the next 12-24 months.

- **Aligning aspiration and opportunity to better meet employers skills needs**

This priority will aim to put employers at the centre of the IOW's skills system, better understanding their current and future skills needs, and helping them to access a suitably skilled workforce. It will work to raise awareness of the wide range of inspirational career opportunities available on the island, continue to build mutually beneficial relationships which will better integrate the worlds of education and employment, raising the aspirations of young people and improving participation and attainment.

- **Developing a highly skilled, productive and future ready workforce**

This priority will focus on raising skills levels across the island, ensuring sufficient higher level provision which is targeted at the needs of key sectors, and improving level 4/5 technical opportunities, matched to labour market needs. It will build on the i-aspire programme, support the education and skills ambition of the Digital Island Strategy, the IOW University Centre and the Solent Institute of Technology (IoT). It will also encourage upskilling within the workforce, promoting a culture of lifelong learning, support for adults who wish to gain employment or change careers and encourage better take up of leadership and management skills as a driver of innovation, entrepreneurship and growth. It will aim to increase productivity driven by higher skills levels and ultimately close the gap in average earnings between IOW residents and UK averages.

- **Enabling opportunities for all and a more inclusive approach to growth**

This priority will focus on improving participation in education and training and employment for disadvantaged groups and communities with high deprivation indicators. It will work with partner organisations to engage and support people to access training and employment programmes and will also consider accessibility for protected groups, ensuring access to opportunity for all.

3) Economic overview

IOW Economic Profile (Nov 2019)

The Isle of Wight Economy

- The Isle of Wight generated some £2.8bn of economic activity (GVA) in 2017, which accounts for about 10% of the total GVA of the Solent economy. Health & social care and manufacturing are the largest industrial sectors followed by construction and accommodation and food. Higher value services are underrepresented in terms of their contribution to GVA.
- Economic growth on the Island was on average faster than in most comparable areas; the economy was almost 2.1 times larger in 2017 than in 1998. Growth in real inflation adjusted GVA averaged 2.7% p.a. between 1998 and 2008, is there any further more relevant data? 2008 is a long time ago or has the pattern of growth continued and could we say this? comparable to Hampshire and faster than the South East average, Solent or the two cities.
- Relatively strong growth in the economy was driven largely by manufacturing and several high productivity services. Within manufacturing growth was robust in machinery & transport and manufacture of electronic, optical and electrical products. GVA growth in professional, scientific & technical services was robust and on average faster than before the recession.
- ICT was a strong performing sector. Real growth in ICT was slower than before the recession but nevertheless about three times as fast as the growth in the economy as a whole. Growth in tourism related activities was also robust over this period. Economic activity on the Island has continued to shift from public admin & education, wholesale and transport activities to higher value manufacturing and higher value services.

Skills & Occupations – key points

The Island has a large skills gap with comparator areas at the top of the skills distribution. A third of residents of working age have a degree or higher (Level 4+) qualification. The proportion of highly skilled residents on the Island has increased in line with the national average but the gap with other areas has widened.

33.4% of the population is qualified to NVQ4 compared to 44.9% in the South East and 43.1% in GB (ONS Dec 2020) This has increased from 22.4% in 2009.

	IOW%	South East %	Great Britain%
Level 4 +	33.4	44.9	43.1
Level 3+	55	63.5	61.4
Level 2+	76.9	80.6	78.2
Level 1+	88.9	90.3	87.9
No Qualifications	5.8	4.9	6.4

As a result of its industrial structure the Island has a high concentration of residents with intermediate skills. The growth in the proportion of residents with intermediate skills on the Island has been twice as fast as the national average and fastest across comparator areas.

55% of the population is qualified to NVQ3 compared to 63.5% in the South East and 61.4% in the UK (ONS Dec 2020) This has increased from 42.5% in 2009.

There is a concentration of people with low or no qualifications (about one in five residents of working age). This is mostly explained by the Island's demographic and occupational structure. The Isle of Wight has made significant progress in reducing the proportion of low skilled or residents with no formal skills and the improvement on the Island has been faster than in comparator areas.

This is significant because skills distribution is a factor that affects inward investment and sectoral distribution. A relatively low proportion of people with a degree or higher qualification is likely to be a barrier to inward investment and future growth of higher value services, such as digital technologies and professional services.

Growth in higher skilled occupations was sluggish compared to comparator areas but faster than the UK average. The proportion of higher skilled occupations is low but there is a high concentration of medium-skilled occupations. The growth in highly skilled occupations was faster than the UK average but below other comparator areas. One in five residents are found in low skilled occupations and the Island has, alongside Southampton, seen growth in low skilled occupations since 2010.

In summary, the occupational structure of the island mirrors its demographics and industrial structure, and the skills profile of its residents, suggesting that there is a need to raise both the demand for, and supply of, higher level skills in order to support the future growth of the economy.

Employers views

The 2019 Economic Analysis included a survey of employers on the island. They were asked about their recruitment activity and the ability to fill vacancies.

Where businesses faced difficulties recruiting the most common reasons given were 'too few or no applicants' (16%) and 'lacks skills or experience' (15%). A lack of qualifications (5%) does not appear to be a significant issue for most businesses.

Nonetheless, as detailed above, the Economic Profile highlights a large skills gap with comparator areas at the top of the skills distribution. While the Island has a historically high concentration of intermediate skills, the result of its industrial structure is that there remains a concentration of people with low or no qualifications.

By sector, public services (80%) was more likely to have recruited in the past 12 months (2018-19) and also most likely to successfully fill vacancies (100%). Wholesale & retail (21%) was the least likely to have recruited but was nevertheless relatively successful at filling vacancies. However, most sectors were generally successful at filling vacancies.

When asked if businesses had experienced any difficulties recruiting, professional services was least likely to report difficulties with 50% saying 'No'. However, for all other sectors their difficulties were more prevalent and workforce skills are a widely reported concern, particularly post-Brexit with concerns over access to EU workers. As a specialised sector, the marine & maritime sector had a fairly even split across all three types of difficulties, but was relatively high for lack of qualifications compared to other sectors. This perhaps ties in with a greater demand for highly specialised elements

and where science, technology, engineering, and mathematics (STEM) skills are needed. A lack of skills/experience was highest for production & construction (44%).

4) Impact of COVID

[Labour Market Profile - Nomis - Official Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk)

Unemployment headlines

Unemployment on the island is high compared to SE and GB levels. The all age claimant count was 4.2% (Oct 21) compared to SE 3.8% and GB 4.8. For the last 12 months the all age claimant count on the Isle of Wight has been between 4.2% and 6.9%. There are currently 3,365 people of working age claiming unemployment benefit on the Isle of Wight.

There is also a higher than average economic inactivity rate (23.9%) compared to 19.2% SE and 21.6% GB. Although this is partially explained by the population demographics on the island – there are fewer people of working age, with 16-64 year olds making up 56.1% of IOW population compared to 61.2% in SE and 62.5% GB and a higher proportion of retired people (19.5%) compared to 16.4% SE and 13.6% GB) However there are also higher levels of economically inactive people reporting that they want a job (33.5%) compared to 21.4% SE and 20.7% nationally

This is reflected in a higher proportion of workless households (17.8%) compared to 10.5% SE and 13.6% UK and whilst this had increasing from Dec 2017 to 2019 (against a declining national trend) The numbers have reduced in Dec 2020 back down to 2017 levels (currently 6,700 workless households on the Isle of Wight).

For young people, who have been disproportionately affected by the impact of COVID, the 18-24 claimant rate was 5.9% (compared to 4.9% in the SE and 6 % UK) For the last 12 months to October 2021, the 18-24 claimant count has been above as high as 12% compared to a pre-pandemic average of 4.8% between April 2019-March 2020.

Occupations

In terms of the impact of COVID on particular occupations on the island, the EMSI response tracker (Dec 2019 – Jan 2021) compares occupations that are important to the area (high location quotient) with an exposure index that shows the relative impact of COVID on these occupations. Occupations that are both important to the IOW and have been affected by the economic impact of the pandemic are:

- Chefs
- Kitchen and catering assistants
- Sales and retail assistants
- Cleaners and domestics
- Van drivers
- Administrative occupations
- Office managers

Occupations that are significant employers on the IOW and have been less adversely affected by the pandemic are:

- Medical practitioners
- Nurses
- Care workers and home carers
- Education
- Prisons

All of these occupations have seen an increase in demand for jobs between Dec 2019 and Jan 2021, however, occupations with the highest exposure index (chefs and kitchen and catering assistants) are showing the smallest increases in demand (88.2% and 54.8% respectively) whereas the three occupations with the lowest exposure index rating are showing the greatest increase in demand for jobs (143.2% for medical practitioners; 255% for care workers and home carers and 284% for cleaners and domestics).

Sectors

Compares key industrial sectors on the IOW (high location quotient) their GVA contribution and the exposure index rating showing the relative impact of COVID. Key points

Manufacturing

Description	% change in jobs (number) (2020-21)	GVA	Exposure index rating
Manufacture of air and space craft and related machinery	-2.6% (43)	£67.1M	36
Manufacture of electronic components	-3.7% (11)	£8.7M	42
Manufacture of non electrical domestic appliances	+3.8% (5)	£6.7M	35
Manufacture of wiring devices	0	£2.9M	51

Tourism

Description	% change in jobs (number) (2020-21)	GVA	Exposure index rating
Holiday and short stay accommodation	-0.5 (4)	£19.7M	50
Amusement parks and theme parks	-2.6% (11)	£6.9M	62

Marine and Maritime

Description	% change in jobs (number) (2020-21)	GVA	Exposure index rating
Sea and coastal passenger and water transport	-1.4% (3)	£8.6M	20
Sea and coastal freight water transport	0	£4.6M	7
Repair and maintenance of ships and boats	-4.4% (8)	£4.9M	41

Again a high exposure rating correlates to a decline in job opportunities – this is of most concern for the sectors which contribute high levels of GVA to the IOW economy: manufacturing and tourism in particular

5) Educational attainment and participation

The percentage of young people gaining a L2 and L3 qualification by age 19 is lower than average, when compared to national, SE and statistical neighbours' performance and the gap is not closing

	IOW	UK
L2 attainment at age 19 (DfE 2019)	71.2%	81.8%
L3 attainment at age 19	47.6%	56.9%

However, participation rates are historically high and the island consistently performs above average for the proportion of young people engaging in education and training post 16.

IOW Participation and NEET - May 2021 Source: MI CCIS submission to DfE						
	Participation	%	NEET	%	Unknown	%
Year 12	1,289	96.6%	16	1.2%	15	1.1%
Year 13	1,214	92.1%	24	1.8%	27	2.1%
Total	2,503	94.4%	40	1.5%	42	1.6%

For Hampshire, the comparable NEET figure over the same period is 2.38% and Unknown 2.74%

However, strong participation does not continue post 18, where both employment outcomes and educational participation are relatively low. Between 2016-2021 HE acceptance rates ranged from 20-23% compared to around 30% nationally (HE Study, 2019) although more recent evidence suggests that this is starting to improve.

6) Policy context (national)

Government published 'A Plan for Jobs', their policy response to COVID-19 on 8 July 2020. This included a package of measures worth a total of £30B to support the UK's economic recovery Headlines:

- 1) A new **Job Retention Bonus** to encourage firms to keep on furloughed workers (£9.4B)
- 2) **Supporting jobs** with direct help to find work and to gain the skills people need to get a job (Kickstart Scheme £2.1B; boosting work search; skills and apprenticeships £1.6B)
- 3) **Protecting jobs** in the hospitality and accommodation sectors (reduced VAT for hospitality sector £4.1B; Eat Out scheme £0.5B)
- 4) **Creating jobs** with action to get the property market moving (Stamp Duty cut £3.8.6B) to increase and bring forward infrastructure investment (£5.6B) decarbonise existing property in the public and social housing sector (£1.1B) and to make homes greener, warmer and cheaper to heat (£2B)

Supporting Jobs

A commitment to move quickly, strengthen existing employment and skills support and help people back into the labour market as soon as possible. Importantly there is a recognition that young people are particularly vulnerable due to their lack of experience in work.

There are three strands of activity:

- to support people in finding jobs
- to enable them to gain the skills they need to get a job
- to provide targeted help for young people to get into work

Specifically in relation to skills, the '**Skills for Jobs**' White Paper was published on 21 Jan 2021.

The White Paper sets out proposals to reform further education so it supports people to get the skills the economy needs throughout their lives, wherever they live in the country. It aims to focus the post-16 sector on this core mission – to increase productivity, support growth industries, and give individuals opportunities to progress in their careers.

There are 5 key elements:

- **Putting employers at the heart of the system so that education and training leads to jobs that can improve productivity and fill skills gaps.**
- **Investing in higher-level technical qualifications that provide a valuable alternative to a university degree.**

- **Making sure people can access training and learning flexibly throughout their lives and are well-informed about what is on offer through great careers support.**
- **Reforming funding and accountability for providers to simplify how funds are allocated, give providers more autonomy, and ensure an effective accountability regime which delivers value for money.**
- **Supporting excellent teaching in further education.**

The White Paper also announces a **Lifetime Skills Guarantee – to improve access to skills for all adults**, including providing a Lifelong Loan Entitlement, the equivalent of four years of post-18 education from 2025; 12-16 week bootcamps in specific sector skills (eg engineering, technical and digital) and free qualifications for any adult without an existing full level 3 (A Level equivalent) qualification. It will also include investment in top-quality provision, funding upgrades to further education colleges across the country and improving apprenticeships.

The **Skills & Post 16 Education Bill** (May 2021) builds on the White Paper and aims to increase opportunities for post 16 technical education that are aligned to the needs of employers, creating more routes into skilled employment in key sectors of the economy such as engineering, manufacturing, digital and clean energy.

It will increasingly focus the post-16 sector on a ‘core mission’ – to increase productivity, support growth industries, and give individuals opportunities to progress in their careers.

<https://www.gov.uk/government/news/pioneering-reforms-to-boost-skills-and-jobs>

Building on the FE White Paper, key measures include

- Embedding employers in the heart of the skills system, by making it a legal requirement that employers and colleges collaborate to develop skills plans so that the training on offer meets the need of local areas
- Supporting the transformation of the current student loans system which will give every adult access to a flexible loan for higher-level education and training at university or college, useable at any point in their lives.
- Introducing new powers to intervene when colleges are failing to deliver good outcomes for the communities they serve, and to direct structural change where needed to ensure colleges improve.

Local Policy context

[Transforming Solent: Growth Strategy - Solent LEP](#)

The Solent LEP Growth Strategy has 5 key aims, all of which are relevant to the island’s economy:

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- A world-leading marine and maritime economy.
- Pioneering approaches to climate change and decarbonisation.
- The UK's capital for coastal renaissance.
- A thriving visitor and cultural economy
- Developing a world-class talent base.

More specifically, in relation to skills, the [Solent LEP LSR](#) has four key strategic priorities:

- Awareness and Aspirations
- Brokerage: matching supply with demand
- Core sectors and competencies
- Digital Inclusion.

Also of significance in relations to the skills landscape is Hampshire's Skills Strategy and Action Plan

<https://documents.hants.gov.uk/education/Hants-SkillsStrategyActionPlan.pdf>

- **PRIORITY 1: A future ready Hampshire economy** – matching skills supply and demand and driving forward productivity for a prosperous and resilient economy
- **PRIORITY 2: An inclusive local labour market** that develops talent and maximises opportunity for all our communities
- **PRIORITY 3: A high quality skills infrastructure and facilities** to raise aspiration and achievement; meet employer demand and create industry standard training in our post 16 sector

More recently and in response to the impact of COVID, these priorities have been refocused in a specific Employment & Skills recovery plan (August 2020)

<https://documents.hants.gov.uk/education/Hants-EmploymentandSkills-RecoveryPlan.pdf>

There are some key actions relating to the following priorities:

Apprenticeships – stabilising and growing the offer

Careers advice and guidance – ensuring young people, adults and employers have access to timely, relevant and high quality information advice and guidance to inform their education and training decisions.

Skills – providing access to relevant learning and skills programmes that support employment and wellbeing.

Employability – helping young people develop core employability skills to help them to access a good job in the future economy

IOW context

The Island Regeneration Strategy 'Inspiration Island' outlines an ambition for the Isle of Wight to be "*an inspiring place to grow up, live, work and visit*". It will do this taking forward a series of actions

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to address the key challenges facing the island's economy, including: • Attracting and growing jobs that pay higher wages • Providing affordable homes for islanders with the right infrastructure • Protecting and capitalising on our unique environment and cultural heritage • Re-balancing our population to ensure we can sustain our public services • Caring for our most vulnerable people and helping everyone to age well • Reducing deprivation levels in affected areas of the Island • Changing perceptions of the island and its future amongst those who live here and those who might want to relocate, invest and visit • Investing in infrastructure to help mitigate our separation deficits.

Alongside this, the **Digital Island Strategy** (April 2019) focusses specifically on the importance of digital technology, and sets out how the IOW aims to become **“the worlds’ smartest, most connected island”** This will be achieved by identifying the opportunities where digital technology can be used to enable solutions to regional challenges. Essentially, this is: • Supporting delivery of existing plans and policies (economic growth, regeneration, carbon, environment, tourism) • Supporting digital transformation of council services • Enabling economic growth through digital technology, identifying priority economic areas for growth • Identifying key skills required for individuals and businesses to engage with the digital agenda and benefit from the opportunities to grow • Building the island's Sense of Place and overcoming the feeling of ‘dislocation’

The top strategic priority is Digital skills and education – helping people and businesses become ‘digital’ and building the right digital skills for employment to support economic growth.

The **Local Economic Development Plan ‘Our Plan for Growth’ 2018-20** will **“enable economic growth, sectoral diversification, employability and skills, regeneration, infrastructure investment and connectivity across the Isle of Wight.”**

In relation to skills, Theme 2 addresses Skills and Employability with the key actions summarised below:

2.1 Address sectoral labour market requirements

Actions: • Promote the take-up of higher Apprenticeships, business related degree level qualifications and STEM subjects. • Support the further development of the CECAMM by assisting to develop further links with local universities and businesses. • We will develop social value clauses in all our third party contracts as part of any regeneration or housing development to encourage the creation of more construction apprenticeship positions. • Within the new Island Plan we will introduce planning policies that will require skills plans for any relevant developments.

2.2 Address training and employment needs

Actions: • Support the further development of pre-Apprenticeship and partner employability programmes • We will set-up a higher education steering group to drive forward the ambition of creating a consolidated and improved local higher education offer. • We will continue to support an Annual Careers Fair with the Isle of Wight College, businesses and local training providers. • We will continue to support the training of our workforce in basic skills acquisition through our adult education arm.

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2.3 Address productivity constraints through in-job training

Actions: • Work with businesses and training providers to develop a plan for an increasing number of Apprenticeship placements and continue to reduce the number of those Not in Education, Employment or Training (NEET). • We will support businesses to take up the use of the apprenticeship levy and model by example through the creation of apprenticeship positions within the council.

2.4 Promote the development of a strong educated skills base

Actions: • Advocate for a strong link between education provision and the skills and job requirements of growth areas in-line with the new Regeneration Strategy (2018-2020). • Lobby for adequate government spend on education and skills. • Shared market intelligence to inform the planning of employment and skills provision. • We will engage more young people and businesses in the Education Advisor Network and showcase a wider range of work opportunities

i-aspire

In partnership with Hampshire County Council's Childrens' Services, the **i-aspire** programme aimed to improve the performance and sustainability of post 16 education in the island's school sixth forms and support higher levels of progression to Level 4+ programmes of study including developing a Higher Education Plan for the island. This included publishing 'Blue Sky Thinking' – a Guide to Higher Education on the Isle of Wight and a range of related activities to raise awareness of the higher level opportunities available locally and support the development of higher level programmes to meet demand in identified sectors such as creative arts.

[Study Isle of Wight: pick up your Higher Education Guide now | An Isle of Opportunities \(iwightinvest.com\)](http://www.iwightinvest.com)

Recently the Isle of Wight College has been granted permission by the Department for Education to use the title University Centre, Isle of Wight, in partnership with the University of Portsmouth. This will enable it to further develop its HE programme in line with local needs, including in engineering, manufacturing and aligned area at the college's CECAMM centre. The University Centre allows development in all sector areas with a particular focus on higher level apprentices and higher level technical qualifications

Summary

The aspiration is for a single, strategic and fully co-ordinated approach which will bring together these initiatives in a holistic way, to facilitate social cohesion, economic and infrastructure development, led by the IOW Regeneration team.

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Place Making	<u>Skills</u> and Business Development
Infrastructure	Housing
Cultural and Environment assets	Area Regeneration
Communications and Engagement	

Skills is central to the success of this approach including the need to raise aspiration, better communicate opportunities, improve skills levels amongst the island's population, focus on digital skills for work and life and ensure the current and future skills needs of employers can be met.

7) Current Employment and Skills Landscape

There is a diverse and well performing post 16 skills system on the island, and much is already underway to take forward the Skills and Employability actions within the local development plan (see above)

- **A comprehensive range of Further Education 16-18 study programmes** – main provider is IW College, which has a 'Good' Ofsted rating (May 2017) additionally HTP and Platform One, UKSA, offer full time post 16 vocational courses
- **Higher Education programmes** – a significant HE offer is available across a number of providers. In 2019 a single prospectus was developed to help raise awareness of these opportunities and increase take up of higher education courses. There is also work underway to increase provision at the IOW College University Centre and to further develop niche provision in key sectors such as creative arts.
- **Apprenticeships** – are delivered across a range of sector subject areas by IW College, HTP, Smart Training, Care Learning Centre (CLC). There are government incentives available for employers wishing to take on an Apprentice and support from the levy transfer programme.
- **Traineeships** – HTP has the largest - and growing - programme of traineeships, for young people taking their first step towards employment. There is also a government incentive for employers taking on a trainee
- **Adult Learning** – Isle of Wight Council receives an Adult & Community Learning (ACL) allocation from government to support adults with skills development, which is targeted at low skilled adults who are least likely to participate in learning. The Isle of Wight College also delivers Adult learning programmes offering a broad range of Distance Learning Courses, Level 3 courses under the National Skills Fund, Technical and Digital Bootcamps, Sector Work Academy Programmes and short courses for employers and individuals.
- **Island Careers** – Island Futures delivers a sold service for careers advice and guidance in 7 out of 10 secondary/special schools. In addition to this, the Careers Improvement Forum focuses on careers leadership, quality and statutory requirements, led by Island Futures and Solent LEP. The Island Careers Partnership is an independent employer led group, focusing on the

support businesses can offer to schools curriculum and careers activity. Solent LEP has a Careers Hub which includes the IOW, and is supported by the Careers & Enterprise Company programme.

- **UniConnect** - The Southern Universities Network provides careers resources and interventions to support progression to HE from under-represented groups and areas
- **Not in Employment, Education or Training (NEET) Support** – The STEP (Skills, Training and Engagement Programme) funded by ESF is run by Hampshire and IoW Councils, providing 1:1 support for 15-24 NEET or at risk of, focusing on statutory NEET 16-18, it also includes a bursary for work experience placements. This is funded to March 2023. The National Careers Service (EDT) has a small resource from Solent LEP to support NEETs, which includes the IOW
- **Kickstart** – the Government’s scheme to support 16-24 year old unemployed young people into work through a 6 month paid placement programme. Isle of Wight Chamber is the main Gateway organisation, and IW Council is also delivering Kickstart opportunities
- **Jobcentre Plus** – ongoing support for 16-24 Universal Credit claimants via work coaches, government is increasing its capacity in response to the impact of COVID
- **Youth Hub** – also part of the Government’s Plan for Jobs, IW Council is proposing the development of a Youth Hub to create a High St ‘one-stop shop’ for young people aged 16-24 claiming Universal Credit.
- **Employment & Skills Plans (ESPs)** – plans linked to major developments and infrastructure projects through council planning and procurement. Targets are agreed with developers to provide apprenticeships, jobs, work experience, careers engagement and other related activity.
- **Skills Bootcamps** – as part of the Government’s Lifetime Skills Guarantee, the Isle of Wight College has secured funding to deliver Engineering Technician, Digital Marketing and Digital Technician bootcamp programmes
- **Skills Accelerator** – as part of the successful strategic development fund bid, the Isle of Wight College will deliver a Skills Accelerator programme for the Isle of Wight
- **T Levels** – the Isle of Wight College will be delivering Level 3 T-Level programmes in Digital; Education & Childcare; Health & Science; Business & Administration and Engineering & Manufacturing from Sept 2022

8) Challenges and opportunities

However, more needs to be done if the IOW us to achieve its ambition of becoming an inspiring place to grow up, live, work and visit. An analysis of the evidence, interviews with key local stakeholders, and a workshop session with strategic partners including employers and education providers, has highlighted some key issues that need to be addressed. These can be grouped around the following themes:

ASPIRATION AND OPPORTUNITY

HIGHER LEVEL SKILLS

INCLUSION

CO-ORDINATION AND COMMUNICATION

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- **ASPIRATION, ATTAINMENT AND OPPORTUNITY**

There is a perception amongst young people that there are few high quality careers available to them on the IOW. This was clearly articulated in the 2019 report into Higher Education on the island, which included an extensive survey of young people:

‘Regarding (job and career) opportunities, the message from young people is extremely clear. Only a very small minority of learners regard the Isle of Wight as having a good range of opportunities...a renewed commitment to addressing the wider issues of aspiration and opportunity is likely to be well received’

(HE Report- Stage 1- April 2019)

And alongside this comparatively low attainment at L2 and L3 by age 19 and lower progression into higher level learning (Level 5+) has been a longstanding challenge on the IOW. Much work has been done recently to improve the performance of secondary schools on the island and it will be important to continue to raise the profile of this and monitor the impact on attainment going forward, with a particular focus on vulnerable groups such as care leavers, SEND young people and those claiming free school meals – all these cohorts significantly underperform in comparison to their peers.

Historically, post 16 participation has been strong, with the IOW reporting much lower levels of NEET and unknown young people at age 16-17 than average.

	2021	2020	2019
COMBINED 16-17 NEET/UNKNOWN %			
IOW	5.4	2.4	3.4
SOUTH EAST	6.4	6.4	5.5
UK	5.5	5.5	5.5
16-17 NEET %			
IOW	1.7	1.7	2.4
SOUTH EAST	2.5	2.4	2.4

UK	2.8	2.7	2.6
16-17 UNKNOWN %			
IOW	3.7	0.7	0.9
SOUTH EAST	3.9	4.0	3.2
UK	2.7	2.8	2.9

DfE Participation data based on Dec-Feb average

Furthermore, local training providers are reporting a significant number of apprenticeship vacancies on the island that they are unable to fill, suggesting a mismatch in the aspirations of young people and the needs of the labour market.

Opportunities

- Build on existing programmes such as i-aspire and the Digital Island to raise awareness of high quality, exciting and highly skilled career opportunities available on the island, linked to wider economic development initiatives such as the 'inspiration island' strategy, there are opportunities to change the narrative, presenting the IOW as a highly skilled and inspirational place to work and live
- ensure the Solent Apprenticeship & Skills Hub and the new Skills Access Hub has a higher profile on the IOW with a clear focus on better matching supply and demand for apprenticeship opportunities
- build on the work of the Island Careers Partnership to continue to improve the relationships between education and employment on the island to ensure young people have excellent and relevant careers opportunities , including more exposure to the world of work
- Take advantage of current national policy by developing a Local Skills Improvement Plan (LSIP) approach to skills which helps employers to make their voices heard and enables providers to better respond to their skills requirements
- **HIGHER LEVEL SKILLS – NEEDS/GAPS/KEY SECTORS**

There are lower levels of island residents with higher level qualifications (NVQ4+) and this is likely to act as an inhibitor to inward investment and growth. A key ambition of the 'Inspiration Island' strategy

Isle of opportunities
delivering *regeneration*



is to attract and grow jobs which pay higher wages – whether this is achieved through inward investment or organic growth, it will require a stronger pipeline of local residents with higher level skills.

Although the Island's labour market generates a substantial number of low- and intermediate-skilled roles, it still has a demand for higher level skills. For example, EMSI's projections for 2019 to 2027 show an estimated 840 job openings each year in managerial, professional and technical roles which typically require some form of HE qualification. At the detailed occupational level, the requirement for managers and technical workers includes sustained high-skilled demands: teachers, nurses, doctors, financial managers, production managers and sales professionals.

In addition, the 2019 HE study identified demand for HE courses in the following subject areas:

- Creative industries;
- Environmental technologies;
- Engineering (including marine engineering);
- Leadership and management;
- Health and social care

The Island already has a strong reputation for post-16 provision in elements of the creative industries and there is clear evidence of demand outstripping the supply of that provision. Several mainland universities choose the Island as a location for student fieldwork linked to environmental technologies and ecology, while an ageing population and growing social care needs emphasise the importance of the health and care sector being adequately resourced with skilled workers.

Since this work, the impact of COVID has seen a considerable rise in demand for highly skilled roles - most notably for medical practitioners – with a 143% increase in demand for jobs between Dec 2019 and Jan 2021.

Employers in the marine and maritime sectors are the most likely to report a lack of qualifications as being a barrier to recruitment, suggesting there is scope to develop more higher level technical programmes related to this sector. The expansion of CECAMM and the proposed development of an Institute of Technology (IoT) for the Solent area, including the IoW, alongside increased Level 4/5 programmes at the IOW College and the technical engineering, Digital Marketing and Digital Technician Bootcamp programmes are all welcome developments that are likely to have a positive effect.

Also need to expand the offer to employers of short, sector specific courses, often customised for their business and that aren't funded by government programmes.

Opportunities

- Build on current initiatives such as UniConnect, CECAMM expansion; Solent IOT, IOW University Centre and ensure employers are at the centre of developing provision for higher level skills
- Further work to better understand the specific skills needs in key/emerging sectors such as low carbon and digital (using the LSIP model to engage employers) and building on the work already underway, in particular to support the digital sector.

- Promote the government's Lifetime Skills Guarantee' locally, with a targeted approach to engage communities in areas of greatest need, and working with providers to ensure there is capacity in sector to meet demand in a flexible way

An Employer's perspective (from the manufacturing /engineering sector)

There is a perception on the island that a lot of jobs are low paid, low skilled and seasonal, which is often not the case. In the hospitality sector for example, there are a wide range of highly skilled professional opportunities available in finance, HR, project/events management, advertising and PR.

It would be helpful to have a clear focus and a single point of contact for skills related programmes, and careers advice for young people and adults. There is lots of positive activity happening but it can be confusing and difficult to navigate.

The island has an ageing workforce with significant numbers of people retiring. This is particularly the case in traditional trades such as construction; plumbing etc. where older males are over represented – there aren't sufficient young people taking up training in these areas to meet future demand.

There is significant deprivation in some local communities on the IOW, which is often 'invisible' It is important to develop a more inclusive approach to engage these communities, develop skills, encourage employability training and harness talent so that there is a wider and more diverse pool of people to meet the skills needs of local employers.

- **INCLUSION**

The recent rise in 18-24 unemployment related to COVID and a decline in post 16 participation; poor attainment levels in disadvantaged groups and existing and persistent high levels of deprivation in some local communities, suggested a need for targeted action to engage these groups in programmes to support their education and skills development.

The following wards have 18-24 claimant rates above 15% (ONS May 21)

Whippingham & Osbourne	15.8%
Ventnor W	16.4%
Ryde NE	16.6%
Sandown S	17%
Freshwater N	17.2%

As well as the social and economic benefits of getting more residents into work, this will also support employers to access a more diverse range of talent and will further support their recruitment and skills needs going forward.

There should also be specific consideration given to vulnerable groups. Young people with SEND generally perform well in terms of attainment and progression, and there is a higher than average employment rate for adults with a learning difficulty on the Isle of Wight compared to the national average - 8.6% against 6.7% (2018). This cohort may be able to add value to employers on the island, increasing the talent pool, championing neuro diversity and encouraging a more inclusive outlook for some of the key sectors with skills gaps such as tourism and hospitality.

Opportunities

- Promote the government's 'Lifetime Skills Guarantee' locally, with a targeted approach to engage communities in areas of greatest need, and working with providers to ensure there is capacity in sector to meet demand in a flexible way
- Continue to target ACL resources on people who are disadvantaged and least likely to participate in learning, including those on low incomes and with low skills.
- Working with local partners and building on current initiatives such as Youth Hubs, Kickstart and Sector Work Based Academies, establish a single point of contact for adults and young people seeking advice and guidance for employment and skills
- Further investigation into skills and employability programmes for adults and young people with SEND, to ensure they are able to make a positive contribution to the workplace and helping employers to meet skills gaps and embrace a more diverse ethos
- **CO-ORDINATION AND COMMUNICATION**

There is already a significant amount of work underway to support education, skills and employment across the island (see chapter 5) however this is a complex landscape, even in a relatively contained geographical area. An outcome of this plan will be to consider how these initiatives can be better co-ordinated; whether there is scope to work together more strategically to maximise their impact and develop a clear communication plan and/or a single access point for both individuals and employers seeking to better meet their skills needs.

9) Priorities and key actions

- **Aligning aspiration and opportunity to better meet employers skills needs**

This priority will aim to put employers at the centre of the IOW's skills system, better understanding their current and future skills needs, and helping them to access to a suitably skilled workforce. It will work to raise awareness of the wide range of inspirational career opportunities available on the island, continue to build mutually beneficial relationships which will better integrate the worlds of education and employment, raising the aspirations of young people and improving participation and attainment.

Key actions

Local Skills Improvement Plan – establish a local framework based on the principals of the national LSIP model which will engage employers in key sectors in a detailed dialogue to better understand their skills needs. Use this model to conduct further research on future skills, with a focus on skills for high growth and high productivity.

Apprenticeships – build on existing programmes such as the Solent Apprenticeship & Skills Hub, and work across the provider network and with careers professional and schools, to raise the profile of Apprenticeships as a high quality careers route and develop a targeted plan to address the mismatch in opportunities and applicants

Careers –further develop strong and mutually beneficial relationships between employers and education providers, to raise awareness of the scope and quality of local career opportunities and inspire young people to aspire to jobs in sectors with vacancies and higher level skills needs

- **Developing a highly skilled, productive and future ready workforce**

This priority will focus on raising skills levels across the island, ensuring sufficient higher level provision which is targeted at the needs of key sectors, and improving L4/5 technical opportunities, matched to labour market needs. It will build on the i-aspire programme, support the education and skills ambition of the Digital Island Strategy, the IOW University Centre and the Solent IoT. It will also encourage upskilling within the workforce, promoting a culture of lifelong learning, support for adults who wish to change careers and encourage better take up of leadership and management skills as a driver of innovation, entrepreneurship and growth. It will aim to increase productivity driven by higher skills levels and ultimately close the gap in average earnings between IOW residents and UK averages.

Key actions

i-aspire and Uni Connect – maintain the work of the i-aspire programme by raising the profile of higher level opportunities both on the island (by updating ‘Blue Sky Thinking’) and off the island. Using Uni Connect resources to target communities and groups who would not traditionally engage in HE with the aim of embedding successful interventions to ensure sustainability after the end of the funded programme.

Level 4/5 provision – supporting a co-ordinated approach to the Level 4/5+ skills offer on the island, for example, IOW University College, Platform One, Solent IoT. Building on the i-aspire initiative and taking forward the recommendations of the HE Report 2019 to develop a co-ordinated approach and more provision in areas of identified need (creative industries; environmental tech/low carbon; engineering/ marine engineering; leadership & management; health & social care)

Lifetime skills guarantee – developing a strategic approach to mobilising the governments’ Lifetime Skills Guarantee which focuses on communities and individuals most in need and aligns to job opportunities and skills gaps in sectors with high growth potential including digital skills and leaderships and management programmes

- **Enabling opportunities for all and a more inclusive approach to growth**

This priority will focus on improving participation in education and training and employment for disadvantaged groups and communities with high deprivation indicators. It will work with partner organisations to engage and support people to access training and employment programmes and will also consider accessibility for protected groups, ensuring access to opportunity for all.

Key Actions

Participation 16-18 – continue to support Island Futures to develop a set of actions that will reverse the negative impact of COVID on young people’s participation and progression at 16 and 18; continue to resource tracking and transition work to reduce the number of NEETs and unknowns and focus support on young people who are the most vulnerable including target groups:

- **Virtual college**
- **STEP (Skills Training and Engagement Programme)**

Employability 16-24 – work alongside Jobcentre Plus to promote and co-ordinate the delivery of national employability programmes on the Isle of Wight, including Sector Work Based Academies and Youth Hubs

Adult & Community Learning – targeting ACL resources on areas of greatest need geographically and focusing skills and learning opportunities more directly on progression into work. Building a strong pipeline of L2 skills and progression opportunities to L3+. Promoting the benefits of a lifelong learning culture at local community level

Equality and Diversity – investigate options to design specific interventions aimed at target groups to better meet their needs and support them into employment outcomes, with a focus on key sectors with existing skills gaps

10) Action Plan

See annex

11) Governance

Set up an Island Skills Board to oversee skills related activity, identify relevant resources and monitor outcomes of action plan.

Key responsibilities:

- To have strategic oversight of skills supply and demand on the island, liaising with employers to identify current and future skills needs. Developing an LSIP-style model for employer engagement this ought to be driven by an employer representative such as the chamber.
- To provide a link between employers and schools/post 16 provider network, building on the ICP to promote mutually beneficial relationships and shape provision to better meet demand
- To have oversight of the skills action plan, monitoring progress towards high level targets
- Identifying additional resource that may be need to deliver skills objectives
- To bring together key stakeholders with an interest in skills, to facilitate better joined up working, communication and co-ordination