

North West Strategic Analysis

Cheshire & Warrington Sub Regional Report

November 2007

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SECTION:1 INTRODUCTION AND CONTEXT

1.1 Background and Purpose

- 1.1.1 In 2006 the NW Statement of Skills Priorities for the period 2007/08 to 2009/10 was published by the Regional Skills Partnership (RSP). The purpose of the Statement of Skills Priorities is to provide the region with a sound basis and rationale to guide the planning and purchasing of skills provision to meet the needs of employers and the economy in general. The Statement also articulates how the RSP will support the delivery of the Regional Economic Strategy.
- 1.1.2 As part of the work, we have produced a Regional Strategic Analysis, which is the quantitative evidence base that underlies the NW Statement of Skills Priorities. It also acts as the evidence base for ESF prioritisation and supports the LSC planning cycle and the regional strategic commissioning document, which is due for completion in November 2006.
- 1.1.3 This report presents an updated version of the sub-regional Strategic Analysis or evidence base for the Cheshire & Warrington sub-region produced in 2006. It is primarily a quantitative report, with analysis conducted at the sub-regional and district level, where appropriate. Its purpose is to highlight the issues which are of particular importance for the area.

1.2 Policy Background

- 1.2.1 The Regional Strategic analysis sets out the national policy context and the recent focus on skills as being vitally important to improving productivity levels in the UK. This can be summarised as :
- Leitch;
 - Economic Development;
 - Worklessness
 - Economic development and skill priorities in the area.
- 1.2.2 The LSC's Statement of Priorities 2007 sets out our priorities and key actions 2008/09 to 2010/11. Our three national priorities are to:
- **Priority 1: Create Demand for Skills.** Collectively, we have to create a culture where young people, adults and employers demand skills and qualifications because they recognise the social and economic benefits that they bring.
 - **Priority 2: Transforming FE.** The last 18 months have seen some fundamental changes to the learning and skills landscape. Not only the publication of Lord Leitch's report on skills and the Government's response, but also the creation of two new departments – the Department for Children, Schools and Families (DCSF) and the Department for Innovation, Universities and Skills (DIUS) – who share responsibility for learning and skills at all ages. One of the key developments arising from this is the intention to transfer 16–18 funding from the LSC to local authorities and the review of post-19 skills delivery. The Statement of Priorities sets out our duties up to that transfer coming into effect.
 - **Priority 3: Better Skills, Better Jobs, Better Lives.** These changes represent a significant opportunity to put skills at the top of the political agenda and to

demonstrate how they contribute to wider government goals to reduce child poverty, promote social mobility, improve innovation and business productivity, and support higher levels of sustainable employment.

1.2.3 The LSC has responded to this changing landscape in several ways and is set out in more detail in the Regional Strategic Analysis

1.3 LSC Area Priorities

1.3.1 In addition to working towards national Learning and Skills Council (LSC) priorities, each Local LSC produces a Local Annual Plan that focuses on issues that are specific to their areas. For Cheshire & Warrington, the Plan for 2007/08 highlights a number of local priorities and challenges to be addressed and these are:

- Improving the skills levels of local residents to enable them to compete for jobs and participate in the local economy, in particular those in areas of deprivation and high levels of worklessness.
- Improving the participation and achievement of young people and developing progression routes to enable all young people to achieve their full potential
- Stimulating demand for learning both from individuals and employers
- Commissioning high quality provision, which is flexible and responsive to the needs of individuals and employers and maximises the capital investment made in local institutions.
- Providing greater opportunities for skills development, aligned to local regeneration and economic development activities
- Transforming the infrastructure to offer the highest quality of learning and skills development opportunities

SECTION:2 ECONOMIC CONTEXT

2.1 Introduction

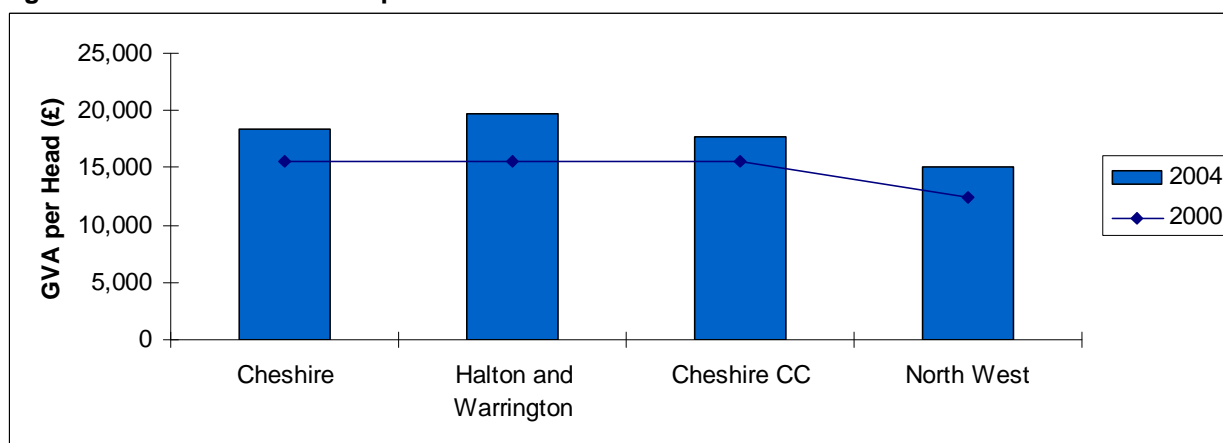
2.1.1 This section contains a brief description of the economic context in Cheshire & Warrington, focusing on productivity levels and enterprise as key driver of productivity – enterprise. The other key drivers of skills, economic activity and employment are covered in detail later in the report

2.2 Productivity

2.2.1 Productivity in the economy is measured in terms of Gross Value Added – the value of the output produced. Gross Value Added per head gives an indication of the level of economic wealth of an area. Although GVA per head in the North West has increased substantially over the past six years, there remains a significant gap (14.3%) when compared to the England average. If levels of GVA per head could be raised to the England average, residents of the North West would be, on average, £2,593 better off than they are today.

2.2.2 In comparison to the North West and England the GVA per head in Cheshire is higher. It is above the regional level by 22% and compared to the England average, it is 4% higher. However, the rate of growth each year is slowing and was 2.5 percentage points lower than the North West rate of growth in the last year. The graph below shows GVA per head across the sub-region. Across the area, Halton & Warrington has the highest rate of GVA per head and has increased at a higher rate than the North West and the rest of the sub-region over the last four years

Figure 1: Gross Value Added per Head 2000 and 2004



Source: NUTS3 ONS GVA

2.2.3 GVA per head is determined by a number of factors, including:

- The industrial base;
- The relative size of the working age population compared to the dependent population;
- Activity levels within the working age population;
- The skills levels of those in employment; and
- The number of hours worked by those in employment.

2.2.4 Compared to the North West region, Cheshire & Warrington's performance in terms of economic activity and the skills base of the workforce is relatively strong.

2.3 Enterprise

2.3.1 An important determining factor in the economic success of an area is the level of enterprise, or the rate of new business start up. This is typically measured by the rate of new VAT registrations. The table below shows VAT registrations per 10,000 people in the North West. Cheshire & Warrington as a whole continues to have a higher rate of new business start ups than the North West and England, although compared to the previous year there were 1.4% fewer start-ups. Of the districts, Macclesfield has by far the largest start up rate at almost twice the regional rate, whilst Ellesmere Port & Neston has a rate roughly a third lower than the regional rate.

Figure 2: Business Start Up Rate (New VAT Registrations) 2005

2005	New Starts		
	Total	Per 10,000 adult pop'	Per 10,000 working age pop'
England	155,635	39	51
North West	17,500	33	43
Cheshire and Warrington	2,835	41	53
Chester	400	43	58
Congleton	310	42	55
Crewe and Nantwich	315	35	45
Ellesmere Port and Neston	140	22	29
Macclesfield	710	58	79
Vale Royal	380	38	49
Warrington	580	38	48

Source: NOMIS VAT Registrations, ONS Crown Copyright Reserved

2.4 Summary Implications for the Learning Skills Sector

2.4.1 Economic performance across the sub-region remains relatively strong, although performance is not distributed equally across the area. Productivity within Cheshire & Warrington remains high, although the rate of growth each year is slowing compared to the regional rate. In addition, the rate of new firm formation remains high, although in absolute terms there were fewer start-ups compared to the previous year.

SECTION:3 THE DEMAND FOR SKILLS

3.1 Introduction

3.2 Introduction

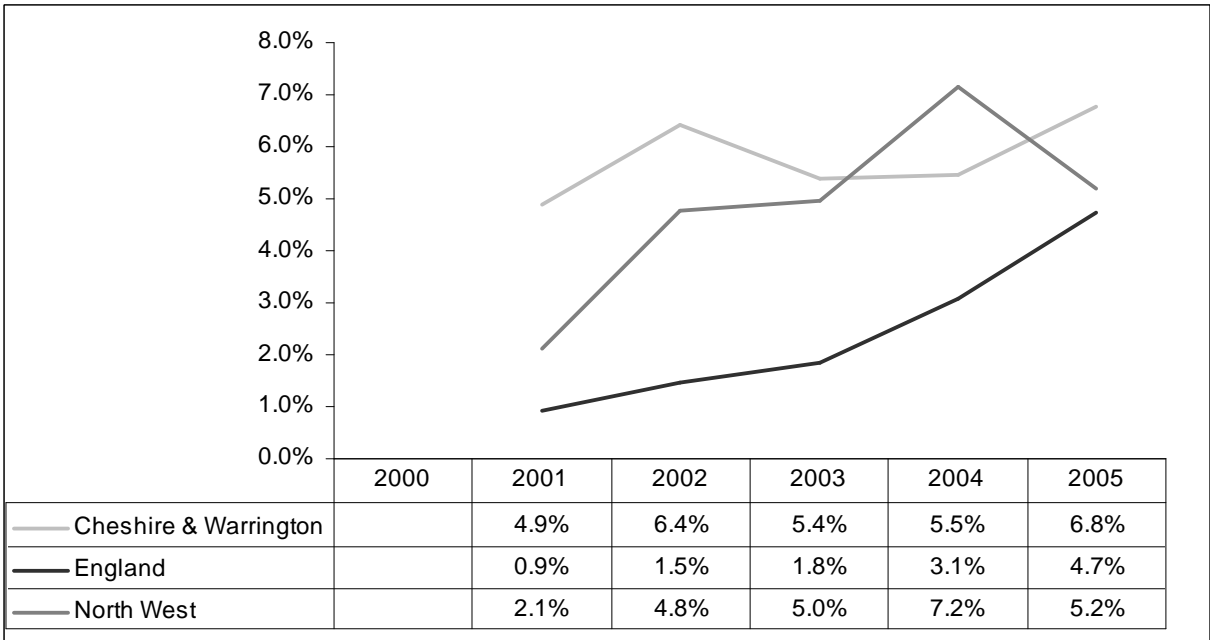
3.2.1 This chapter looks at the demand for labour in [insert area], both in terms of the volume of people needed for employment and the required occupation and skill levels. It considers:

- Historical changes in employment, and forecast changes;
- Employment levels within industrial sectors and geographies;
- The occupational structure of the workforce; and
- Economic development and skill priorities in the area.

3.3 Employment

3.3.1 The most recent figures on employment show that there are over 421,000 people employed in Cheshire & Warrington, an increase of almost 27,000 since 2000. Over the last five years employment in the sub-region has grown by on average 1.4% per annum compared to around 1% regionally and nationally.

Figure 3: Employment Growth 2000 to 2005



Source: Annual Business Inquiry, ONS Crown Copyright Reserved

3.4 Employment by Sector

3.4.1 Employment levels by sector for 2000 and 2005 in Cheshire & Warrington are shown in the table below. The key points to note are:

- The high proportion of the population employed in Manufacturing (13.7%) and Wholesale & Retail trade (19.1%) relative to England (11.2% and 17.7% respectively).
- The relatively low proportions of people employed in the public sector (Health and Social Work, Education, and Public Admin and Defence)

when compared to England with 4.5% fewer people employed in the sector.

Figure 4: Employment by Broad Industrial Group 2000 to 2005

	Cheshire and Warrington				England	
	2000	%	2005	%	2005	%
Agriculture, hunting and forestry	1,300	0.3%	0	0.0%	50,100	0.2%
Manufacturing	62,900	15.9%	57,900	13.7%	2,545,900	11.2%
Construction	20,500	5.2%	19,100	4.5%	1,030,000	4.5%
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	78,900	20.0%	80,600	19.1%	4,041,800	17.7%
Hotels and restaurants	27,800	7.0%	31,300	7.4%	1,526,200	6.7%
Transport, storage and communication	24,100	6.1%	27,200	6.5%	1,403,000	6.2%
Financial intermediation	15,900	4.0%	18,100	4.3%	913,500	4.0%
Real estate, renting and business activities	58,000	14.7%	74,200	17.6%	3,983,600	17.5%
Public administration and defence; compulsory social security	16,400	4.2%	15,600	3.7%	1,193,000	5.2%
Education	30,500	7.7%	33,600	8.0%	2,149,400	9.4%
Health and social work	36,300	9.2%	42,800	10.2%	2,669,500	11.7%
Other community, social and personal service activities	17,200	4.4%	15,900	3.8%	1,175,200	5.2%
Total	394,500	100.0%	421,300	100.0%	22,792,200	100.0%

Source: Annual Business Inquiry, ONS Crown Copyright Reserved

3.4.2 Since 2000, employment growth has continued, mainly in the service sectors and in particular, the Real Estate Renting & Business activities sector, where 16,200 new jobs were created in the five year period. Other high performing sectors have included the Health and Education sectors that increased by 18% and 10% respectively. The Transport & Communications sector, Financial Intermediation and the Hotel & Restaurant sector all grew by around 13% during the five year period.

3.4.3 During the 2000 to 2005 period manufacturing was the sector with the largest decline, losing 5,000 jobs. Other significant reductions in employment included Construction and Other Community, Social and Personal Service activities which both contracted by around 7% during the period.

3.4.4 The table below shows the ten industrial sectors in Cheshire & Warrington with the largest proportion of growth between 2000 and 2005.

Figure 5: High Growth Industrial Sectors 2000 to 2005

Industry	2005 (000)	2000(000)	% change	Volume Change(000)
Electricity, gas, steam and hot water supply	22	11	100.0%	11
Real estate activities	1724	1,142	51.0%	582
Water transport	8	6	33.3%	2
Air transport	16	12	33.3%	4
Manufacture of office machinery and computers	21	16	31.3%	5
Activities auxiliary to financial intermediation	319	246	29.7%	73
Education	1008	794	27.0%	214
Recycling	36	29	24.1%	7
Health and social work	1694	1,388	22.0%	306
Other business activities	7633	6,255	22.0%	1,378
Research and development	69	58	19.0%	11

Source: Annual Business Inquiry, ONS Crown Copyright Reserved

3.4.5 As the table above shows electricity, gas, steam and hot water supply, real estate and water transport have experienced rapid employment growth between 2000 and 2005 in Cheshire & Warrington. The volume of those employed in the electricity, gas, steam and hot water supplying industry has doubled in five years.

The volume of those in the education sector has increased notably, growing by 27 per cent between 2000 and 2005.

3.4.6 The table below shows the ten declining industrial sectors in Cheshire & Warrington between 2000 and 2005.

Figure 6: Declining Industrial Sectors 2000 to 2005

Industry	2005 (000)	2000(000)	% change	Volume Change(000)
Mining of coal and lignite; extraction of peat	0	2	-100.0%	-2
Extraction of crude petroleum and natural gas; service activities incidental to oil and gas extraction excluding surveying	0	4	-100.0%	-4
Mining of metal ores	0	1	-100.0%	-1
Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	3	7	-57.1%	-4
Manufacture of wearing apparel; dressing and dyeing of fur	37	62	-40.3%	-25
Manufacture of pulp, paper and paper products	53	75	-29.3%	-22
Other mining and quarry	38	51	-25.5%	-13
Insurance and pension funding, except compulsory social security	37	49	-24.5%	-12
Manufacture of furniture; manufacturing not elsewhere classified	221	270	-18.1%	-49
Manufacture basic metals	23	28	-17.9%	-5
Manufacturing of food and beverages	143	163	-12.3%	-20

Source: Annual Business Inquiry, ONS Crown Copyright Reserved

3.4.7 In Cheshire & Warrington the sectors with the largest decline are mostly in the industrial sector including a fall of -100 per cent in mining (of coal and metal ores). Manufacturing and insurance funding have also shown a decline in employment volumes over the last five years.

3.5 Occupational Structure

3.5.1 The table below shows the number of people employed in different occupations in Cheshire & Warrington in 2006, and compares this to the profile for England. Key differences between the Cheshire & Warrington and England profiles are as follows:

- There is a higher proportion of higher skilled than in England. This is especially true for the Professional and Associate Professional & Technical occupations which are above the national averages (3.3 and 1.3 percentage points respectively).
- Conversely, there are a lower proportion of Skilled Trade occupations and lower skilled occupations, in particular particularly for Elementary Occupations and Plant & Machine Operatives and Administrative & Secretarial occupations.

Figure 7: Employment by Occupational Group, 2006

	Cheshire and Warrington		England	
	2006	%	2006	%
Managers and senior officials	65,200	15.1%	3,645,700	15.4%
Professional occupations	70,500	16.4%	3,114,300	13.1%
Associate prof & tech occupations	67,800	15.7%	3,425,400	14.4%
Administrative and secretarial occupations	45,000	10.4%	2,882,600	12.2%
Skilled trades occupations	39,300	9.1%	2,563,400	10.8%
Personal service occupations	30,700	7.1%	1,884,200	7.9%
Sales and customer service occupations	33,100	7.7%	1,807,100	7.6%
Process, plant and machine operatives	27,100	6.3%	1,702,300	7.2%
Elementary occupations	52,300	12.1%	2,692,500	11.4%
		100.0%		100.0%

Source: Annual Population Survey, ONS Crown Copyright Reserved

- 3.5.2 Examination of employment by occupation over the past two years reinforces the pattern seen above. For example, Professionals and Associate Professional occupations in Cheshire & Warrington have experienced significant employment growth with Associate Professional occupations expanding at three times the national average.
- 3.5.3 In addition, there has been growth in Sales & Customer Service occupations and Elementary occupations. In contrast, there has been a decline in opportunities for Managerial occupations and lower skilled occupations (Plant & Machine Operatives and Administrative & Secretarial occupations). This changing occupational structure will have significant implications for training provision and replacement demand.

Figure 8: Employment Change by Occupational Group, 2004 to 2006

	Cheshire and Warrington		England	
	Change	%	Change	%
Managers and senior officials	-10,100	-15.5%	49,000	1.3%
Professional occupations	3,300	4.7%	155,400	5.0%
Associate prof & tech occupations	10,800	15.9%	145,800	4.3%
Administrative and secretarial occupations	-9,000	-20.0%	-104,600	-3.6%
Skilled trades occupations	300	0.8%	-58,300	-2.3%
Personal service occupations	1,800	5.9%	98,100	5.2%
Sales and customer service occupations	2,800	8.5%	-7,200	-0.4%
Process, plant and machine operatives	-1,100	-4.1%	-33,400	-2.0%
Elementary occupations	4,500	8.6%	-3,600	-0.1%

Source: Annual Population Survey, ONS Crown Copyright Reserved

3.6 Employment Forecasts

3.6.1 The 2006 Working Futures report produced by the Institute of Employment Studies gives some insights into the projected sector and occupational mix of the Cheshire & Warrington economy to 2014. The economic model which underpins Working Futures is trend based, and so the model will miss significant regeneration or other initiatives underway or planned in specific areas. We address this in a separate section below through qualitative analysis of major projects underway or planned in the sub-region.

3.6.2 The Working Futures forecasts show employment growth in Cheshire & Warrington of 4.0% between 2004 and 2014 (cumulative growth), which translates into 22,000 new jobs and exceeds the forecast employment growth for the North West by one percentage point.

Figure 9: Employment Growth Forecasts 2004 to 2014

	2004	2014	% Change
England	25,517	26,694	4.6%
North West	3,358	3,459	2.9%
Cheshire & Warrington	537	559	4.0%
Cumbria	235	239	1.7%
Lancashire	666	680	2.0%
Greater Manchester	1,318	1,365	3.4%
Greater Merseyside	602	617	2.3%

Source: Working Futures 2

3.6.3 The table below shows forecast employment in Cheshire & Warrington by sector to 2014.

- As would be expected, decreases in employment are forecast in the primary sector & utilities, manufacturing, and construction sectors.
- The rate of decline in employment in the manufacturing sector is predicted to be greater at the sub-regional level than regionally (-13.7% versus -11%).
- Business and other services sector employment is forecast

Figure 10: Employment Growth Forecasts by Sector 2004 to 2014

	Numbers (000s)			%		% change
	2004	2014	2004-2014	2004	2014	2004-2014
Primary sector & utilities	11	10	-1	2.1%	1.8%	-12.0%
Manufacturing	73	63	-9	13.5%	11.3%	-12.9%
Construction	40	39	-1	7.4%	6.9%	-2.7%
Distribution & transport	168	177	10	31.3%	31.8%	5.7%
Business & other services	138	158	20	25.7%	28.3%	14.7%
Non-marketed services	107	111	4	20.0%	19.9%	3.7%
All industries	537	559	22	100.0%	100.0%	4.1%

Source: Working Futures 2

3.6.4 The table below shows forecast employment in the Cheshire & Warrington sub-region by occupational group to 2014. Key points to note are:

- Cheshire & Warrington is forecast to experience higher growth in employment of managers and senior officials than regionally, 10.5% versus 8.4% respectively.

- Employment growth in the sub region in the occupations of personal services and sales and customer services is also predicted to outstrip the growth experienced regionally.
- A reduction is forecast for employment in skilled trades, machine and transport operatives, and elementary occupations, with only the former decreasing at a lower rate than regionally.

Figure 11: Forecast Employment Change by Occupational Sector 2004 to 2014

	Changing Composition of Employment by Occupation			
	2004 (000)	2004 - 2014 Net Change (000)	Replacement Demands (000)	Total Requirement (000)
Managers and Senior Officials	76	8	28	36
Professional Occupations	58	11	22	33
Associate Professional and Technical Occupations	68	4	23	27
Administrative, Clerical and Secretarial Occupations	71	2	29	30
Skilled Trades Occupations	65	-3	22	19
Personal Service Occupations	40	10	16	25
Sales and Customer Service Occupations	47	8	17	24
Transport and Machine Operatives	49	-3	17	14
Elementary Occupations	62	-15	22	8
Total	537	22	194	216

Source: Working Futures 2

3.6.5 The table below shows forecast employment in Cheshire & Warrington by gender and employment status (part time, full time, self employed). The key changes are:

- Self employment is predicted to decline, but at a lower rate than regionally.
- Positive growth is expected in both female part time and full time employment, and part time female employment in particular is forecast to increase at a level significantly higher than regionally at 7.1% compared to 0.9%.
- Whilst male full time employment is predicted to grow at a faster rate in the sub region than regionally, increases in male part time employment are forecast to be only half that predicted regionally.

Figure 12: Employment Structure by Gender and Status 2004 to 2014

	2004	2014	2014 Employment %	2004-2014 Change
Male full-time	215	230	41.1%	6.4%
Male part-time	33	36	6.5%	9.5%
Male self-employed	47	40	7.2%	-17.0%
Male Employees	295	306	54.8%	3.7%
Female full-time	112	115	20.5%	2.2%
Female part-time	112	120	21.5%	6.7%
Female self-employed	17	18	3.2%	1.5%
Female Employees	242	253	45.2%	4.3%
Total Employment	537	559	100.0%	4.0%

Source: Working Futures 2

3.7 Major Developments

3.7.1 The Sub Regional Action Plan for Cheshire and Warrington anticipates that over £3 billion of investment and over 36,000 new jobs will be secured in the next couple of years. Major economic development projects planned for the region include:

- Omega (Warrington) will start to come on stream – see case study below.
- Chester Super Zoo; the vision is to create the finest visitor attraction in Britain and become a ‘must see’ international destination.
- Crewe’s South East Quadrant; including the site at Basford has the potential to create up to 12,500 new jobs.
- Weaver Valley Action Plan; development of the Middlewich Easter Bypass will open up substantial trench of employment land.
- Macclesfield Learning Zone; includes enhanced FE and Sixth Form facilities, closer relationship between business and education, and a specialist aerospace training centre (European Centre for Aerospace Training) which will support the growth of Manchester airport.

3.8 Sub regional case study: Omega

3.8.1 Omega is a major new employment site covering 226 hectares in Warrington, adjacent to the M62 motorway. It is envisaged that the Omega development could provide more than 20,000 of 60,000 new jobs to be created over the next decade in the sub region. Jobs created could range from research and development, pharmaceutical, information technology, bio technology, telecoms and tourism to office based jobs in the service sectors.

3.8.2 Over the next 25-30 years, the site will include offices, production and distribution space, as well as hotels, restaurants and bars, convenience retail, health and fitness clubs and training and conference suites. The highest level of gross job opportunities will come in non-administrative office jobs which reflects the high turnover of staff in jobs such as call-handling and sales.

3.8.3 Regional Selective Assistance (RSA) will be available to qualifying businesses locating in Omega with support focused on high quality knowledge based projects that provide skilled jobs.

3.8.4 Cheshire and Warrington LSC completed a detailed analysis in 2002 of the type and number of jobs likely to be needed by businesses attracted to Omega by 2011. Key issues which may have an impact on skills development include:

- Target sectors are male dominated, with men making up 79% of the workforce.
- Of females employed in the sectors around half were employed in a part time role.
- 40% of the workforce is aged 18-24 whilst 29% are aged 25-34, school leavers made up less than 2% of the workforce.
- It was felt that there would be very few jobs for unskilled people - although around 15% of jobs required no qualification, 10% required a trade qualification or apprenticeship, around 15% required a GCSE or equivalent, and 30% of jobs require a degree or higher degree.

3.9 Summary Implications for the Learning Skills Sector

- 3.9.1 Demand for labour in Cheshire & Warrington remains strong and is forecast to continue, driven by the major developments at Warrington, Chester and Crewe. However structural change within industrial sectors and occupations continues to take place. Across the sub-regional manufacturing continues to have a significant presence but has continued to loose jobs. By comparison Wholesale & Retail is the largest sector and has continued to increase employment opportunities. Further growth in employment has been within the service sector generally and in particular Real Estate, Renting & Business Activities, Health & Education, Transport & Communications, Financial Intermediation and Hotel & Restaurant sectors. Forecasts suggest this pattern of industrial change will continue.
- 3.9.2 Changes in the industrial structure coupled with the growth of the service sector are reflected in the changes to the job structure. There has been growth in Professional and Associate Professional, Sales & Customer Service and Elementary occupations whilst managerial and lower skilled occupations have reduced in number. Forecast growth in the future is of continued growth in personal and customer services and growth in managers and senior officials. However, skilled trades will reduce, along with transport operatives and elementary occupations.

SECTION:4 THE SUPPLY OF SKILLS

4.1 Introduction

4.1.1 This chapter looks at the supply of labour in Cheshire & Warrington, both in terms of the volume of people available for work, and their skills levels. It considers:

- Historical changes in demographics, and forecast changes;
- Economic Activity rates according to people's characteristics;
- The qualification profile of the working age population; and
- Employer training behaviour.

4.2 Demographics – Population Growth

4.2.1 The table below shows the total population between 1996 and 2006 down to district level in Cheshire & Warrington. It is evident that the population in England has grown substantially by 5 per cent over the ten year period in comparison to a slight increase of 1 per cent in the North West region.

Figure 13: Total Population 1996 to 2006

	1996 Total	2006 Total	Volume Difference	Growth
England	48,519,100	50,762,900	2,243,800	5%
North West	6,809,600	6,853,200	43,600	1%
Chester	119,800	119,700	-100	0%
Congleton	86,900	92,400	5,500	6%
Crewe and Nantwich	111,200	115,800	4,600	4%
Ellesmere Port and Neston	81,800	81,800	0	0%
Macclesfield	151,800	150,600	-1,200	-1%
Vale Royal	116,000	126,000	10,000	9%
Warrington	188,300	194,000	5,700	3%
Cheshire & Warrington Total	855,800	880,300	24,500	3%

Source: Nomis ONS Crown Copyright Reserved

4.2.2 Population growth is varied at district level with an increase of 9 per cent in Vale Royal in contrast to a fall of -1 per cent in Macclesfield.

4.2.3 The table below shows the age profile of the working age population in Cheshire & Warrington at district level.

Figure 14: Age Profile of Working Age Population 2001

	16-19	20-24	25-34	35-49	50-retirement age
North West	363,700	423,300	815,600	1,461,100	1,041,600
Cheshire and Warrington	43,300	45,700	104,100	194,300	145,000
Warrington	8,300	10,100	25,300	43,500	33,300
Chester	6,400	8,100	14,100	20,700	19,700
Congleton	3,900	5,800	8,500	22,900	15,500
Crewe and Nantwich	8,200	8,000	10,600	26,000	18,100
Ellesmere Port and Neston	5,400	2,100	10,900	19,900	9,900
Macclesfield	4,800	6,300	18,200	37,000	23,700
Vale Royal	6,300	5,400	16,600	24,300	24,900

Source: Nomis ONS Crown Copyright Reserved

4.2.4 As can be expected there is great disparity within Cheshire & Warrington in terms of the age breakdown of the working age population. In Cheshire & Warrington 36.5 per cent of the working age population is aged between 35 and 49. With the

exception of Vale Royal districts in Cheshire & Warrington have the largest proportion of the working age population between the age band of 35-49 in line with the region. The trend in the

4.2.5 The table below shows the expected population change between 2005 and 2020 across Cheshire & Warrington. The North West Region is expected to show growth of 4.4 per cent over the 15 year period.

Figure 15: Population Change 2005 to 2020

	2005	2010	2015	2020	% Change 2005 – 2020
Chester	119,200	120,400	121,500	122,700	2.9%
Congleton	92,400	94,200	95,800	97,400	5.1%
Crewe and Nantwich	115,200	120,100	124,500	128,600	10.4%
Ellesmere Port & Neston	81,400	80,800	80,500	80,300	-1.4%
Macclesfield	150,400	150,900	152,000	153,800	2.2%
Vale Royal	126,100	131,000	135,600	140,100	10.0%
Warrington	192,800	194,700	196,900	199,300	3.3%
Cheshire & Warrington	877,500	892,100	906,700	922,300	4.9%
North West	6,842,700	6,938,800	7,043,300	7,156,200	4.4%

Source: Revised 2004- Population Projections, ONS

4.2.6 It is evident that the sub-region of Cheshire & Warrington is expected to grow by 4.9 per cent, 0.5 per cent greater than the North West average. As shown there is great disparity of population change at district level in Cheshire & Warrington. Crewe & Nantwich and Vale Royal have seen the largest population growth of 10.4 per cent and 10 per cent respectively. The only district to display overall decline across the decade is Ellesmere Port & Neston falling at a steady rate of -1.4 per cent in total.

4.2.7 The table below shows the population change by age group between 2005 and forecasted to 2020. The North West has seen a decrease in the proportion of 0-24 year olds and 35 to 44 year olds between 2005 and 2020.

Figure 16: Population Change by Age Group 2005 and Forecast 2020

	0-14	15-24	25-34	35-44	45-54	55-64	65+
Chester	-9.5%	-3.9%	12.0%	-23.1%	6.7%	2.0%	20.8%
Congleton	-10.3%	0.0%	2.9%	-29.8%	9.3%	3.0%	33.8%
Crewe & Nantwich	-4.9%	3.6%	10.3%	-20.5%	19.0%	18.0%	31.4%
Ellesmere Port & Neston	-17.3%	-15.5%	10.8%	-39.6%	-0.9%	9.9%	21.0%
Macclesfield	-8.1%	-8.6%	10.6%	-25.3%	2.8%	4.2%	22.1%
Vale Royal	-3.6%	-0.7%	9.5%	-19.2%	16.7%	15.2%	32.6%
Warrington	-9.7%	-6.0%	7.2%	-33.3%	10.5%	13.6%	27.2%
Cheshire & Warrington	-8.5%	-4.1%	9.1%	-26.8%	9.9%	10.0%	27.0%
North West	-4.3%	-10.5%	13.7%	-18.5%	8.2%	11.6%	21.0%

Source: Revised 2004-Population Projections, ONS

4.2.8 It is evident that there is expected decline in 0-24 year olds across Cheshire & Warrington with the exception of Crewe & Nantwich in which there is an expected 3.6 per cent rise in the 15 to 24 age group of the population. The 35 to 44 population age group is also forecasted to decline to district level. There is disparity of growth at district level between the population age groups. It is important to note that the 0-14 age group in Cheshire & Warrington is forecasted to decline by -4.2 percentage points more than the Regional average, with a smaller population decline in the 15 to 24 age group. The population of 65 year olds and upwards is expected to increase by an average of 27 per cent, 6 percentage points greater than the Regional average. This may become an issue

for Cheshire & Warrington with comparatively large growth of the population at retirement age and a falling proportion of the working age.

4.3 Economic Activity

4.3.1 The table below shows the change in the economic activity rate by district between 2005 and 2006 in Cheshire & Warrington.

Figure 17: Economic Activity by District, 2005 and 2006

	2005 (%)	2006 (%)	% Change
Chester	82.9	75.3	-10.1%
Congleton	82.4	89.1	7.5%
Crewe and Nantwich	77.7	80.7	3.7%
Ellesmere Port and Neston	76.6	74.4	-3.0%
Macclesfield	81.3	82.0	0.9%
Vale Royal	79.9	76.1	-5.0%
Cheshire and Warrington	80.4	80.3	-0.1%
North West	76.6	76.7	0.1%
England	78.4	78.6	0.3%

Source: Annual Population Survey 2005 & 2006, ONS

4.3.2 As the table above shows that the area of Cheshire & Warrington has seen slight decline in the rate of economic activity, falling by -0.1 percentage point over the year. Although the rate has remained relatively static Cheshire & Warrington rate of economic activity is 1.7 percentage points above the national average and 3.6 percentage points above the regional average in 2006.

4.3.3 The economic activity rate varies greatly at district level in Cheshire & Warrington. Congleton has a substantially high proportion of economically active in 2006, 10.5 percentage points above the national average. Ellesmere Port & Neston has the lowest economic activity at 74.4 per cent in 2006, -4.2 percentage points below the national average.

4.3.4 The table below shows economic activity by age group in 2006 and compares the districts in Cheshire & Warrington to the regional and national average.

Figure 18: Economic Activity by Age, 2006

	16-19	20-24	25-34	35-49	50-retirement age	over retirement age
Chester	28.0	87.4	85.0	84.8	68.6	15.5
Congleton	61.8	100.0	100.0	92.1	81.4	14.7
Crewe and Nantwich	58.2	87.4	96.4	83.1	75.5	9.5
Ellesmere Port and Neston	47.1	77.3	88.5	82.7	56.4	17.9
Macclesfield	70.1	93.4	91.7	83.3	71.7	15.9
Vale Royal	36.4	79.6	87.8	84.6	69.4	9.6
Cheshire and Warrington	51.5	88.7	90.8	85.7	71.3	12.6
North West	53.2	77.8	83.2	84.3	68.6	8.9
England	54.9	76.4	83.7	85.2	73.7	11.2

Source: Annual Population Survey 2005 & 2006, ONS

- 4.3.5 The economic activity rate in the North West is similar to the national average up until the age of 50 and above. The North West has a much lower proportion of the economically active population over retirement age than the national average, a total of -2.3 percentage points less.
- 4.3.6 As the table above shows, Cheshire & Warrington has a high proportion of 20-24 year olds counting towards the economic activity rate, and is currently 12.3 percentage points greater than the national average. Economic activity rates in Cheshire & Warrington are higher than the national proportion with the exception of those aged between 50 and retirement age.
- 4.3.7 At district level the proportion of the economically active varies greatly by age group in comparison to the national and regional averages. In Chester 28 per cent of 16-19 year olds are economically active in comparison to 70.1 per cent in Macclesfield.
- 4.3.8 The table below shows the rate of economic activity in Cheshire & Warrington by gender in 2006.

Figure 19: Economic Activity by Gender, 2006

	Male (%)	Female (%)
Chester	80.1	69.8
Congleton	91.9	86.2
Crewe and Nantwich	77.2	84.6
Ellesmere Port and Neston	77.0	71.6
Macclesfield	86.4	77.1
Vale Royal	79.6	72.3
Warrington	82.3	82.5
North West	80.6	72.5
England	83.6	73.3

Source: Annual Population Survey

- 4.3.9 As the table above shows, the North West has a slightly lower proportion of economically active males (80.6 per cent) compared to the national average, a total of -3 percentage points less. The proportion of economically active females in the North West is substantially lower than the proportion of males, and is currently -0.8 percentage points below the number of females in England. As expected there is great disparity across Cheshire and Warrington in the proportion of the economically active population. Congleton has the highest proportion of economically active males (91.9 per cent) compared to 77 per cent in Ellesmere Port & Neston. Congleton also has the highest proportion of economically active females (86.2 per cent), in contrast to Chester (69.8 per cent).

- 4.3.10 The table belows illustrates the rate of economic activity by disability in 2006.

Figure 20: Economic Activity by Disability, 2006

	working age (%)	disabled (%)	DDA & also work-limiting (%)	DDA only disabled (%)	work-limiting only disabled (%)
Chester	75.3	40.5	!	73.1	!
Congleton	89.1	67.8	52.9	77.9	100.0
Crewe and Nantwich	80.7	56.3	28.7	85.2	100.0
Ellesmere Port and Neston	74.4	44.4	28.8	66.2	61.5
Macclesfield	82.0	51.4	40.5	69.7	67.9
Vale Royal	76.1	45.1	28.1	57.2	74.3
Warrington	82.4	51.6	37.0	87.8	70.0
Cheshire and Warrington	80.3	51.3	35.0	72.7	75.8
North West	76.7	48.1	31.3	84.0	70.7
England	78.6	55.4	38.8	83.9	74.4

Source: Annual Population Survey

4.3.11 Cheshire & Warrington has a low percentage of the working age population who consider themselves as having a disability, -4.1 percentage points below the national average. A total of 75.8 per cent of the disabled population in Cheshire & Warrington consider themselves to have work-limiting disability, this is 1.4 percentage points above the national average.

4.4 Qualifications

4.4.1 It is not just the number of people available for work which affects the supply of and demand for labour in the North West region. The quality of the labour force, in terms of expertise and skills available to employers, is also crucial especially so given the occupational profile that is emerging from recent employment growth.

4.4.2 Qualifications are also used as a proxy indicator for the skills of the workforce. The following table shows the qualification profile of the working age population in the North West, local area and at district level. Whilst the qualification profile of the Cheshire & Warrington is similar to the profile in the North West there is great variation at district level.

Figure 21: Qualification Profile of the Economically Active Population, 2006

	Economically Active Population (000's)	Economically Active qualified to at least level 4		Economically Active qualified to at least level 3		Economically Active qualified to at least level 2		Economically Active adults without a level 2 qualification	
		Number (000's)	%	Number (000's)	%	Number (000's)	%	Number (000's)	%
England	23,541	7,225	31.5%	11,832	51.0%	16,827	72.1%	6,715	27.9%
North West	3,068	897	29.4%	1,525	50.4%	2,188	72.2%	880	27.8%
Cheshire & Warrington	418	156	37.2%	232	55.6%	315	75.4%	103	24.6%
Chester	51	24	47.4%	33	63.4%	40	78.2%	11	21.8%
Congleton	49	19	39.2%	27	55.3%	39	79.6%	10	20.4%
Crewe and Nantwich	56	16	27.5%	26	45.5%	38	67.2%	19	32.8%
Ellesmere Port and Neston	35	10	29.7%	15	43.5%	22	63.9%	13	36.1%
Macclesfield	71	29	40.1%	44	61.6%	59	82.3%	13	17.7%
Vale Royal	58	24	42.0%	34	59.3%	45	77.6%	13	22.4%
Warrington	97	33	34.3%	53	55.1%	72	74.3%	25	25.7%

Source: Annual Population Survey

4.4.3 As the table above shows, the area of Cheshire & Warrington has a higher proportion of the economically active population qualified to a level 4, a total of 7.8 percentage points above the North West average. Cheshire & Warrington also has a lower proportion of the economically active population with no qualifications, -3.2 percentage points below the Regional average.

4.4.4 Qualifications of the economically active population vary greatly at district level. Chester has a substantially high proportion of the economically active population qualified to level 4, at 47.4 per cent, 18 percentage points above the regional average. Crewe & Nantwich is the only district to have a lower proportion of the population qualified to a level 4 in comparison to the North West (-1.9 percentage points less). It is important to note that Crewe & Nantwich and Ellesmere Port & Neston are the only two districts in Cheshire & Warrington to have a larger proportion of the economically active population without a level 2 qualification.

4.4.5 The qualifications of the economically inactive are shown in the table below. The key point to note is the lower qualifications levels of people who are inactive. In

the North West 49 per cent of the economically inactive population do not have a level 2 qualification.

Figure 22: Qualification Profile of the Economically Inactive Population, 2006

	Economically Inactive Population (000)	Economically Inactive adults without a level 2 qualification	Economically Inactive qualified to at least level 2	Economically Inactive qualified to at least level 3	Economically Inactive qualified to at least level 4
England	7,127	46.5%	53.5%	30.9%	15.4%
North West	1,037	49.0%	51.0%	28.4%	11.7%
Cheshire/Warrington	114	44.6%	55.4%	34.3%	18.1%
Cumbria	65	45.6%	54.4%	30.3%	12.2%
Greater Manchester	387	52.6%	47.4%	24.6%	10.5%
Lancashire	217	49.9%	50.1%	28.7%	11.6%
Greater Merseyside	254	56.0%	44.0%	21.9%	8.8%

Source: Annual Population Survey

4.4.6 As the table above shows Cheshire & Warrington has a high proportion of the economically inactive with a qualification in comparison to the National and Regional averages. The proportion of the economically inactive population without a level 2 is -4.4 percentage points less than the Regional average, and those with a level 4 qualification is 18.1 per cent, 6.4 percentage points above the regional average.

4.4.7 Low skills have an impact on the employment opportunities; this is evident in the table below which shows the qualification attainment of those employed in 2006.

Figure 23: Employment Rate by Qualification Attainment, 2006

	Level 4	Level 3	Level 2	Level 1	No Qualifications
England	86.7%	76.6%	73.8%	71.5%	48.4%
North West	86.0%	78.0%	73.3%	69.9%	44.3%
Cheshire and Warrington	86.9%	78.8%	75.5%	74.4%	52.7%
Chester	86.2%	76.4%	70.9%	62.5%	46.1%
Congleton	92.1%	88.3%	80.9%	67.9%	74.3%
Crewe and Nantwich	90.6%	80.2%	79.8%	82.1%	36.4%
Ellesmere Port and Neston	88.4%	69.6%	83.3%	63.9%	59.3%
Macclesfield	83.2%	78.0%	79.1%	79.8%	57.3%
Vale Royal	83.0%	71.7%	65.2%	72.7%	56.6%
Warrington	89.1%	82.6%	72.0%	81.8%	52.7%

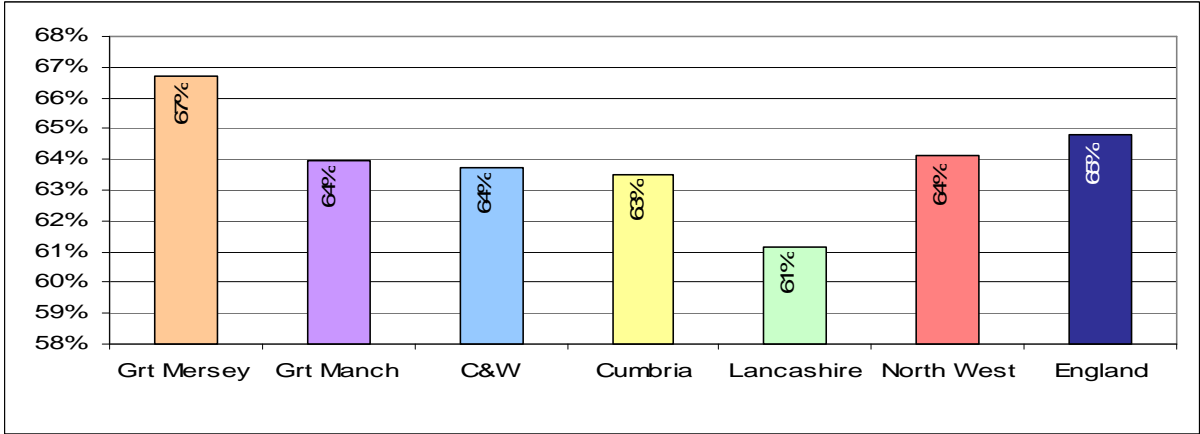
Source: Annual Population Survey

- 4.4.8 As the table shows a high proportion of those with no qualifications (52.7 per cent) in Cheshire & Warrington are in work, possibly reflecting the strong demand for labour in the area. The employment rate of those with qualifications is high across all qualification levels in comparison to the Regional and National averages. It is important to note that there is a positive correlation across the area and region connecting increased employment rates with higher qualification attainment. The high levels of qualifications in Cheshire & Warrington vary at district level. Areas including Chester, Congleton, Crewe & Nantwich and Warrington have higher proportion of the employed population qualified to a higher level (3 and 4) in comparison to the regional average.
- 4.4.9 Although the qualification attainment rate is high in the employment in Cheshire & Warrington, there remains a high proportion of the employed with no or little qualifications. The high levels of poorly qualified residents in the North West will reduce their ability to access new employment opportunities, it is therefore crucial to target those without qualifications offering them an opportunity to broaden their skills through Train to Gain services and FE courses.

4.5 National Employer Skills Survey (NESS)

- 4.5.1 This section uses data from the National Employer Skills Survey 2005 to describe the training behaviour of employers in Cheshire & Warrington, particularly with regard to the skills gaps they identify in their workforce, and skills related recruitment difficulties they face.
- 4.5.2 The National Employers Skills Survey 2005 (NESS 2005) was commissioned by the Learning and Skills Council together with the Department for Education and Skills and the Sector Skills Development Agency. Its purpose is to provide a detailed analysis of the extent and nature of skills gaps, recruitment problems and training activity.
- 4.5.3 The chart below shows the proportion of employers who provided training during the previous twelve months. At 64% of employers, the Cheshire & Warrington figure is slightly below the England average but relatively similar to the other North West sub-regions.

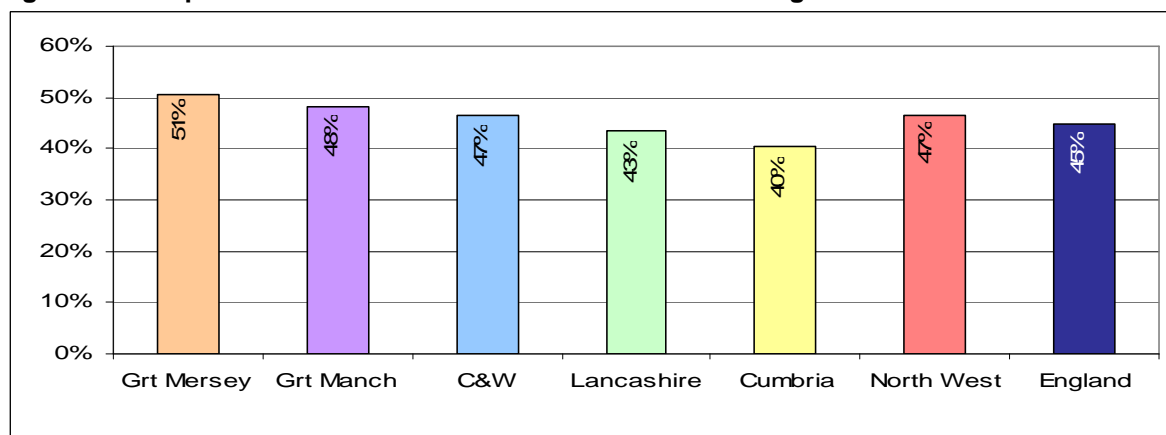
Figure 24: Proportion of Employers providing Training in the past 12 months



Source: NESS 2005

4.5.4 The figure below shows the proportion of employers with a formal training plan – this figure is 47% in Cheshire & Warrington, the same as the North West average proportion and slightly higher than the England average.

Figure 25: Proportion of Establishments with a Formal Training Plan



Source: NESS 2005

4.5.5 The NESS surveys employers about vacancies that they find difficult to fill due to skills deficits in candidates – skills shortage vacancies (SSVs). The table below shows the distribution of SSVs by occupation, in Cheshire & Warrington and in the North West.

Figure 26: Distribution of SSVs by Occupation, Cheshire & Warrington

	Cheshire & Warrington		North West	
	Number	%	Number	%
Managers	246	7%	947	4%
Professionals	184	5%	1,611	6%
Associate professionals	753	20%	5,102	19%
Admin/clerical	207	6%	1,220	5%
Skilled trades	397	11%	6,027	23%
Personal service	349	9%	2,130	8%
Sales/customer service	859	23%	4,056	15%
Machine operatives	169	5%	2,358	9%
Elementary	535	14%	2,550	10%
Unclassified	10	0%	222	1%
Total	3,708	100%	26,223	100%

Source: NESS 2005

4.5.6 At the regional level, the distribution of skills shortage vacancies is more concentrated for the occupations of: associate professionals; skilled trades; sales/customer services; and elementary occupations. Furthermore, Cheshire & Warrington has relatively high proportions of skills vacancies in higher skilled occupations; managers and associate professional categories.

4.5.7 The survey also asks employers about the skills lacking in their current workforce. The proportion of employers in Cheshire and Warrington reporting skills gaps is shown in the table below.

Figure 27: Distribution of Skills Gaps by Occupation, Cheshire & Warrington

	Cheshire & Warrington		North West	
	Number	%	Number	%
Managers	2769	10%	14890	9%
Professionals	1054	4%	6,156	4%
Associate professionals	1374	5%	9,361	6%
Admin/clerical	2004	7%	17,144	10%
Skilled trades	3427	13%	16,139	10%
Personal service	936	3%	10,817	7%
Sales/customer service	3637	13%	31,498	19%
Machine operatives	6496	24%	24,242	15%
Elementary	5535	20%	34,738	21%
Total	27232	100%	164984	100%

Source: NESS 2005

4.5.8 The distribution of skills gaps in Cheshire & Warrington demonstrates a concentration of skills gaps in lower skilled occupations, and the high incidence of skills gaps in Machine Operative occupations is notable.

4.6 Summary Implications for the Learning Skills Sector

- 4.6.1 Change in population across the North West is extremely important when considering competition for jobs, the volume of workers available, and the proportion of those needing skills development. The area of Cheshire & Warrington has seen varied population growth at district level, but overall is below the National average.
- 4.6.2 As in England as a whole the issue of an ageing population will impact on Cheshire & Warrington in future years. The proportion of the population over 65 year olds in Cheshire & Warrington is forecasted to increase at a higher rate between the years 2005-2020 than the national average. It is likely that an increasing number of people in this age category will remain in employment post retirement age.
- 4.6.3 The economic rate of activity in Cheshire & Warrington has shown slight decline between the years 2005-2006, but remains above both the national and regional average. The area has a lower proportion of the population who are economically active between the ages of 50 years old and retirement age in comparison to the national average.
- 4.6.4 Cheshire & Warrington shows high qualification rates in comparison to the National average. The area has a high proportion of the population qualified to Level 4 with a lower proportion without a level 2 qualification. This level of high attainment is evident for both the economically active and inactive population as well as the rate of employment. Rates of economic inactivity are higher amongst those with no qualifications, it is important to note that in contrast to the region Cheshire & Warrington has a lower proportion of the working age population without a level 2 qualification.
- 4.6.5 Data from the National Employer Skills Survey suggests that Cheshire & Warrington employers have a strong culture of workforce development on which to build, as shown by a relatively high level of employers with formal training plans in comparison to the national average (2 percentage points greater). Although training opportunities are evidently available in Cheshire & Warrington there remains skills shortages in lower skilled occupations, and a high proportion of job vacancies in high skilled occupations. This would suggest that continued

development in training is required at both a high and low skill level in order to fulfil the skills gaps.

SECTION:5 PROVISION AND PARTICIPATION

5.1 Introduction

5.1.1 This chapter looks at participation in learning and skills development in Cheshire & Warrington, and the quality of provision, as measured by success rates and inspection grades. It focuses on learners whose main learning aim is a long course (greater than 24 weeks). The focus of this section is on post-compulsory education for young people and adults, excluding higher education which is covered in Chapter 10.

5.2 Young People

5.3 Post-16 Participation

5.3.1 The proportion of young people in Cheshire & Warrington who remained in Full time education or training after leaving school aged 17 is 66 per cent in Cheshire and 62 per cent in Warrington both of which are above the Regional average.

Figure 28: Post-16 Participation in Education and Training 2005

	17 year olds							Total Education and WBL %
	Full-time education				Total %	WBL %	Part-time education %	
	Maintained schools %	Independent schools %	Sixth form college %	Other FE %				
England ⁶	23	6	9	25	63	8	5	76
North West	17	4	14	26	60	11	5	76
Cheshire	28	6	7	25	66	9	6	80
Warrington	22	0	24	16	62	8	4	74

Source: DFCSF SRF 22/2007

5.3.2 There is noticeable variation between Cheshire & Warrington participation rates post-16. Cheshire has a large volume of learners in maintained schools when compared to both the regional and national figures. Participation in WBL is above the National average but 2 percentage points below the North West. The proportion of learners in education and WBL at 17 is 80 per cent, 4 percentage points above the North West and England. The total proportion of learners in education and WBL in Warrington is 74 per cent, 2 percentage points below the North West and England.

5.4 FE Participation Rates

5.4.1 The table below shows how participation of young people in the FE sector has changed over the last three years in Cheshire & Warrington.

Figure 29: FE Participation: Number of Learners Aged 16-18

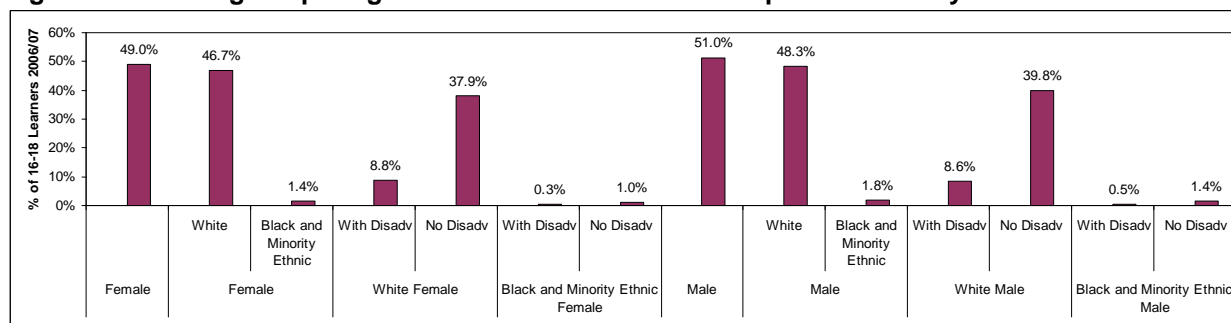
	2004/05	2005/06	2006/07
North West	111,262	115,621	119,950
Cheshire & Warrington	11,182	12,113	12,502
Warrington	2,926	3,185	3,394
Chester	1,103	1,141	1,130
Congleton	1,042	1,048	1,085
Crewe and Nantwich	1,742	1,845	1,917
Ellesmere Port & Neston	860	928	947
Macclesfield	1,352	1,510	1,529
Vale Royal	2,151	2,448	2,500

Source: LSC North West Residency Platform from ILR

5.4.2 For Cheshire & Warrington as a whole participation has increased by 3.7 percentage points on last year, growing across the whole area with the exception of Chester which saw a decline of -0.9 per cent.

5.4.3 The table below shows young peoples participation rates by characteristics in 2005/06. The data taken from the Residency Platform provides success rates by gender, ethnicity group (White and Black and Minority Ethnic group), and disadvantages.

Figure 25a: Young People Aged 16 to 18 FE Courses Participation Rates by Characteristic



Source: LSC North West Residency Platform from ILR

5.4.4 As shown in the table above participation rates vary greatly by characteristic in Cheshire & Warrington. It is important to note that there are a slightly higher proportion of males participating in FE courses in comparison to females, totalling 2 percentage points. For both male and female participants there are a substantially high proportion of white learners in comparison to black and minority ethnic groups, 1.8 per cent and 1.4 per cent respectively.

5.4.5 The proportion of those with a disadvantage is similar for both males and females groups, with a greater proportion of learners without a disadvantage. Only 0.3 per cent of black and minority ethnic females with a disadvantage are participating in an FE course in comparison to 0.5 per cent of males in the same group.

5.5 FE Success Rates

5.5.1 The success rate is a qualification measure which calculates the number of qualifications achieved as a proportion of qualifications started. Success Rates are generally higher for short courses (less than 24 weeks) than long courses. The table below shows success rates for long courses in Full Level 2 and 3 taken up by 16-18 year olds.

Figure 30: Young People Aged 16 to 18 FE Long Courses Success Rates by Level 2005/6

	Full Level 2			Full Level 3		
	2003/04	2004/05	2005/06	2003/04	2004/05	2005/06
Cumbria	59%	62%	66%	55%	63%	68%
Lancashire	61%	66%	71%	59%	63%	66%
Greater Merseyside	54%	58%	64%	55%	57%	64%
Greater Manchester	60%	65%	69%	57%	64%	66%
Cheshire and Warrington	59%	66%	70%	63%	62%	67%
North West	59%	64%	69%	58%	62%	66%

Source: LSC North West Reporting Platform from ILR

5.5.2 The success rates in Cheshire & Warrington have been in line with or above the North West average since 2003/04 with increases of 4 per cent in Full Level 2 and 5 per cent in Full Level 3 on last years success rates.

5.6 Work Based Learning

5.6.1 The table below shows how participation of young people in WBL has changed over the last three years. For 2006/07 the data displayed is up to period 12. In WBL additional data may be submitted after this point, however the outcome is not expected to alter greatly.

Figure 31: WBL Starts: Number of Learners Aged 16-18

	2004/05	2005/06	2006/07
North West	20,906	17,723	18,007
Cheshire and Warrington	2,157	1,867	1,820
Chester	246	195	204
Congleton	206	206	204
Crewe And Nantwich	251	237	224
Ellesmere Port And Neston	253	221	222
Macclesfield	279	257	224
Vale Royal	380	297	311
Warrington	542	453	431

Source: LSC North West Residency Platform from ILR

5.6.2 The North West has seen an overall reduction in the number of young people starting WBL courses between 2004/05 and 2006/07 of -13.9 per cent. The trend in the North West has not been steady with a fall of -15.3 per cent between 2004/05 and 2005/06 and a growth of 1.6 per cent in the following year.

5.6.3 Within Cheshire & Warrington WBL learner numbers with in districts are varied, for example, Vale Royal and Chester are in line with the regional trend, Warrington and Macclesfield are showing steady decline.

5.7 Work Based Learning Success Rates

5.7.1 WBL success rates are calculated in a similar way to FE success rates. Success Rates for qualifications taken by 16-18 year olds in WBL are shown below for level 2 (Apprenticeships) and level 3 (Advanced Apprenticeships) qualifications.

Figure 32: Young People Aged 16 to 18: WBL Success Rates by Level from 2004/05 to 2006/07

	Level 2			Level 3		
	2004/05	2005/06	2006/07	2004/05	2005/06	2006/07
North West	51%	58%	65%	58%	68%	72%
Cheshire & Warrington	49%	56%	68%	57%	65%	73%
Cumbria	55%	56%	67%	58%	77%	73%
Greater Manchester	53%	56%	64%	58%	66%	66%
Greater Merseyside	44%	58%	63%	51%	63%	73%
Lancashire	56%	64%	71%	66%	72%	78%

Source: LSC North West Reporting Platform from ILR

5.7.2 Although participation rates are declining in Cheshire & Warrington the table above highlights a steady improvement in success rates for both Apprenticeships (level 2) and Advanced Apprenticeships (level 3). The area has seen a 19 percentage point increase in level 2 success rates between 2004/05 and 2006/07

and a 16 percentage point's increase in level 3. Both qualification success rates in Cheshire & Warrington are above the NW Regional average.

5.8 School Sixth Form

5.8.1 The table below shows how participation of young people in school sixth forms in Cheshire & Warrington has changed between 2004/05 and 2006/07 by district level.

Figure 33: School Sixth Form Participation: Number of Learners Aged 16-18

Learners District	2004/05	2005/06
North West	34459	36197
Cheshire and Warrington	6670	6737
Chester	1136	1141
Congleton	804	838
Crewe And Nantwich	458	444
Ellesmere Port And Neston	894	917
Macclesfield	1627	1584
Vale Royal	538	550
Warrington	1213	1262

Source: LSC North West Residency Platform from ILR

5.8.2 Overall Cheshire & Warrington has experienced a 1 per cent growth in participation on the previous year comparing to a growth of 5 per cent at Regional level. Crewe & Nantwich and Macclesfield are the only districts to show a decline in sixth form participation, which has been slight (-3.1 per cent and -2.7 per cent respectively).

5.8.3 The table below shows the education routes taken by young people as a proportion of all 16-18 year olds in learning in 2006 cohort.

Figure 34: Proportion of Young People in Education & Training by Route in 2006

	SSF	FE	WBL
North West	20.1%	64.4%	15.6%
Cumbria	32.9%	47.0%	20.2%
Lancashire	14.0%	70.0%	16.0%
Greater Manchester	11.3%	73.9%	14.8%
Greater Merseyside	29.8%	54.4%	15.8%
Cheshire and Warrington	30.6%	55.5%	13.9%

Source: LSC North West Residency Platform from ILR

5.8.4 There is considerable variation in the learning routes taken up by young people across the region. Cheshire & Warrington has the second highest level of School Sixth Form participants (30.6 per cent) in comparison to the rest of the region. This is balanced by lower levels of learners in FE (55.5 per cent). WBL participants are also low in Cheshire & Warrington at 13.9 per cent, -1.7 percentage points below regional average.

5.9 Adults

5.10 FE Participation Rates

5.10.1 The table below shows how participation for adults in the FE sector has changed over the last three years.

Figure 35: FE Participation: Number of Adult Learners

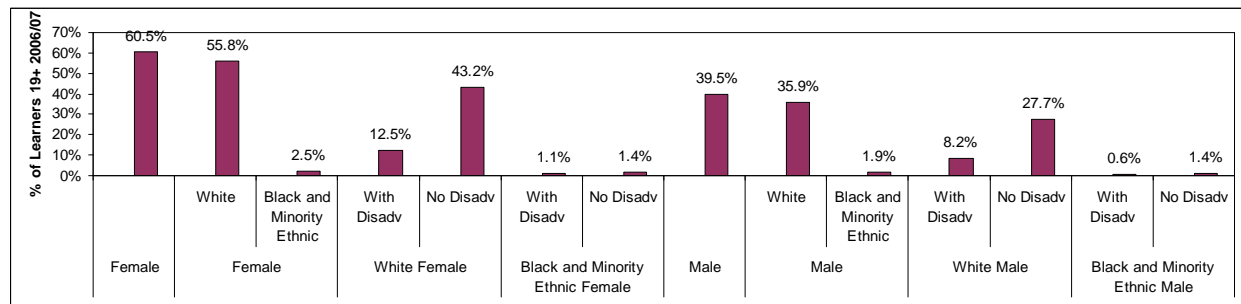
	2004/05	2005/06	2006/07
North West	396,602	332,914	238,521
Cheshire & Warrington	45,095	39,946	28,280
Warrington	11,105	10,130	7,133
Chester	6,013	5,321	3,678
Congleton	4,732	3,704	2,148
Crewe and Nantwich	5,839	4,871	3,341
Ellesmere Port & Neston	4,109	3,684	2,616
Macclesfield	6,613	6,308	5,444
Vale Royal	6,653	5,912	3,920

Source: LSC North West Residency Platform from ILR

5.10.2 In the North West adult participation has fallen in each of the past three years in line with England, reflecting funding pressures on the adult participation budget. The Region has experienced a decline of -28.9 per cent on last years participation rate which is similar in Cheshire & Warrington (30 per cent). Within the districts there is great variation; Macclesfield has experienced a -14 per cent decline on last years adult participation numbers compared to -43 per cent in Congleton.

5.10.3 The table below shows adult participation rates by characteristics in 2005/06. The data taken from the Residency Platform provides success rates by gender, ethnicity group (White and Black and Minority Ethnic group), and disadvantages.

Figure 31a: Adult FE Course Participation Rates by Characteristic



Source: LSC North West Residency Platform from ILR

5.10.4 As the table shows there are a substantially higher proportion of adult females participating in an FE course in comparison to males, equating to 21 percentage points more. The proportion of adult black and ethnic minority groups participating towards an FE qualification is higher than 16-18 year olds of the same group. There remains a substantial difference between the proportion of white learners and ethnic minority groups, 53.3 percentage points for females and 34 percentage points for males.

5.10.5 There appears a great difference between those with and without a disadvantage in all groups. A relatively high proportion of adult FE learners are white females with a disadvantage (12.5 per cent). The proportion of female black and ethnic minority groups with and without a disadvantage is similar, 0.3 percentage points more adults from a black or ethnic minority group without a disadvantage than with. The difference between males from a black or ethnic minority group with and without disadvantages is greater than females, at 0.8 percentage points.

5.11 FE Success Rates

5.11.1 Success Rates for adult FE long courses for Full Level 2 and 3 are shown below.

Figure 36: Adult FE Long Courses Success Rates by Level 2005/6

	Full Level 2			Full Level 3		
	2003/04	2004/05	2005/06	2003/04	2004/05	2005/06
Cumbria	60%	69%	73%	54%	65%	65%
Lancashire	62%	65%	69%	50%	52%	62%
Greater Merseyside	54%	60%	63%	56%	61%	63%
Greater Manchester	52%	59%	66%	53%	59%	63%
Cheshire and Warrington	59%	68%	72%	55%	62%	63%
North West	57%	62%	67%	53%	59%	63%

Source: LSC North West Reporting Platform from ILR

5.11.2 As with 16-18 success rates, adult achievements have experienced year on year growth in both full level 2 and 3. Cheshire & Warrington Full level 2 success rates have been above the North West since 2003/04 and are currently second highest in the region. Full Level 3 success rates in Cheshire & Warrington are currently inline with the Regional figure and have experienced a slower rate of growth on last year of only 1 per cent compared to 4 per cent regionally.

5.12 Work Based Learning

5.12.1 The table below shows how participation of adults in WBL in Cheshire & Warrington has changed over the last three years.

Figure 37: WBL Starts: Number of Adult Learners

	2004/05	2005/06	2006/07
North West	13,925	12,255	13,477
Cheshire and Warrington	1,922	1,606	1,727
Chester	217	188	197
Congleton	197	176	166
Crewe And Nantwich	284	231	211
Ellesmere Port And Neston	180	159	183
Macclesfield	274	228	229
Vale Royal	343	281	267
Warrington	426	342	474

Source: LSC North West Residency Platform from ILR

5.12.2 Between 2004/05 and 2006/07 WBL participation has decreased by -3.3 per cent in the North West. Numbers have fallen in most Sub-Regions, with Cheshire & Warrington experiencing a large decline of -11 per cent between 2004/05 and 2006/07. There is variation at district level with Warrington showing a 5.6 per cent growth since 2004/05 compared to a -20 per cent fall in Crewe & Nantwich.

5.12.3 Train to Gain was introduced in 20 LSC areas (the former Employer Training Pilots) across all 9 regions in April 2006. The remaining 27 LSC areas and the National Employer Service introduced Train to Gain in August 2007.

5.12.4 The aim of the service is to increase the responsiveness of the learning and skills sector by offering flexible mechanisms for identifying and providing training to meet business needs. This will then drive up the demand for skills training from employers and contribute additional skills for life and full level 2 qualifications towards national Public Service Agreement (PSA) targets.

5.12.5 The table below shows the Train to Gain starts in Cheshire & Warrington in 2006 at Period 12, with the breakdown between Skills for Life and Level 2 & 3.

Figure 38a: Train to Gain Starts 2006

	2006/07 Period 12		
	Train to Gain Level 2 & Level 3	Train to Gain SFL	Total
Chester	225	10	235
Congleton	188	29	217
Crewe And Nantwich	336	18	354
Ellesmere Port And Neston	293	21	314
Macclesfield	258	71	329
Vale Royal	352	19	371
Warrington	589	108	697
Cheshire & Warrington	2,241	276	2,517
North West	26,069	2,315	28,384

Source: LSC North West Residents platform from ILR

5.12.6 As the table above shows Cheshire & Warrington train is responsible for 11.6 per cent of the regional total of Train to Gain level 2 & 3 starts, and 8.3 per cent of the Skills for Life (SFL) total. The volume of train to gain starts counting towards skills for life qualification is smaller across the region than level 2 & 3, with great variation at district level.

5.13 Work Based Learning Success Rates

5.13.1 The table below shows the success rates of adults undertaking WBL courses over the last three years.

Figure 39: Adults: WBL Success Rates by Level 2004/05 to 2006/07

	Level 2			Level 3		
	2004/05	2005/06	2006/07	2004/05	2005/06	2006/07
North West	54%	60%	70%	51%	58%	70%
Cheshire & Warrington	53%	58%	70%	52%	60%	69%
Cumbria	58%	62%	69%	57%	64%	70%
Greater Manchester	54%	60%	69%	53%	58%	68%
Greater Merseyside	52%	57%	68%	46%	56%	71%
Lancashire	56%	65%	73%	53%	60%	74%

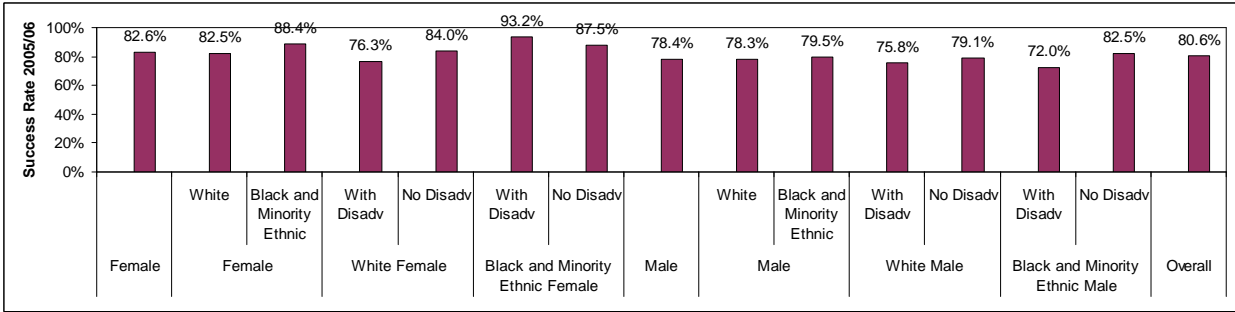
Source: LSC North West Reporting Platform ILR

5.13.2 There has been varying levels of growth across the region in adult WBL success rates. Cheshire & Warrington is now in line with the Regional WBL Apprenticeship (level 2) success rate of 70 per cent, an increase of 12 percentage points on last years figures. WBL Advanced Apprenticeships (level 3) has also increased, and is now -1percentage point below the Regional rate of 70 per cent.

5.14 Learner Success Rates

5.14.1 The purpose of this section is to examine the extent to which FE success rates are affected by learner characteristics, including gender, ethnicity and disability.

Figure 40: FE Success Rates by Disadvantage, Ethnicity and Gender 2005/6-young people

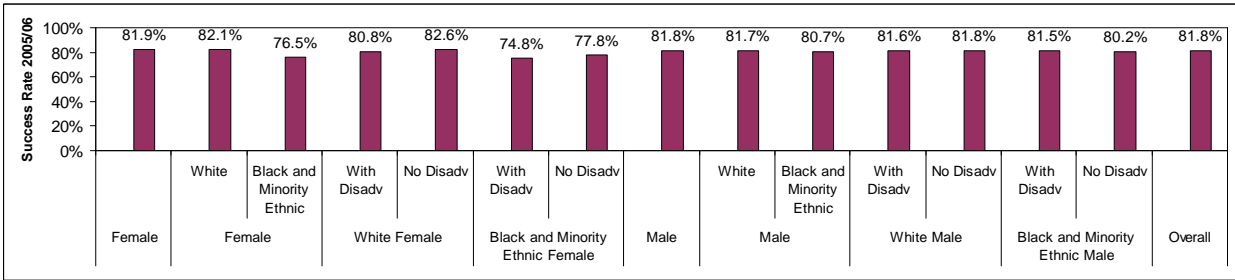


Source: LSC North West Residency Platform from ILR

5.14.2 The table above shows learner success rates with different characteristics in 2005/06. The data taken from the Residency Platform provides success rates by gender, ethnicity group (White and Black and Minority Ethnic group), and disadvantages.

5.14.3 Success rates across all 16-18 learners are strong, with Black and Ethnic minority females with disadvantages the highest at 93.2 per cent. The group with the lowest success rates are Black and Ethnic minority males with disadvantages at 72 per cent. Females have higher success rates than their male counterparts with 82.6 per cent overall compared to 78.4per cent respectively.

Figure 41a: FE Success Rates by Disadvantage, Ethnicity and Gender 2005/6-Adults



Source: LSC North West Residency Platform from ILR

5.14.4 As with young people, adult success rates are high across all groups. As the table shows male success rates are only -0.1 per cent less than female success rates, this is the closest gap between the two genders across the region. White females with no disadvantage have the highest success rates in the area with 82.6 per cent, it is important to note that the majority of learners are achieving at least 80 per cent success rates. The group with the lowest success rates are female black and ethnic minority learners with disadvantages (74.8 per cent).

5.15 Independent Quality Assessment: Inspection

5.15.1 The Regional Strategic Analysis contains further analysis of FE College inspection scores from 2005/06 to 2006/07. Ofsted inspect colleges across the year assessing curriculum areas, quality, standards and management. The table below shows the number of Colleges in Cheshire & Warrington and the assessment results. Throughout the North West only two Colleges were deemed 'inadequate', and were also the only provision to rate as 'poor' in curriculum areas, however this does not apply to Cheshire & Warrington.

Figure 42: FE Inspection Grades

	Overall effectiveness	Capacity to make further improvements	Achievement and standards	Quality of provision
Outstanding	3	4	2	3
Good	2	1	3	2
Satisfactory	0	0	0	0
Poor	0	0	0	0

Source: Ofsted

5.15.2 Colleges in Cheshire & Warrington all received good or outstanding scores, the majority with 'outstanding capacity to make further improvements'. Cheshire & Warrington has no unsatisfactory or poor provision.

5.15.3 As off this year WBL providers are now being inspected by Ofsted. We have recently reduced the number of WBL providers which we contract with by removing poor quality provision; as a result the quality of the sector has improved, as highlighted in the significant improvements in success rates.

5.15.4 Due to the recent take over of Ofsted only 7 WBL providers in the region have been assessed this year between July and November, all of which have been rated as outstanding, satisfactory or good.

5.16 Summary Implications for the Learning Skills Sector

5.16.1 Overall participation and provision in Cheshire & Warrington is good, often higher or in line with the North West. Participation and success rates vary greatly at district level with a noticeable difference between Cheshire & Warrington's provision.

5.16.2 Cheshire & Warrington has experienced a steady rise of 16-18 year olds taking up FE courses, in line with the Region, potentially explaining the proportionality high percentage of learners in full time FE learning. The rise in participation levels is mirrored by steadily increasing success rates which are currently greater than the North West. Although provision is strong we need to target black and ethnic minority groups as current participation rates are substantially less than

white learners. FE provision in Cheshire & Warrington has been assessed by Ofsted to be 'outstanding' or 'good' and evidently has the highest rating across the region.

5.16.3 Cheshire & Warrington adult FE participation rates are in line with the North West and have seen a reduction in learner numbers in the area. At district level the rate of decline varies greatly. Adult FE success rates are strong; however the growth rate of level 3 achievements is slowing down. As with 16-18 year olds, adult black and ethnic minority groups participating in FE courses need to be a key target as participation rates are low.

5.16.4 WBL participation and provision varies greatly across the district. The proportion of young learners in WBL is substantially lower than in other sub-regions, and participation levels have fallen in the last three years in line with the region. The removal of poor provision has impacted across the Region as success rates in Cheshire & Warrington have risen dramatically in both Apprenticeships (level 2) and Advanced Apprenticeships (level 3).

5.16.5 Adult WBL volumes have seen a large decline in line with the region, however at district level this is varied with Warrington participation levels growing steadily over the past three years. As with young people, adult success rates have substantially increased and are higher than the regional average. As a result of the Commissioning Spending Review (CSR) there is increasing focus away from growth in FE and School Sixth forms and towards WBL in order to meet the Leitch ambitions.

SECTION:6 EMPLOYABILITY AND WORKLESSNESS

6.1 Introduction

6.1.1 The following chapter highlights the issue of worklessness in Cheshire & Warrington, breaking down the headline figures on unemployment and economic inactivity by characteristics such as age, gender, disability, those who are claiming benefits, and ethnicity. This reflects the increasing alignment of the skills and employment agendas as set out in the Annual Statement of Priorities 2008/09, and the challenge for the learning and skills sector to provide skills for employability to help sustain and build the regional economy.

6.2 Employment, Unemployment and Economic Inactivity

6.2.1 Of the economically active working age population of Cheshire and Warrington, most areas have a higher rate of employment than the regional and national averages apart from Chester and Ellesmere Port & Neston, these two areas are 0.6 percentage Points and 3.7 percentage points behind the national average respectively. Congleton has the highest rate of employment of the economically active working age population in the area, with 84.9 per cent employed.

6.2.2 The highest rate of unemployment, amongst the economically active group, is in Ellesmere Port and Neston (5%), however this is still below both the regional and national rates.

6.2.3 Rates of economic inactivity vary by district within Cheshire and Warrington, In Chester, Ellesmere Port & Neston and Vale Royal the rate of economic inactivity is above both the regional and national rates. However in other areas, particularly in Congleton, the rate is far below the regional and national average, Congleton has a rate that is 12.4 percentage points below the rate for the North West.

Figure 43: Employment Status of Working Age Population (by %), 2006

	Economically Active		Economically Inactive
	Employed	Unemployed	
England	74.3%	5.5%	21.4%
North West	72.5%	5.4%	23.3%
Warrington	78.4%	4.9%	17.6%
Chester	73.7%	2.1%	24.7%
Congleton	84.9%	4.7%	10.9%
Crewe and Nantwich	77.0%	4.7%	19.3%
Ellesmere Port & Neston	70.6%	5.0%	25.6%
Macclesfield	79.3%	3.3%	18.0%
Vale Royal	74.7%	1.9%	23.9%

Source: Annual Population Survey 2006, ONS

6.2.4 The rates of employment and economic activity are put into context with a volume analysis. The highest volume of employed people of working age in Cheshire and Warrington is in Warrington, with just under 95,000 people. The lowest volumes of the employed working age people are in Ellesmere Port and Neston. These volumes correspond to both the percentages shown above as well as the size of the working age population of the area.

Figure 44: Employment Status of Working Age Population (by Volume), 2006

	Economically Active		Economically Inactive
	Employed	Unemployed	
England	22,794,700	1,326,500	6,560,900
North West	2,978,000	168,900	958,400
Warrington	94,500	4,800	21,200
Chester	50,700	1,100	17,000
Congleton	48,000	2,400	6,200
Crewe and Nantwich	54,600	2,700	13,600
Ellesmere Port & Neston	34,000	1,800	12,300
Macclesfield	71,400	2,400	16,200
Vale Royal	57,900	1,100	18,500

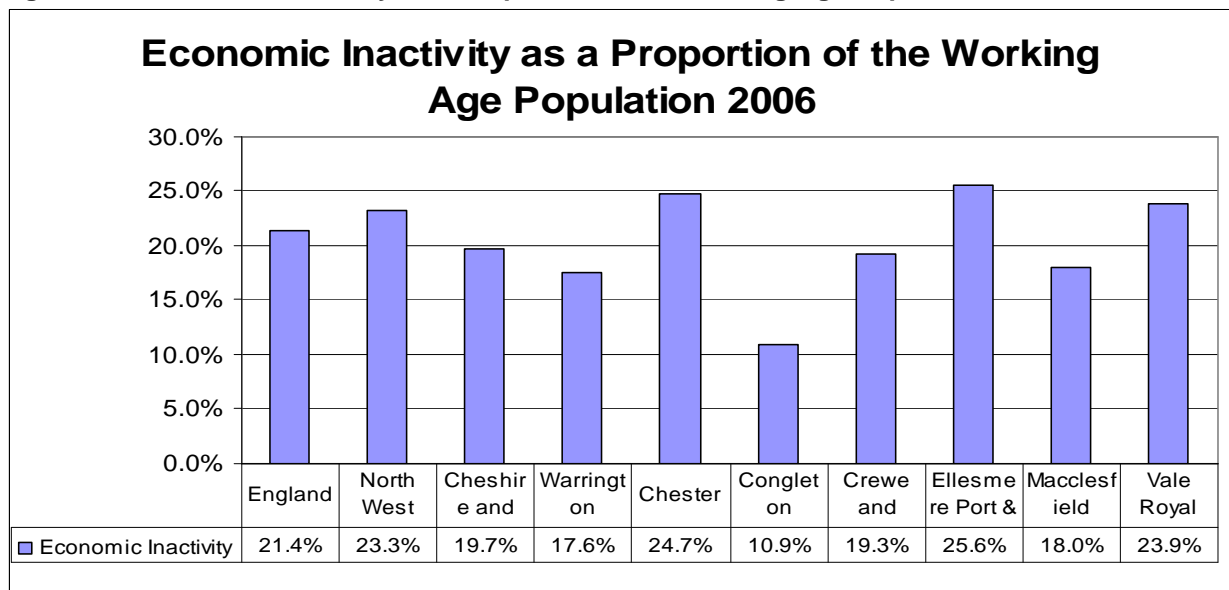
Source: Annual Population Survey 2006, ONS

6.3 Economically Inactive

6.3.1 Levels of economic inactivity among the working age population of Cheshire and Warrington is highest in Ellesmere Port and Neston (25.6% inactive), the second highest is Chester (24.7%), both of these rates are above the regional and national averages.

6.3.2 The lowest rate of economic inactivity in Cheshire and Warrington is in Congleton (10.9%). This is the lowest rate by 6.7 percentage points.

Figure 45: Economic Inactivity as a Proportion of the Working Age Population 2006



Source: Annual Population Survey 2006, ONS

6.4 Context

6.4.1 Of the economically inactive population of Cheshire and Warrington, the rate of those who want a job is highest in Crewe and Nantwich, where the rate is 10.9 percentage points above the regional average. The lowest rate of those who want a job is in Chester (12.3%).

6.4.2 Analysis of the group who do want a job is restricted due to the sample size used in the data. Where statistics are available the highest rates of those who do want a job have declared themselves as long-term sick.

Figure 46: Profile of Economically Inactive Population, 2006

% of economically inactive	DO want a job	DO NOT want a job	DO want a job (breakdown)			
			Long-term sick	Looking after family/home	Students	Other
England	25.2%	74.8%	7.1%	6.6%	3.7%	4.6%
North West	20.1%	79.9%	6.8%	4.3%	2.8%	3.7%
Warrington	15.1%	84.9%	6.5%	1.6%	2.4%	2.8%
Chester	12.3%	87.7%	!	!	!	!
Congleton	23.7%	76.3%	!	!	!	14.1%
Crewe and Nantwich	31.0%	69.0%	9.0%	9.0%	!	!
Ellesmere Port & Neston	17.8%	82.2%	10.4%	!	!	!
Macclesfield	12.7%	87.3%	!	4.8%	!	!
Vale Royal	17.2%	82.8%	!	!	!	!

Source: Annual Population Survey 2006, ONS

6.5 Economic Inactivity by Gender

Figure 47: Economic Inactivity Rate by Gender, 2006

	Male		Female		Total	
	%	Number	%	Number	%	Number
England	16.4%	2,586,100	26.7%	3,974,800	21.4%	6,560,900
North West	19.4%	409,700	27.5%	548,700	23.3%	958,400
Cheshire and Warrington	17.8%	49,300	0.2%	55,800	19.7%	105,100
Warrington	17.7%	10,900	17.7%	10,300	17.6%	21,200
Chester	19.9%	7,300	30.2%	9,700	24.7%	17,000
Congleton	8.1%	2,400	13.8%	3,800	10.9%	6,200
Crewe and Nantwich	22.8%	8,400	15.4%	5,200	19.3%	13,600
Ellesmere Port & Neston	23.0%	5,700	28.4%	6,700	25.6%	12,300
Macclesfield	13.6%	6,400	22.9%	9,800	18.0%	16,200
Vale Royal	20.4%	8,200	27.7%	10,300	23.9%	18,500

Source: Annual Population Survey

6.5.1 The rate of economic inactivity for males in Cheshire and Warrington is below the regional average, but slightly above the national average. Further analysis shows that this figure is highest in Ellesmere Port and Neston (23%), and is lowest in Congleton (8.1%).

6.5.2 The rate of economic inactivity for females in the area is highest in Chester, at 30.2 percent, this rate is higher than both the regional and national rates and equates to nearly 10,000 people. The lowest rate for females is in Congleton, where 13.8 per cent of working age females are economically inactive.

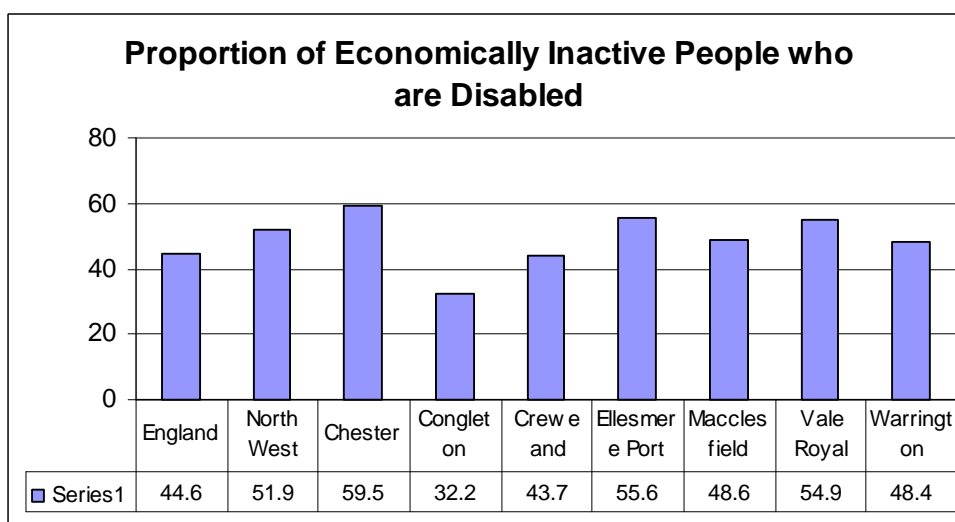
6.6 Economic Inactivity by Disability

6.6.1 A breakdown of the employed disabled working age population for the region shows that 81.3 per cent of employed disabled people class themselves as DDA only disabled, this rate is 1 percentage point above the national rate.

6.6.2 The overall rate of employed, disabled people is 44 per cent for the North West, this is 6.4 percentage points below the national rate.

6.6.3 The highest proportion of economically inactive people who are disabled is in Chester, where 59.5 per cent of those who are economically inactive have a disability. The lowest rate is in Congleton, with a rate of 32.2 per cent. Further analysis is required for Congleton into the reasons for economic inactivity if it is not due to a disability.

Figure 48: Economic Inactivity Rate by Disability, 2006



Source: Annual Population Survey

6.7 Economic Inactivity by Ethnicity

6.7.1 Data for economic inactivity by ethnicity in Cheshire and Warrington is sparse due to the low sample size required for analysis, as shown in Figure 49.

6.7.2 The rate of economic inactivity for Pakistani / Bangladeshi working age people in Crewe and Nantwich is 43.1 per cent, this is below the regional and national averages, but is still nearly 25 percentage points higher than the rate for White working age people in the same local area.

6.7.3 The rate of economic inactivity for Pakistani / Bangladeshi working age people in Warrington is much lower than that in Crewe and Nantwich, and is 10 percentage points higher than the rate for White people in the area, however, the rate of inactivity for Black or Black British working age people in Warrington is very high (68.8%), this is far above the regional and national averages and the rate of economic inactivity for white people in Warrington. This figure (68.8%) equates to 500 of 700 working age Black or Black British working age people.

Figure 49: Economic Inactivity Rate by Ethnicity, 2006

	% of whites of working age who are economically inactive	% of mixed ethnic group of working age who are economically inactive	% of Indians of working age who are economically inactive	% of Pakistanis/Bangladeshis of working age who are economically inactive	% of Black or Black British of working age who are economically inactive	% of other ethnic group of working age who are economically inactive
England	19.9	26.4	24.4	47.4	27.3	34.5
North West	22.3	29.9	25.9	47.9	32.6	35.5
Chester	24.3	!	!	!	!	!
Congleton	11.0	!	!	!	!	!
Crewe and Nantwich	18.3	!	!	43.1	!	!
Ellesmere Port and Neston	25.6	!	!	!	!	!
Macclesfield	17.9	!	!	!	!	!
Vale Royal	23.9	!	!	!	!	!
Warrington	17.2	!	!	27.2	68.8	!

Source: Annual Population Survey

6.8 Incapacity Benefit

6.8.1 Ellesmere Port and Neston has the highest rate of it's working age population claiming Incapacity benefit and / or Severe Disablement Allowance (7.7%), however this is below both the regional and the national rates.

6.8.2 Ellesmere Port and Neston also has the highest proportion of working age people claiming Job Seekers Allowance (2.4%), again this is below the regional and

national rates. The highest rate of Disability Living Allowance claimants are in Ellesmere Port and Neston, with 5.4 per cent, this is equal to the national rate.

6.8.3 Rates of working age people claiming income support are lower than the regional and national averages in every district within Cheshire and Warrington.

Figure 50: Proportion of Working Age Population Claiming DWP Benefits by Type

	Incapacity Benefit & Severe Disablement Allowance		Jobseekers Allowance		Disability Living Allowance		Income Support	
	Number	%	Number	%	Number	%	Number	%
England	2,662,210	8.7%	936,300	3.1%	1,670,020	5.4%	2,134,170	7.0%
North West	408,220	9.9%	14,520	2.9%	251,620	6.1%	306,790	7.5%
Cheshire and Warrington	33,510	6.3%	9,800	1.8%	22,380	4.2%	22,030	4.1%
Warrington	8,440	7.0%	2,480	2.1%	5,520	4.6%	5,440	4.5%
Chester	4,890	7.1%	1,240	1.8%	3,280	4.8%	3,490	5.1%
Congleton	2,750	4.9%	750	1.3%	1,920	3.4%	1,550	2.7%
Crewe and Nantwich	4,290	6.1%	1,540	2.2%	2,610	3.7%	3,060	4.3%
Ellesmere Port & Neston	3,720	7.7%	1,160	2.4%	2,620	5.4%	2,660	5.5%
Macclesfield	4,490	5.0%	1,010	1.1%	3,030	3.4%	2,720	3.0%
Vale Royal	4,930	6.4%	1,620	2.1%	3,400	4.4%	3,110	4.0%
Cheshire and Warrington	33,510	6.3%	9,800	1.8%	22,380	4.2%	22,030	4.1%

Source: DWP Tabulation Tool <http://www.dwp.gov.uk/asd/tabtool.asp>

Figure 51: IB/SDA Claimant Conditions

IB/SDA claimants by (10 most common) Conditions February 2007

Main Disabling Condition	Cheshire & Warrington	North West	Great Britain
Schizophrenia	2.0%	1.8%	2.0%
Depressive Episode	18.0%	19.6%	18.7%
Other anxiety Disorders	4.9%	5.2%	4.3%
Reaction to Severe Stress	2.0%	2.1%	1.9%
Unspecified Mental Retardation	2.0%	1.7%	2.1%
Epilepsy	2.4%	2.2%	2.0%
Other Arthritis	2.1%	2.5%	2.3%
Other Arthrosis	2.9%	2.9%	2.4%
Dorsalgia	7.5%	7.5%	8.2%
Unknown and unspecified causes of Morbidity	7.5%	6.0%	6.2%
Above total	51.4%	51.6%	50.1%
All other	48.6%	48.4%	49.9%

Source: DWP Information Directorate 100% WPLS

6.8.4 Further information is provided in Figure 51 into the 10 most common conditions suffered by those who claim Incapacity Benefit / Severe Disablement Allowance. In Cheshire and Warrington, as well as in the regional and national figures those suffering from a depressive episode accounted for the highest proportion of IB/SDA claims with 18 percent in the sub-region. The second highest rate was among those who suffer from Dorsalgia (Pain in the upper back) with 7.5 per cent of claimants. The 10 most common conditions shown in the chart above account for 51.4 per cent of all IB/SDA claims.

6.9 Demand for Training

6.9.1 The rate of economically active working age people in Cheshire and Warrington without a level 2 qualification is low compared to the regional and national averages at 24.6 per cent. However, 2 areas have a high rate, Crewe & Nantwich and Ellesmere Port & Neston are both above the regional and national averages.

Figure 52: Qualification Profile of the Economically Active Population, 2006

	Economically Active Population (000's)	Economically Active qualified to at least level 4		Economically Active qualified to at least level 3		Economically Active qualified to at least level 2		Economically Active adults without a level 2 qualification	
		Number (000's)	%	Number (000's)	%	Number (000's)	%	Number (000's)	%
England	23,541	7,225	31.5%	11,832	51.0%	16,827	72.1%	6,715	27.9%
North West	3,068	897	29.4%	1,525	50.4%	2,188	72.2%	880	27.8%
Cheshire & Warrington	418	156	37.2%	232	55.6%	315	75.4%	103	24.6%
Chester	51	24	47.4%	33	63.4%	40	78.2%	11	21.8%
Congleton	49	19	39.2%	27	55.3%	39	79.6%	10	20.4%
Crewe and Nantwich	56	16	27.5%	26	45.5%	38	67.2%	19	32.8%
Ellesmere Port and Neston	35	10	29.7%	15	43.5%	22	63.9%	13	36.1%
Macclesfield	71	29	40.1%	44	61.6%	59	82.3%	13	17.7%
Vale Royal	58	24	42.0%	34	59.3%	45	77.6%	13	22.4%
Warrington	97	33	34.3%	53	55.1%	72	74.3%	25	25.7%

Source: Annual Population Survey 2006, ONS

6.9.2 The rate of economically inactive working age people in Cheshire & Warrington without a level 2 qualification is low in comparison to the national average, currently -1.9 per cent lower. However, 2 areas have a high rate, Crewe & Nantwich and Ellesmere Port & Neston are both above the national and regional averages. Macclesfield has the lowest rate of the economically inactive working age population without a level 2 qualification (33.6 per cent), and is -12.9 percentage points lower than the national average.

Figure 53: Qualification Profile of the Economically Inactive Population, 2006

	All Economically Inactive active adults	Economically Inactive adults qualified to at least level 4		Economically Inactive adults qualified to at least level 3		Economically Inactive adults qualified to at least level 2		Economically Inactive adults without a level 2 qualification	
		Number	%	Number	%	Number	%	Number	%
England	7,126,790	1,094,717	15.4%	2,200,430	30.9%	3,810,305	53.5%	3,316,485	46.5%
North West	1,036,510	121,514	11.7%	294,126	28.4%	528,399	51.0%	508,111	49.0%
Cheshire/Warrington	114,246	20,657	18.1%	39,173	34.3%	63,285	55.4%	50,961	44.6%
Chester	17,589	3,851	21.9%	6,251	35.5%	9,268	52.7%	8,321	47.3%
Congleton	7,226	927	12.8%	1,418	19.6%	3,656	50.6%	3,570	49.4%
Crewe and Nantwich	14,393	1,538	10.7%	4,355	30.3%	6,517	45.3%	7,876	54.7%
Ellesmere Port and Neston	13,523	935	6.9%	3,802	28.1%	6,487	48.0%	7,036	52.0%
Macclesfield	18,765	5,488	29.2%	8,620	45.9%	12,459	66.4%	6,306	33.6%
Vale Royal	19,248	4,549	23.6%	7,611	39.5%	11,539	60.0%	7,709	40.0%
Warrington	23,502	3,369	14.3%	7,116	30.3%	13,359	56.8%	10,143	43.2%

Source: Annual Population Survey 2006, ONS

6.9.3 It is important to note that the economically inactive population have a far greater proportion of the population without a level 2 qualification than the economically active. This suggests that increasing the number of the working age population who are qualified to a level 2 could potentially increase the volume of the economically active population.

6.10 Not in Education, Employment or Training

6.10.1 The NEET rate for the North West is higher than the national rate. Both rates have declined since the previous year, however the North West improvement has been slower than the national change meaning that the gap has grown wider.

6.10.2 The January to March Average figures show that Cheshire and Warrington has the lowest levels of NEET in the region, and are 1.7 percentage points below the national rate. The Cheshire and Warrington NEET rate has improved from the previous year in line with the national rate.

Figure 54: Percentage of 16-18 Year Olds in NEET

	2006 Jan-March Average	2007 Jan-March Average	Change 2006-2007
England	8.6%	8.0%	-0.6%
North West	9.8%	9.5%	-0.3%
Cumbria	7.5%	6.8%	-0.7%
Lancashire	9.9%	8.3%	-1.6%
Greater Merseyside	11.7%	11.2%	-0.5%
Greater Manchester	9.9%	10.6%	0.7%
Cheshire and Warrington	6.9%	6.3%	-0.6%

Source: DfES

6.11 Entry to Employment

6.11.1 In terms of the rate of positive outcomes, Entry to Employment has been particularly successful in Ellesmere Port and Neston and Macclesfield with rates of positive outcome of 83 per cent and 79 per cent respectively.

6.11.2 The volume of starts under E2E has declined in 2006/07 (Period 12) from relative stability for the previous two years. The Cheshire and Warrington reduction of 54.7 per cent from 2005/06 is lower than the regional rate of reduction of 49.8 per cent.

Figure 55: Entry to Employment Starts and Progression

	2004/05			2005/06			2006/07		
	Starts	Positive Leavers	Positive outcome %	Starts	Positive Leavers	Positive outcome %	Starts	Positive Leavers	Positive outcome %
North West	9,539	4,493	47.3%	9,255	5,196	52%	4,643	2,187	50%
Cheshire & Warrington	535	265	52.3%	541	384	61%	245	144	62%
Warrington	88	40	45.5%	82	64	70%	59	24	55%
Chester	45	19	38.8%	69	43	61%	25	9	38%
Congleton	34	25	73.5%	42	26	54%	13	10	63%
Crewe and Nantwich	83	29	43.9%	120	67	54%	42	31	70%
Ellesmere Port & Neston	63	30	50.0%	61	49	64%	22	20	83%
Macclesfield	77	29	59.2%	76	60	63%	26	19	79%
Vale Royal	145	93	57.8%	91	75	61%	58	31	54%

Source: NW LSC Performance Reporting Platform

6.11.3 Of those leaving Entry to Employment, in Cheshire and Warrington, into positive destinations, the highest proportion of young people enter employment (48%). This is above the regional average of 41 per cent. The rate of those entering Further Education provision (28%) is lower than the regional rate of 37 per cent.

6.11.4 A district level analysis of E2E leaver destination data shows wide ranging proportions of young people entering the three separate routes displayed in the table; this is due in part to low volumes of learners in each district.

Figure 56: Entry to Employment Progression Route

	2006-2007					
	Into WBL	WBL %	Into FE	FE %	Into Employment	Employed %
North West	484	22%	811	37%	892	41%
Cheshire & Warrington	34	24%	41	28%	69	48%
Warrington	4	17%	7	29%	13	54%
Chester	2	22%	3	33%	4	44%
Congleton	4	40%	0	0%	6	60%
Crewe and Nantwich	4	13%	12	39%	15	48%
Ellesmere Port & Neston	4	20%	4	20%	12	60%
Macclesfield	6	32%	6	32%	7	37%
Vale Royal	10	32%	9	29%	12	39%

Source: NW LSC Performance Reporting Platform

6.12 Matching Demand and Supply

6.12.1 The rate of skills for life achievements that count towards target in Cheshire and Warrington showed a slight reduction between 2004/05 and 2005/06, this was contradictory to the regional and national trend of an increase in the proportion of skills for life achievements that count towards target. The overall volume of skills for life achievements (both counting to target and not counting to target) increased by 1.7 percent between years.

Figure 57: Skills for Life Achievements Contributing to Target

Local LSC	2004/05			2005/06			2004/05 to 2005/06
	Number of learners contributing to target	Number not contributing to target	Learners contributing to target	Number of learners contributing to target	Number not contributing to target	Learners contributing to target	Change in learners who contribute to target
Cheshire and Warrington	5,833	4,422	57%	5,892	4,541	56%	-0.4%
Cumbria	2,672	3,507	43%	3,390	2,910	54%	10.6%
Greater Manchester	21,571	30,029	42%	24,255	27,873	47%	4.7%
Greater Merseyside	12,035	17,837	40%	11,060	17,810	38%	-2.0%
Lancashire	8,395	13,590	38%	9,720	11,846	45%	6.9%
North West	50,506	69,385	42%	54,317	64,980	46%	3.4%
National	334,518	516,970	39%	367,635	494,808	43%	3.3%

Source: NW LSC Performance Reporting Platform

6.13 Summary Implications for the Learning Skills Sector

- 6.13.1 Recent policy developments, particularly the Leitch Review of Learning and Skills, have led to the requirement of more focused targeting within the workless group. The need for a differentiated approach to the key target groups has been highlighted, including those aged 50+, black and minority ethnic groups, offenders and ex-offenders, and others identified in this chapter.
- 6.13.2 The highest rates of economic inactivity are in Chester, Ellesmere Port & Neston and in Vale Royal, all of these areas have economic inactivity rates above the regional and national averages. However, a differentiated approach may be required in tackling inactivity in these areas, for example, Chester has the highest rate of economically inactive people who have stated that they do not want a job, where as Ellesmere Port & Neston has the highest rate of Incapacity Benefit claimants, suggesting a need for both further research and versatile working partnerships in the area.
- 6.13.3 As with other areas in the North West, up-skilling of the economically inactive working age population has become a priority. There is a direct link between skills attainment and employability, displayed in the qualification attainment charts shown earlier in this section.
- 6.13.4 Targeting of Skills for Life provision could become an issue for Cheshire & Warrington, analysis in this chapter shows that there has been a slight reduction between 2004/05 and 2005/06 in the proportion of achievements that count towards target, this was contradictory to the regional and national trend of an increase. Given the proposed changes in which Skills for Life qualifications count to target (now entry level 3 for numeracy and level 1 for literacy) this has the potential to become a difficult issue. (Although Leitch ambitions concentrate on entry 3 for numeracy and level 1 literacy, the LSC would expect providers to offer the whole Skills for Life framework from entry level 1 and 2 provision, this will be supported by the development of the Foundation Learning Tier).
- 6.13.5 New flexibilities introduced to Train to Gain have increased it's potential to meet skills for life needs, the Train to Gain Plan states:

“Skills for Life will be widely available as a stand alone option, not just embedded within a Level 2 programme”.

SECTION:7 LOWER LEVEL AND BASIC SKILLS

7.1 Introduction

- 7.1.1 The following section analyses skills for life needs in Cheshire & Warrington, looking at literacy, numeracy, English for speakers of other languages (ESOL) and information and communications technology subject areas to assess the supply to the labour market, and where there may be gaps.

7.2 Context

- 7.2.1 Below Level 2 qualifications, the focus is on providing individuals with the skills they need to participate in the labour market, including literacy and numeracy skills. The focus is as much about getting people onto the 'skills ladder' as meeting the needs of employers. However, the underpinning skills of literacy, language and numeracy are vital to ensure the region has a workforce which is able to support a move to higher productivity levels. Provision for those lower level skills, is delivered under the umbrella of the national 'Skills for Life' programme.
- 7.2.2 The North West Skills for Life Strategy (July 2006) is the region's response to developments at a national level and shows how the region intends to implement the policy. This is summarised in the Regional Strategic Analysis report.

7.3 Scale of Need

- 7.3.1 The Regional Strategic Analysis report explores the scale of need for Skills for Life provision in the region. Over 1.4m adults of working age in the North West do not hold qualifications at Level 2 or above (35.1% compared to 33.5% in England) –the minimum considered necessary for productive participation in the modern labour market. In Cheshire and Warrington, there are 156,000 adults below Level 2.
- 7.3.2 Across the region only 70.2% of those without a Level 2 qualification are employed, compared to 87.9% of those qualified to Level 4 –this equates to nearly 250,000 fewer people in work than would be the case if the employment rates were in line with the national average. For those with no qualifications at all, the employment rate is just 45.3%. Many people without any qualifications are also likely to have basic skills needs. Therefore, Skills for Life provision should be targeted at those who are currently unemployed, inactive, or in low-skilled employment but vulnerable to redundancy.
- 7.3.3 Basic skills gaps are causing North West employers recruitment difficulties. Based on the results of the 2005 National Employer Skills Survey, employers in the North West are more likely than employers anywhere else in the country to cite written communication, literacy, and numeracy skills as lacking amongst applicants for skills shortage vacancies. Of employers reporting skills shortage vacancies, 38% noted that written communication skills were lacking amongst applicants, 31% noted literacy skills as lacking, and 30% numeracy skills. In all cases, these were the highest responses of the nine English regions.

7.4 Targets

- 7.4.1 The region's PSA target is to support 109,670 adults to improve their literacy, language or numeracy skills between 2004-2007. The October 2006 data shows an achievement figure of 128,063 (non-discounted). This means that the region

has already over achieved its Skills for Life PSA target for 2007 by 117%, with further achievements due for 2006-7.

- 7.4.2 Not all Skills for Life achievements can be counted towards the target. There is a national benchmark set which encourages providers to work towards the balance and mix of 80% of Skills for Life provision to be target or approved provision, and the remaining 20% to be non-accredited provision.
- 7.4.3 Current performance in the North West and Cheshire and Warrington is shown in the table below. The table shows for 16-18 year olds and adults separately, the proportion of basic skills achievements which count towards the target in 2004/05. The last two columns show how achievements split between young people and adults. In 2004/05, in the North West, 89% of Skills For Life achievements by young people count towards the target - this is to be expected, as a large proportion of under 19 learners will be following key skills programme or re-taking GCSEs, which also contribute towards the target. Cheshire and Warrington, the proportion is higher, at 91%.
- 7.4.4 Most adults follow discrete Skills for Life programmes, which are less substantial in terms of guided learning hours. For adults in the North West, only 35% of achievements count towards the target. The Cheshire and Warrington figure is higher at 41%. The challenge is to increase the number of adults on basic skills courses that count towards the target, and this challenge is likely to increase over time if school performance continues to improve, as this will have the affect that fewer 16-18 year olds require Skills for Life provision.

Figure: Skills for Life Achievements (Target / Non Target) in 2004/05

	Age	% Count Towards Target	% Achievements
Cheshire and Warrington	16-18	91%	34%
	Adults	41%	66%
	All Ages	58%	
North West	16-18	89%	29%
	Adults	35%	71%
	All Ages	51%	

Source: NW LSC Performance Reporting Platform

7.5 Demand

- 7.5.1 The Regional Strategic Analysis report describes the results of the 2002 Skills for Life (SfL) Survey commissioned by DfES in 2002. Section 8.4 of the Regional report sets out estimated literacy, numeracy, ESOL and ICT needs in the region and sub-regions based on the survey proportions. In this report, we show the analysis at the district level, to get a picture of the areas with the greatest basic skills needs.

7.6 Literacy

- 7.6.1 The tables below show the proportion and number of people (adults aged 16-65) in each district with literacy skills at each of the three levels. There is a significant basic skills needs across Cheshire and Warrington - 60% of 16-65 year olds have literacy skills which are below Level 2. This compares to 56% for England

and 60% for the region. Within the sub-region, Warrington has the highest proportion of people with below Level 2 skills in literacy. The highest number of people below Level 2 is also in Warrington.

Figure 58: Adults (16-65): Distribution of Literacy Skills by Level of Need

Literacy	Entry Level	Level 1	Level 2
Chester District	8%	42%	50%
Congleton District	8%	43%	49%
Crewe and Nantwich District	9%	50%	40%
Ellesmere Port and Neston District	10%	47%	42%
Macclesfield District	7%	39%	54%
Vale Royal District	10%	43%	48%
Cheshire LEA	10%	46%	45%
Warrington LEA	9%	52%	39%
Cheshire and Warrington	9%	50%	40%
North West	13%	47%	40%
England	16%	40%	44%

Source: Skills for Life Survey 2002/03, DfES

Figure 59: Number of Adults (16-65) by Literacy Skill Level of Need

Literacy	Entry Level	Level 1	Level 2
Chester District	5,875	31,780	37,340
Congleton District	4,475	25,180	28,790
Crewe and Nantwich District	6,395	35,040	28,020
Ellesmere Port and Neston District	5,335	24,230	21,580
Macclesfield District	6,410	36,860	50,460
Vale Royal District	7,560	33,060	36,890
Cheshire LEA	41,520	195,000	189,900
Warrington LEA	11,330	63,360	47,800
Cheshire and Warrington	51,610	276,300	219,900
North West	536,760	1,991,600	1,674,800
England	5,021,930	12,232,620	13,682,015

Source: Skills for Life Survey 2002/03, DfES

7.7 Numeracy

7.7.1 The table below shows the proportion of people (adults aged 16-65) in each district with numeracy skills at each of the three levels. At the regional level, there is a significant basic skills need, with 53% of people at Entry Level and 30% at Level 1. In total, 83% of 16-65 year olds have numeracy skills which are below level 2, and this compares to 75% for England. There is some variation across the sub-regions; Greater Merseyside has the highest proportion of adults with less than Level 2 numeracy skills, at 87%, and Cheshire and Warrington has the lowest, at 79%. All sub-regions have a higher proportion of adults with numeracy skills below Level 2 than the England average.

7.7.2 Within the sub region, there are very high proportions of people with below Level 2 numeracy skills in Ellesmere Port and Warrington.

Figure 60: Adults (16-65): Distribution of Numeracy Skills by Level of Need

Numeracy	Entry Level	Level 1	Level 2
Chester District	42%	34%	25%
Congleton District	42%	33%	25%
Crewe and Nantwich District	51%	29%	20%
Ellesmere Port and Neston District	50%	33%	17%
Macclesfield District	38%	33%	29%
Vale Royal District	45%	34%	22%
Cheshire LEA	47%	31%	24%
Warrington LEA	55%	30%	20%
Cheshire and Warrington	49%	30%	21%
North West	53%	30%	17%
England	47%	28%	25%

Source: Skills for Life Survey 2002/03, DfES

7.7.3 There is a substantial need for basic skills training in numeracy across the North West. The table below shows the number of adults with numeracy skills at the different levels. There are about 3.5 million adults in the region with numeracy below Level 2, indicating a significant requirement for provision to address this need. Of these, Cheshire and Warrington accounts for 430,300 adults in need below Level 2. Warrington has a particularly high number of adults below Level 2.

Figure 61: Number of Adults (16-65) by Numeracy Skill Level of Need

Numeracy	Entry Level	Level 1	Level 2
Chester District	31,200	25,330	18,470
Congleton District	24,380	19,520	14,540
Crewe and Nantwich District	35,660	19,930	13,860
Ellesmere Port and Neston District	25,690	16,770	8,685
Macclesfield District	35,890	30,520	27,320
Vale Royal District	34,580	26,070	16,860
Cheshire LEA	198,100	132,000	102,700
Warrington LEA	67,500	36,380	24,320
Cheshire and Warrington	266,500	163,800	117,600
North West	2,229,200	1,264,300	710,220
England	14,499,395	8,553,945	7,883,225

Source: Skills for Life Survey 2002/03, DfES

7.8 ICT

7.8.1 The table below shows the results of the ICT assessment. In total, 66% of adults in the sub-region are classified as having ICT skills at Entry Level; this equates to 606,300 adults with a basic skills need in ICT. The proportion at Entry level is well above the England average of 53%. There are 2.5 million people in the region with ICT skills below Level 1.

7.8.2 Again there is some variation by District: Ellesmere Port & Neston has the highest proportion of adults at Entry Level (61%), and Macclesfield the lowest (46%).

Figure 62: Adults (16-65): Distribution of ICT Skills by Level of Need

	Number		Proportion (%)	
	Entry Level	Level 1	Entry Level	Level 1
Chester District	35,500	39,500	47%	53%
Congleton District	28,300	30,140	48%	52%
Crewe and Nantwich District	37,410	32,045	54%	46%
Ellesmere Port and Neston District	31,450	19,695	61%	39%
Macclesfield District	42,960	50,775	46%	54%
Vale Royal District	45,490	32,015	59%	41%
Cheshire LEA	250,800	174,480	59%	41%
Warrington LEA	74,590	47,970	61%	39%
Cheshire and Warrington	308,000	239,840	56%	44%
North West	2,462,100	1,741,530	59%	41%
England	16,538,095	14,398,470	53%	47%

Source: Skills for Life Survey 2002/03, DfES

7.9 ESOL

7.9.1 As noted earlier, the survey provides an estimate of the number of people who may require ESOL training. The numbers for the sub-region are shown in the table below. The greatest need is in Warrington. The North West Skills for Life Strategy notes that there is now higher demand for ESOL in the region. This is not reflected in the 2003 Survey. This is a result of an inflow of migrants with ESOL needs. The North West has established an ESOL task group to identify the scale of demand and suggest ways to plan and address the increase in demand.

Figure 63: Adults in the ESOL Group

	ESOL(number)	ESOL (%)
Chester District	1,265	2%
Congleton District	435	1%
Crewe and Nantwich District	750	1%
Ellesmere Port and Neston District	420	1%
Macclesfield District	1,405	1%
Vale Royal District	605	1%
Warrington	1,715	1%
Cheshire and Warrington	6,595	1%
North West	173,915	4%
England	2,358,060	8%

Source: Skills for Life Survey 2002/03, DfES

Figure 64: Skills for Life Learners

Skills for Life All Ages, Learner
Numbers (Residency Based)

Number of Learners	
Local Area	Total
Chester	2,152
Congleton	1,332
Crewe And Nantwich	2,138
Ellesmere Port And Neston	1,776
Macclesfield	2,377
Vale Royal	2,629
Warrington	4,993
Cheshire and Warrington	17,397

7.9.2 The highest volume of Skills for Life Learners (all ages) in 2005/06 were in Warrington, with 4,993 learners, this seems appropriate given the high volumes of people in Warrington with needs for both literacy and numeracy below level 2.

7.10 Summary Implications for the Learning Skills Sector

7.10.1 There is a major need identified in the region in terms of basic skills requirements and it is clearly an issue for employers. People without qualifications (a proxy for basic skills needs) are significantly more likely than those who have qualifications to be excluded from the labour market. Given the importance of addressing basic skills needs –both for employers and individuals - the issue arises of whether sufficient resources are being directed to meeting adult basic skills needs. On current volumes, only a small proportion of the region's basic skills needs are being addressed each year.

7.10.2 The challenges for Cheshire and Warrington include how to convert need into demand –and in particular, how to make provision more accessible –and finally ensuring that providers have the capacity and capability to deliver.

7.10.3 As with all other areas in the North West, skills for life: Numeracy is a larger issue than Literacy, although both important, the rate of working age people in Cheshire & Warrington who are qualified to a level 2 (Literacy) is 40 per cent, the rate of those with numeracy at level 2 is 21 per cent, given the identified requirement for higher level skills in sectors such as engineering and manufacturing, as well as the chemical industry being seen as key to the future of the regional economy, greater levels of attainment in science and mathematical subjects is essential to ensure sustainable employment.

SECTION:8 LEVEL 2

8.1 Introduction

8.1.1 This chapter looks at participation and success rates in full level 2 learning and skills development in Cheshire and Warrington. Full level 2 qualifications are essential in increasing employment opportunities and the up-skilling of the workforce. In recent years there has been a clear focus on the inclusion of English and Maths achievements as part of the full level 2 qualification.

8.2 Context

8.2.1 The Regional Strategic Analysis explains in some detail the reasons for the national focus on level 2. The importance placed on level 2 attainment reflects a belief that this level is the minimum a person requires for employability. Attainment of level 2 is also a platform for progression to developing intermediate and higher level skills. Both DCSF and DIUS have PSA targets that relate to level 2 attainment by young people and adults.

8.3 Level 2 Attainment – Young People

8.3.1 The table below shows the proportion of learners who achieved a level 2 by age 16 and 19, and also the rate of additionality. Looking at the cohort of young people in the North West with a level 2 by age 19 is slightly below the National average of 71.4%. The volume of 19 year olds with level 2 varies greatly at district level.

Figure 65: Level 2 Attainment of Young People

	19 in 06 cohort		
	% L2 by 16	% L2 by 19	Additionality
National	52.2%	71.4%	19.2%
North West	50.1%	70.2%	20.1%
Cheshire	60%	74%	14.2%
Warrington	55.0%	70.1%	15.0%
Chester	60.7%	73.2%	12.6%
Congleton	67.7%	81.0%	13.2%
Crewe and Nantwich	54.4%	68.4%	14.0%
Ellesmere Port & Neston	46.4%	65.5%	19.1%
Macclesfield	65.5%	79.5%	14.0%
Vale Royal	59.4%	73.4%	13.9%

Source: LSC North West Reporting Platform from ILR

8.3.2 Cheshire has a particularly high proportion of 19 year olds with level 2 qualifications with a reasonable rate of additionality. Across the area attainment is varied with Congleton having the highest rate (81 per cent) and Ellesmere Port and Neston with the lowest, -5.9 percentage points below National average. The rate of additionality is below the regional average across the area.

8.3.3 It has become evident over previous years that many lack basic numeracy and literacy skills leading to a national focus on young people attaining level 2 including Maths and English.

8.4 Level 2 Attainment – Adults

8.4.1 Of the working age population 32.7 per cent of the population in England do not have a level 2 qualification, equating to 10,031 people.

Figure 66: Working Age Population Qualified to Level 2

	Working age		Working age qualified to a least a level 2		Working age without a level 2 qualification	
	Population (000s)	Number (000s)	Percentage (%)	Number (000s)	Percentage (%)	
England	30,668	20,637	67.3%	10,031	32.7%	
North West	4,104	2,716	66.2%	1,388	33.8%	
Cheshire/Warrington	532	378	71.1%	154	28.9%	
Cheshire LP	412	293	71.2%	119	28.8%	
Warrington LP	120	85	70.9%	35	29.1%	

Source: Annual Population Survey

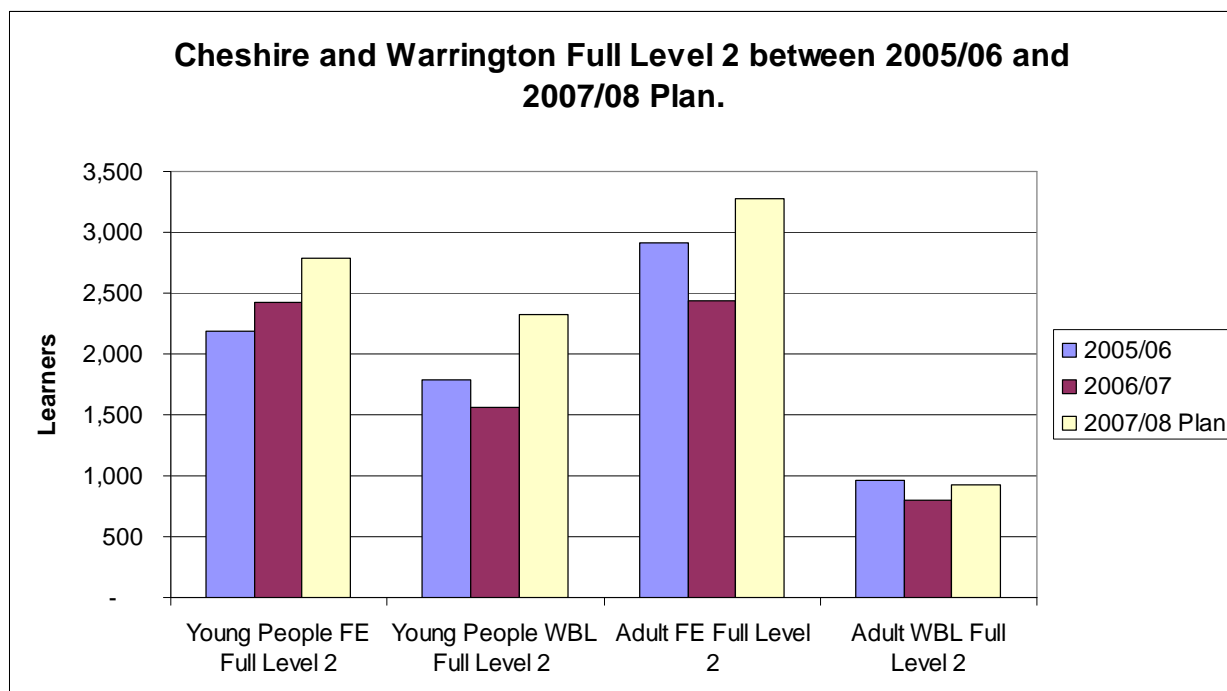
8.4.2 Of the working age population in Cheshire & Warrington, only 28.9 per cent do not have a level 2 qualification, -3.8 percentage points below the national average. Both districts in Cheshire & Warrington are similar, with Cheshire showing a slightly higher percentage of the working age population with a level 2 qualification and a lower proportion without a level 2 in comparison to Warrington.

8.5 Plan

8.5.1 Currently the LSC does not have plan information from School Sixth Forms, but will begin to collect this information in the next year. Therefore only WBL and FE plans have been considered in this section.

8.5.2 The North West has regional plans for Level 2 participation for young people and adults. The plans show the number of full level 2 qualifications and include WBL apprenticeship and FE full level 2.

Figure 67: Full level 2 Plan.



Source: NW LSC Performance Reporting Platform, PaMS

- 8.5.3 The chart above shows the learner volumes of various level 2 qualifications in 2005/06 and 2006/07. The chart also shows the volume planned for 2007/08. The 2007/08 plans for young people in FE full level 2 are 15 per cent higher than the area achieved in 2006/07, equating to an additional 362 learners on the 2006/07 total. The 2007/08 plan of young people attaining WBL apprenticeships (level 2) appear beyond reach based on previous performance, however if the continued growth in starts increases it may be possible to increase last years attainment by 49 per cent to meet the target of 2,322 by the end of the year.
- 8.5.4 The 2007/08 plan for adults in FE Full level 2 are 34 per cent higher than that achieved in 2006/07, equating to an additional 834 learners on top of the 2006/07 baseline of 2,441. The 2007/08 plan of adults attaining a WBL apprenticeship (level 2) qualification is 927. In 2006/07 Cheshire & Warrington achieved a total of 799 completions, and therefore 16 per cent growth is required to meet the plan.
- 8.5.5 The chart above shows a trend of decline across age groups and learning route between 2005/06 and 2006/07 with the exception of young people studying towards an FE full level 2 qualification. In 2007/08 there is planned growth across both age groups and learning routes, which may be a problem based on the current trend of decline.

8.6 Supply

8.7 Young People

- 8.7.1 The table below shows the number of young people who are studying for a FE full level 2 qualification between 2004/05 and 2006/07. In Cheshire & Warrington there were 2,336 learners studying towards a full level 2, representing 10 per cent of the North West total.

Figure 68: Number of Young People in FE: Full Level 2 Participation

	2004/05	2005/06	2006/07
North West	20,477	21,278	23,600
Cheshire & Warrington	2,210	2,102	2,336
Warrington	532	545	539
Chester	254	252	263
Congleton	227	185	191
Crewe and Nantwich	312	273	338
Ellesmere Port & Neston	235	232	266
Macclesfield	307	303	359
Vale Royal	342	310	380

Source: LSC North West Residency Platform

8.7.2 Full level 2 participation rates in Cheshire & Warrington have not followed the regional trend of steady increase. Between 2004/05 and 2005/06 learner volumes fell by -4.9 per cent when the region increased by 3.9 per cent, this fluctuation is evident at district level. All districts in Cheshire & Warrington have experienced an increase in the number of learners on last year with the exception of Warrington, which fell by -1.8 per cent.

8.7.3 Success rates for 16-18 year olds on FE full level 2 courses are shown below with the latest available data. The Cheshire & Warrington success rate (71.7 per cent) is above the regional average in 2005/06.

Figure 69: Young People in FE: Full Level 2 Success Rates

	2003/04	2004/05	2005/06
North West	60.9%	65.3%	69.9%
Cheshire & Warrington	60.8%	67.7%	71.7%
Cheshire	60.6%	68.1%	71.5%
Warrington	61.5%	66.5%	72.7%

Source: LSC North West Reporting Platform

8.7.4 The table above shows that success rates vary at partnership team level. Warrington success rates have grown at a steady rate over three years and have consistently been above the North West average. Cheshire has shown substantial growth between 2003/02004 and 2004/2005 of 7.5 percentage points.

8.7.5 The table below shows the number of 16-18 year olds studying towards an Apprenticeship (level 2) in the WBL sector between 2004/05 and 2006/07. In Cheshire & Warrington there are 1,316 young people starting a WBL apprenticeship, representing 9.7 per cent of the regional total.

Figure 70: Number of Young People in WBL: Full Level 2 Starts

	2004/05	2005/06	2006/07
North West	15380	13295	13506
Cheshire and Warrington	1,601	1,368	1,316
Chester	198	146	144
Congleton	133	152	143
Crewe And Nantwich	178	175	161
Ellesmere Port And Neston	180	152	153
Macclesfield	181	187	167
Vale Royal	316	209	230
Warrington	415	346	318

Source: LSC North West Residency Platform

8.7.6 The number of young people starting an Apprenticeship (level 2) has fallen across the region by -14 per cent between 2004/05 and 2005/06 and risen by 1.5 per cent from 2005/06 and 2006/07. Participation rates are varied at district level with the number of starts increasing by 10 per cent in Vale Royal and falling by -10.7 per cent in Macclesfield between 2005/06 and 2006/07.

8.7.7 Success rates of 16-18 year olds in WBL apprenticeships since 2004/05 are shown on the table below.

Figure: Young People in WBL: Full Level 2 Success Rates

	2004/05	2005/06	2006/07
North West	51%	58%	65%
Cheshire & Warrington	49%	56%	68%
Cumbria	55%	56%	67%
Greater Manchester	53%	56%	64%
Greater Merseyside	44%	58%	63%
Lancashire	56%	64%	71%

Source: LSC North West Reporting Platform

8.7.8 Cheshire & Warrington success rates have increased by 19 percentage points over three years and are currently 3 percentage points greater than the North West average. The sub-region has experienced a substantial increase of 12 percentage points on the 2005/06 success rates, higher than other areas in the region.

8.8 Adults

8.8.1 The number of adults studying for a full level 2 qualification in the FE sector between 2004/05 and 2006/07 are shown below. In Cheshire & Warrington there were 2,985 adults studying towards an FE full level 2, representing 9.8 per cent of the regional total.

Figure 71: Number of Adults in FE: Full Level 2 Participation

	2004/05	2005/06	2006/07
North West	26,861	28,671	29,497
Cheshire & Warrington	3,044	3,124	2,985
Warrington	698	809	839
Chester	374	363	359
Congleton	273	244	222
Crewe and Nantwich	501	467	435
Ellesmere Port & Neston	466	459	329
Macclesfield	349	347	418
Vale Royal	381	434	383

Source: LSC North West Reporting Platform

8.8.2 The North West has experienced a steady increase in learner volumes since 2004/05. The sub-area of Cheshire & Warrington has risen between 2004/05 and 2005/06 but fallen in the following year by -4.5 per cent. The participation rates at district level in Cheshire & Warrington have decreased since last year, with the exception of Warrington and Macclesfield which have risen (3.7 per cent and 20.4 per cent respectively).

8.8.3 The table below shows FE full level 2 success rates for adult learners by partnership team level.

Figure 72: Adults in FE: Full Level 2 Success Rates

	2003/04	2004/05	2005/06
North West	57.8%	64.1%	68.9%
Cheshire & Warrington	59.8%	73.4%	75.6%
Cheshire	60.8%	76.2%	77.9%
Warrington	54.3%	56.5%	63.9%

Source: LSC North West Residency Platform

8.8.4 As the table shows adult success rates in Cheshire & Warrington are 6.7 per cent point above the regional average in 2005/06. Success rates in the area have risen substantially by 15.8 percentage points over the three year period compared to 11.1 percentage points in the North West. Cheshire success rates are 14 percentage points higher than the Warrington rates in 2005/06, and have experienced a large improvement of 17.1 percentage points over the three year period.

8.8.5 The table below shows the number of adults participating in WBL (level 2) apprenticeships at district level over the last three years.

Figure 73: Number of Adults in WBL: Full Level 2 Starts

	2004/05	2005/06	2006/07
North West	8,084	7,037	7,534
Cheshire and Warrington	1,076	845	889
Chester	136	100	99
Congleton	93	87	85
Crewe And Nantwich	159	132	106
Ellesmere Port And Neston	101	94	99
Macclesfield	147	109	120
Vale Royal	177	133	120
Warrington	262	189	260

Source: LSC North West Residency Platform

8.8.6 As shown in the table participation rates in the region have fallen over the three year period with an increase of 7 per cent since last year. Participation at district level is varied with Macclesfield and Ellesmere Port & Neston showing slight increases, and the majority showing small reductions, with the exception of Warrington which increased substantially by 37 per cent since last year (71 learners).

8.8.7 The table below shows success rates of adults participating in WBL apprenticeships (full level 2) between 2004/05 and 2006/07 at sub-regional level.

Figure: Adults in WBL: Full Level 2 Success Rates

	2004/05	2005/06	2006/07
North West	54%	60%	70%
Cheshire & Warrington	53%	58%	70%
Cumbria	58%	62%	69%
Greater Manchester	54%	60%	69%
Greater Merseyside	52%	57%	68%
Lancashire	56%	65%	73%

Source: LSC North West Reporting Platform

8.8.8 Success rates in Cheshire & Warrington have grown at a similar rate to the regional average, representing a total of 17 percentage points over the three year period in Cheshire & Warrington.

8.9 Summary Implications for the Learning Skills Sector

- 8.9.1 Overall Full Level 2 performance in Cheshire & Warrington is good, with increasing numbers of participants and high success rates in most areas.
- 8.9.2 The proportion of 19 year olds with a level 2 qualification is high in Cheshire & Warrington as an area, however this is not fairly distributed to district level with Crewe & Nantwich and Ellesmere Port & Neston attaining lower rates than the National average.
- 8.9.3 Although post-16 learning is good in Cheshire & Warrington the level 2 attainment levels vary greatly by districts, and therefore providers will need to continue to work closely with Connexions to ensure that transition from school to post-16 learning is improved. It is important that there is continued developing and maintenance of the comprehensive online prospectuses in every area, Advice and Guidance and implementation of the September Guarantee for all 16 years old and extending this to 17 year olds.
- 8.9.4 Level 2 attainment levels in 2006/07 are good however the 2007/08 plans are particularly high. The growth of participation in 16-18 year olds FE courses has also been good although slightly lower in Warrington, with high success rates across the area. The participation of young people on WBL courses has declined in contrast to the Region which has seen an increase in learner numbers.
- 8.9.5 The decline in young people taking up Apprenticeships (level 2) needs to be countered if we are to achieve the ambitions of Leitch and new targets. This may include the raising of knowledge and awareness amongst young people, their families/carers and teachers through campaigns and targeted work amongst those who have traditionally not participated in Apprenticeships. It is also important that we continue to attract new employers to participate in WBL programmes in order for a steady route through learning and into work.
- 8.9.6 Adult FE Full Level 2 participation rates have increased over the last three years in contrast to a fall in the region, performance is also good with Cheshire achieving above the North West average and Warrington slightly below. Adult WBL starts have also increased on last years numbers however this is varied at district level, with Warrington experiencing a large rise in starts of 37 per cent. Success rates are also in line with the North West averages and have shown steady growth over the last three years.
- 8.9.7 Adult performance in Cheshire & Warrington is good as a result of growth in level 2 qualifications; however due to growing plans we need to continue to target priority groups and especially those without a first full level 2. In addition it is important that we encourage engagement and participation by supporting colleges and providers to work with the voluntary and community sector to create progression pathways for people without a Level 2.
- 8.9.8 As evidenced in the Regional Strategic Analysis we need to continue to encourage colleges and providers to assist workless individuals in accessing employment opportunities (especially those from BME groups, people claiming working age benefits such as Incapacity Benefit and those aged 50+) allowing and encouraging individuals who gain employment are able to complete their qualification via Train to Gain at level 2.

SECTION:9 LEVEL 3

9.1 Introduction

9.1.1 This chapter looks at participation and success rates in full level 3 learning and skills development in Cheshire & Warrington. Full level 3 qualifications are essential in increasing employment opportunities and the up-skilling of the workforce.

9.2 Context

9.2.1 There is a growing body of evidence (including the Leitch review) that highlights the increasing importance of level 3. For example, the interim Leitch report notes that evidence of spillover effects, where lower skilled workers become more productive as a result of working with higher skilled colleagues, is only present for level 3 and above qualifications. Strong earnings returns to level 3 qualifications are also seen, indicating an impact on productivity.

9.2.2 It is also important to note that level 3 attainment is the platform for progression to HE and higher level skills, and the additional earnings and productivity benefits that this brings. These issues are discussed in further detail in the regional strategic analysis.

9.2.3 It is important to note that Level 3 qualifications are now considered the new standard going forward. Therefore increasing learner numbers at Level 2 is essential for progression to a level 3 achievement combined with the increasing growth in profile of Level 3 trials.

9.3 Level 3 Attainment – Young People

9.3.1 The table below shows the proportion of 19 year olds who have attained a level 3 between 2003/04 and 2005/06.

Figure 74: Level 3 Attainment of Young People

	Aged 19 at the end of 2003/04	Aged 19 at the end of 2004/05	Aged 19 at the end of 2005/06
Cheshire	45.9%	50.1%	50.8%
Warrington	41.5%	44.5%	44.1%
North West	38.6%	42.3%	43.1%
National	42.1%	45.6%	46.8%

Source: LSC North West Reporting Platform

9.3.2 As shown in the table above the attainment of level 3 in the North West is lower than the National figure by -3.7 percentage points at the end of 2005/06. Attainment in Cheshire & Warrington is varied with 50.8 per cent of 19 year olds in Cheshire possessing a level 3 qualification, 4 percentage points above the National average, compared to only 44.1 per cent in Warrington.

9.4 Level 3 Attainment – Adults

9.4.1 The table below shows the number and percentage of the working age population who are qualified to Level 3 across Cheshire & Warrington.

Figure 75: Adults of Working Age Qualified to Level 3

	Working age population	Working Age Population Qualified to at least a level 3		Working Age Population Without a level 3 Qualification	
	Number (000s)	Number (000s)	Percentage (%)	Number (000s)	Percentage (%)
Warrington	120	61	50.3%	60	49.7%
Chester	69	39	56.3%	30	43.7%
Congleton	57	29	50.7%	28	49.3%
Crewe and Nantwich	71	30	42.4%	41	57.6%
Ellesmere Port and Neston	48	19	39.2%	29	60.8%
Macclesfield	90	53	58.4%	37	41.6%
Vale Royal	77	42	54.4%	35	45.6%
Cheshire/Warrington	532	271	51.0%	261	49.0%
North West	4,104	1,819	44.3%	2,285	55.7%
England	30,668	14,032	45.8%	16,636	54.2%

Source: Annual Population Survey

9.4.2 As the table above shows the proportion of the working age population in Cheshire & Warrington who are not qualified to Level 3 is below both the regional and national averages. In Cheshire & Warrington the proportion of the working age population qualified to at least a level 3 is 5.2 percentage points greater than the national average.

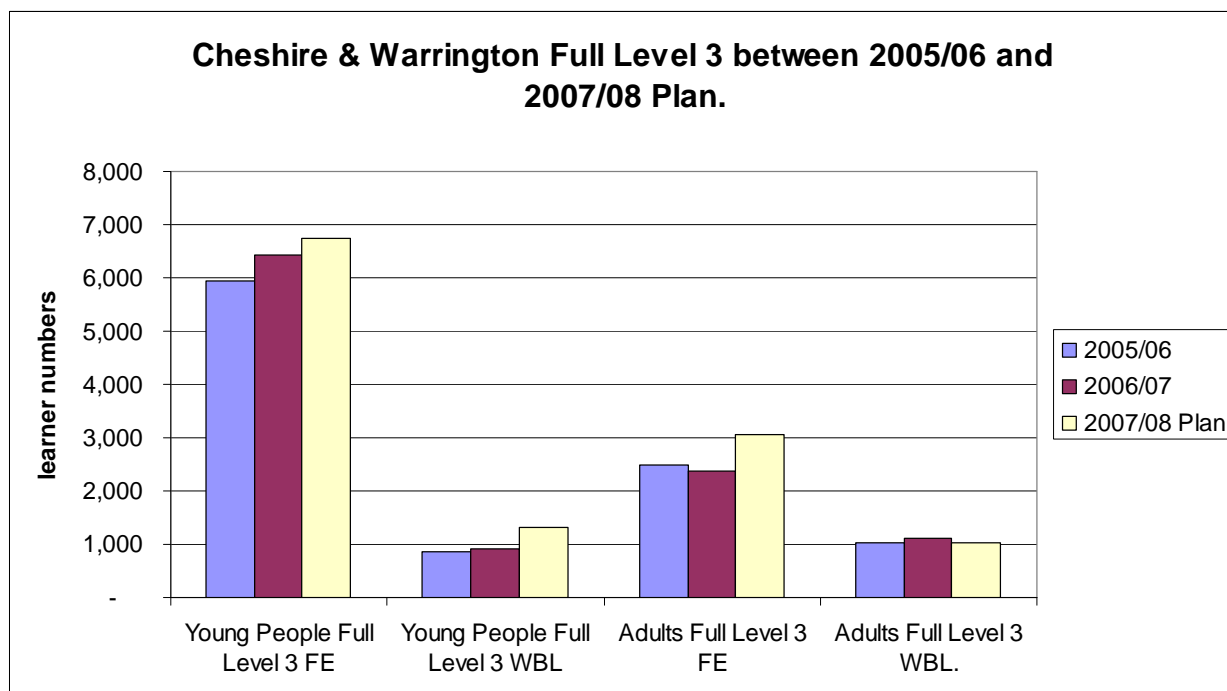
9.4.3 There is great disparity across the districts; Ellesmere Port & Neston has the largest proportion of the population without a level 3 qualification (60.8 per cent), and is currently 6.6 percentage points above the national average. Macclesfield has the lowest rate without a level 3 qualification, at 41.6 per cent, -12.6 percentage points below the national average. This variation also applies to the proportion of the working age with a level 3 qualification in Cheshire & Warrington.

9.5 Plans

9.5.1 Currently the LSC does not have plan information from School Sixth Forms, but will begin to collect this information in the next year. Therefore only WBL and FE plans have been considered in this section.

9.5.2 The North West has regional plans for Level 3 participation for young people and adults. The plans show the number of full level 3 qualifications and include WBL Advanced apprenticeships and FE full level 3 qualifications.

Figure 72a: Full Level 3 Plan 2007/08.



Source: NW LSC Performance Reporting platform, PaMS

9.5.3 The 2007/08 plans for young people in FE full level 3 are 5 per cent higher than the area achieved in 2006/07, equating to an additional 291 learners on the 2006/07 total, and with the current growth look to be within reach. The 2007/08 the plan of young people attaining WBL Advanced Apprenticeships (level 3) in Cheshire & Warrington is 1,313, 43 per cent higher than the 2006/07 baseline figure of 917.

9.5.4 The 2007/08 plan for adults in FE Full level 3 are 28 per cent higher than what was achieved in 2006/07, equating to an additional 666 learners on top of the 2006/07 baseline of 3,046. The 2007/08 plan of adults attaining a WBL Advanced Apprenticeship (level 3) qualification is 1,030. In 2006/07 Cheshire & Warrington achieved a total of 1,114 completions, and therefore an -8 per cent reduction is required to meet the plan figure.

9.6 Supply

9.7 Young People

9.7.1 The number of young people studying towards a full level 3 FE qualification across Cheshire & Warrington is shown below. In 2006/07 Cheshire & Warrington has 6,173 learners, representing 12 per cent of the North West total.

Figure 76: Number of Young People in FE: Full Level 3 Participation

	2004/05	2005/06	2006/07
North West	47,753	48,337	51,206
Cheshire & Warrington	5,272	5,667	6,173
Warrington	1,455	1,566	1,675
Chester	367	386	429
Congleton	524	528	588
Crewe and Nantwich	839	910	1,011
Ellesmere Port & Neston	268	269	324
Macclesfield	507	634	724
Vale Royal	1,310	1,370	1,422

Source: LSC North West Residency Platform

9.7.2 Full level 3 participation in the North West has increased at a steady rate over the past three years, growing by 7.2 per cent, compared to a substantial increase of 17.1 per cent in Cheshire & Warrington. There has been growth across all the districts most noticeably in Chester and Ellesmere Port & Neston increasing by 23.5 per cent, 20.4 per cent respectively between 2005/06 and 2006/07. The district with the slowest rate of growth is Vale Royal which has grown by 3.7 per cent equating to 52 learners.

9.7.3 The table below shows the success rates of young people in FE full level 3 between 2003/04 and 2005/06.

Figure 77: Young People in FE: Full Level 3 Success Rates

	2003/04	2004/05	2005/06
North West	58.0%	62.2%	66.0%
Cheshire & Warrington	63.0%	61.9%	67.0%
Cheshire	62.6%	62.7%	67.1%
Warrington	65.1%	59.1%	66.4%

Source: LSC North West Reporting Platform

9.7.4 The North West region has seen increasing success rates of 8 percentage points between 2003/04 and 2005/06, compared to a slower growth of 4 percentage points in Cheshire & Warrington.

9.7.5 The table below shows the number of young people starting Advanced Apprenticeships (level 3) over the last three years.

Figure 78: Number of Young People in WBL: Full Level 3 Starts

	2004/05	2005/06	2006/07
North West	4,820	4,307	4,475
Cheshire and Warrington	493	492	503
Chester	44	49	60
Congleton	64	53	61
Crewe And Nantwich	60	61	63
Ellesmere Port And Neston	66	69	69
Macclesfield	79	69	57
Vale Royal	61	85	81
Warrington	119	106	112

Source: LSC North West Residency Platform

9.7.6 As the table above shows there has been a fall of -7.2 per cent of learners in the Region between 2004/05 and 2006/07, however between 2005/06 and 2006/07 learner starts increased by 3.9 per cent. In Cheshire & Warrington learner numbers are relatively small and have almost remained static over the three year period, decreasing by one learner between 2004/05 and 2005/06 and rising by 2.2 per cent the following year (11 learners).

9.7.7 The table below shows the success rates of young people studying WBL Advanced Apprenticeships (level 3) between 2004/05 and 2006/07.

Figure 79: Young People in WBL: Full Level 3 Success Rates

	2004/05	2005/06	2006/07
North West	58%	68%	72%
Cheshire & Warrington	57%	65%	73%
Cumbria	58%	77%	73%
Greater Manchester	58%	66%	66%
Greater Merseyside	51%	63%	73%
Lancashire	66%	72%	78%

Source: LSC North West Reporting Platform

9.7.8 As shown in the table above WBL success rates in the Region have increased by 14 percentage points over the three year period compared to 16 percentage points in Cheshire & Warrington. The area is currently 1 percentage point above the regional average and is in line with Cumbria and Greater Merseyside success rates.

9.8 Adults

9.8.1 The number of adults studying for a full level 3 qualification in the FE sector is shown in the table below from 2004/05 to 2006/07.

Figure 80: Number of Adults in FE: Full Level 3 Participation

	2004/05	2005/06	2006/07
North West	24,604	23,838	22,768
Cheshire & Warrington	2,842	2,526	2,455
Warrington	641	578	613
Chester	374	331	311
Congleton	263	253	232
Crewe and Nantwich	352	302	323
Ellesmere Port & Neston	368	341	316
Macclesfield	450	400	367
Vale Royal	392	320	293

Source: LSC North West Residency Platform

9.8.2 The North West adult level 3 participation rates have seen a steady decline of - 7.5 per cent between 2004/05 and 2006/07. Participation in the area of Cheshire & Warrington has fallen by -13.7 per cent over three years, a much faster rate of decline than the regional average. At district level change in participation numbers is varied with Congleton volumes falling by -8.4 per cent and Crewe & Nantwich increasing by 6.9 per cent.

9.8.3 Success rates in adult FE Full level 3 are shown on the following table.

Figure 81: Adults in FE: Full Level 3 Success Rates

	2003/04	2004/05	2005/06
North West	53.8%	59.0%	62.6%
Cheshire & Warrington	54.7%	62.4%	62.6%
Cheshire	56.0%	65.7%	63.5%
Warrington	49.5%	50.8%	59.3%

Source: LSC North West Reporting Platform.

9.8.4 The North West has seen an 8.8 percentage point increase in success rates over three years and is currently 62.6 per cent, in line with Cheshire & Warrington. Performance is varied between the Local Authorities of Cheshire & Warrington, Cheshire is 0.9 percentage points above the regional average and Warrington is -3.3 percentage points below in 2005/06.

9.8.5 The table below shows the number of adults starting WBL Advanced Apprenticeships (level 3) between 2004/05 and 2005/06.

Figure 82: Number of Adults in WBL: Full Level 3 Starts

	2004/05	2005/06	2006/07
North West	4,880	4,877	5,628
Cheshire and Warrington	694	708	798
Chester	61	81	96
Congleton	81	81	75
Crewe And Nantwich	97	95	96
Ellesmere Port And Neston	65	59	80
Macclesfield	100	111	102
Vale Royal	150	140	142
Warrington	140	141	207

Source: LSC North West Residency Platform

9.8.6 The number of starts in the North West has increased by 15.3 per cent on 2005/06 actual with a slight reduction in the previous year. Cheshire & Warrington has experienced a steady increase in learner numbers, with growth of 12.7 per cent since 2005/06. Growth is evident at district level with the exceptions of Macclesfield and Congleton which have decreased slightly.

9.8.7 The table below shows adult success rates in the North West for those studying WBL Advanced Apprenticeships (full level 3).

Figure 83: Adults in WBL: Full Level 3 Success Rates

	2004/05	2005/06	2006/07
North West	51%	58%	70%
Cheshire & Warrington	52%	60%	69%
Cumbria	57%	64%	70%
Greater Manchester	53%	58%	68%
Greater Merseyside	46%	56%	71%
Lancashire	53%	60%	74%

Source: LSC North West Reporting Platform

9.8.8 Adult WBL performance in the North West region has increased at a growing rate over the last three years, increasing by 19 percentage points in total. Growth in Cheshire & Warrington has been similar to that in the region, and is -1 percentage point below the North West success rate in 2006/07.

9.9 Summary Implications for the Learning Skills Sector

9.9.1 Cheshire & Warrington has shown good performance in participation and starts as well as success rates and attainment at Level 3. As with many areas in the North West performance is varied at district level. The plan figures for 2007/08 are slight with a reduction expected in adult WBL starts. It is important for Cheshire & Warrington to continue to improve Level 3 attainment as progression to mid and higher level skills is a key issue for the future of the regional economy.

9.9.2 Level 3 attainment at 19 is higher than the National average in Cheshire and lower in Warrington, also reflected in Level 2 attainment, implying continued progression and growth in the future. The participation of 16-18 year olds in FE courses has shown substantial growth over the last three years, with success rates above the regional average. WBL starts have also increased, in contrast to a fall in the region, with high success rates greater than the North West average.

9.9.3 Although level 3 participation and attainment is improving the LSC Single Equality Scheme (April 2007) states: "Members of black or ethnic minority groups form about one-tenth of the English population. They were under-represented in WBL, in full Level 2 and 3 programmes". By reviewing with providers what this means for the North West region, appropriate action can be taken to address this inequality.

9.9.4 Adult participation in FE courses has fallen at a faster rate than the North West, which is likely to be an issue due to increasing plans for 2007/08. The decrease in participation is counter-balanced by improving success rates above the regional average, with a slight decline in Warrington. WBL starts have increased at a steady rate between 2004/05 and 2006/07, however an -8 per cent reduction is expected in 2007/08 based on the plan figure. In order for the forecasted decline in 2007/08 plan in Advanced Apprenticeships providers will need to continue working closely with employers to encourage them to invest in training. Employers need to recognise the value in upskilling of their workforce and the role it will play in improving productivity and competitiveness.

9.9.5 As learning evolves to focus on the goals of employability and progression there is a need for the [learning and skills](#) sector to target those groups at most disadvantage in the labour market; workless individuals, residents of deprived areas, offenders etc.

SECTION:10 HIGHER LEVEL SKILLS (LEVEL 4+)

10.1 Introduction

- 10.1.1 The following Chapter analyses level 4 skills in Cheshire & Warrington, looking at both demand and current supply.
- 10.1.2 Higher level skills at Level 4 and above are vitally important for ensuring that the North West is able to improve its regional competitiveness: Recent growth in new jobs has been concentrated in occupations requiring intermediate and higher level skills.
- 10.1.3 Employment forecasts by occupational category suggest significant demand for Level 4+ qualifications, particularly in the Associate Professional and Professional occupational categories. There is projected expansion in jobs that require higher skills levels, to support value-added corporate strategies in an increasingly competitive global market place.

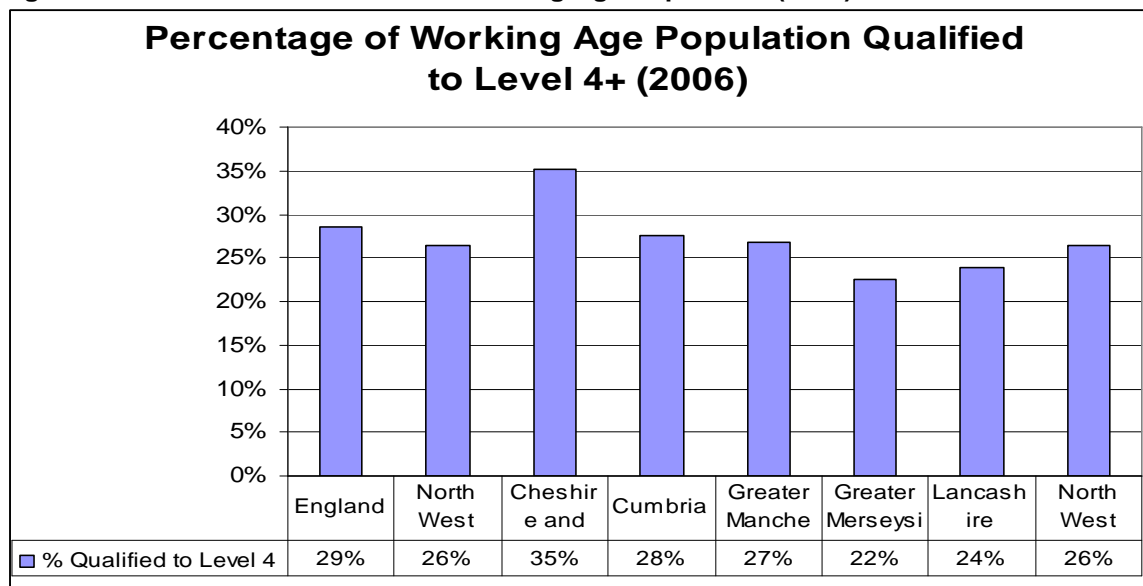
10.2 Context

- 10.2.1 Higher level skills at Level 4 and above are vitally important for ensuring that the North West is able to improve its regional competitiveness. The Leitch review is highlighting the importance of intermediate and higher level skills to support international competitiveness and productivity, in increasingly open global markets. Sector level evidence often points to intermediate and higher level skills needs.
- 10.2.2 In the North West, recent growth in new jobs has been concentrated in occupations requiring intermediate and higher level skills. Employment forecasts by occupational category suggest significant demand for Level 3 or higher qualifications, particularly in the Associate Professional and Professional occupational categories.
- 10.2.3 Currently, the North West has a deficit in intermediate and high level skills when compared to England. If the qualification profile of the North West working age population was in-line with the England average, the region would currently have an additional 80,000 people with higher level qualifications.
- 10.2.4 The National Employer Skills Survey 2005 indicates that recruitment difficulties in the North West are most prevalent in Skilled Trades and Associate Professional occupations, where intermediate (Level 3) and high level skills will typically be required. Sector level qualitative evidence tends to highlight skills gaps at intermediate and higher levels. This reflects the forward looking nature of these studies and the projected expansion in jobs that require higher skills levels, to support value-added corporate strategies in an increasingly competitive global market place.
- 10.2.5 There is a strong sector dimension to intermediate and higher skills needs, with significant demand from the regions high growth sectors. Specific examples taken from the RES include: Energy and Environmental Technologies - deliver the National Nuclear Skills Academy; Advanced Engineering & Materials - extend "Grow Your Future Workforce" which delivers more science and engineering skills; Digital and Creative Industries - digital content development skills to support the Media Enterprise Zone, linked to the BBC relocation; and Business and Professional Services - support the development of the regional arm of the Financial Services National Skills Academy.

10.3 Demand

Level 4 Attainment

Figure 80: Level 4 Attainment of the Working Age Population (2006)



Source: Annual Population Survey, 2006 ONS

10.3.1 The chart above shows the percentage of working age people in the region who are qualified to level 4. Cheshire and Warrington has the highest rate at 35 per cent, this is above regional and national averages.

10.4 Supply

Figure 84: Participation in FE at Level 4 (Short & Long Courses)

	2004/05	2005/06	2006/07
North West	10,455	10,229	9,460
Cheshire & Warrington	1,450	1,416	1,252
Warrington	304	295	312
Chester	145	161	135
Congleton	177	165	130
Crewe and Nantwich	260	238	179
Ellesmere Port & Neston	80	98	84
Macclesfield	253	253	222
Vale Royal	230	205	190

Source: NW LSC Performance Reporting Platform

10.4.1 Participation in FE at Level 4 has shown a slight reduction in the North West between 2005/06 and 2006/07, this is also true in Cheshire and Warrington. Most areas within Cheshire and Warrington follow this trend, with Crewe and Nantwich having the largest volume decrease of 59 learners. However, Warrington is the only local area with a slight increase in learner volume in 2006/07, rising by 5.7 per cent from the previous year.

Figure 85: FE Success Rates at Level 4+ Long Courses

	2003/04	2004/05	2005/06
Agriculture, Horticulture and Animal Care	50.0%	0.0%	!
Arts, Media and Publishing	!	!	!
Business, Administration and Law	46.9%	56.4%	58.9%
Construction, Planning and the Built Environment	!	!	80.0%
Education and Training	46.1%	78.3%	68.3%
Engineering and Manufacturing Technologies	!	!	100.0%
Health, Public Services and Care	25.0%	50.0%	64.0%
Information and Communication Technology	!	!	!
Languages, Literature and Culture	!	!	!
Leisure, Travel and Tourism	!	!	!
Retail and Commercial Enterprise	!	!	!
Science and Mathematics	!	!	!
Grand Total	46.3%	65.5%	64.1%

Source: NW LSC Performance Reporting Platform

10.4.2 Success rates for FE Level 4 Long Courses are shown in Figure 85, the overall rate (all sector subject areas) has fallen by 1.4 percentage points between 2004/05 and 2005/06. *Note: some of the percentages shown above may be misleading due to small learner volumes.*

Figure 86: Full & Part Time HE Provision by Institution

	All Students	Total FE Students		Post Graduate		Undergraduates	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
The University of Bolton	8,540	85	435	760	935	3,680	2,645
University of Chester	14,120	0	0	515	2,325	7,095	4,180
Cumbria Institute of the Arts	1,810	360	410	0	40	960	35
Edge Hill University(#13)	15,645	0	0	630	4,155	5,940	4,920
Liverpool Hope University	8,205	5	45	700	1,290	4,465	1,700
Liverpool John Moores University	24,085	0	0	1,435	2,745	15,100	4,805
The University of Liverpool	20,765	0	0	1,675	2,025	13,705	3,365
The Manchester Metropolitan University	32,795	180	55	2,320	3,675	22,990	3,575
The University of Manchester	40,420	0	0	6,230	4,840	24,590	4,755
Royal Northern College of Music	650	0	0	210	0	440	0
The University of Salford	20,185	0	0	1,465	2,570	12,915	3,235
St Martin's College	12,640	0	0	845	2,425	4,580	4,790
The University of Central Lancashire	28,850	0	0	1,090	3,085	16,115	8,560
The University of Lancaster	17,415	0	0	1,725	1,885	8,195	5,615

Source: North West Universities Association

10.4.3 The University of Chester has no FE students at this time, most of their students are either full time or part time under graduates, with around 20 per cent of students studying post graduate courses.

10.5 Summary Implications for the Learning Skills Sector

10.5.1 Cheshire and Warrington has the highest rate of level 4 attainment in the region. Generally, Level 4 further education participation follows the regional trend of a slight decline, overall level 4 success rates have fallen slightly.

10.5.2 High levels of level 4 attainment suggest that greater targeting will be required to improve on the high rate, with progression routes from level 3 provision clearly laid out for learners where appropriate.

10.5.3 Partnership work may be required to stop the slight decline in success rates identified in this chapter.

