

Employment and skills

Overview and key messages

A high skilled population is a key component of a competitive, productive local economy. Making sure that people have the skills to get a job and progress in work is a critical component of a prosperous local economy. Having the right skills can ensure that residents are able to compete for, develop and succeed within a sustainable career.

Improving skills levels helps residents to achieve good quality and sustainable employment. They are also essential in an area's economic growth, playing a substantial part in driving businesses' productivity, innovation and competitiveness and ensuring that residents are able to benefit fairly from economic growth. Employment and skills is fundamentally linked to higher levels of income, which in turn leads to better physical and mental health and wellbeing of residents.

Increased economic activity in the borough is linked to benefits to the local economy, including increased local spending power and less reliance on public services. Residents will also experience better health and wellbeing and improved life chances.

Conversely unemployment brings a financial cost to the local and wider economy though expenditure on benefit payments, higher levels of public service provision such as health services, and reduced levels of business

rates and corporate tax yield through lower outputs and productivity of local businesses.

Historically Knowsley has tended to have a population characterised by higher than average levels of economic inactivity, unemployment and low earnings. Skills levels have lagged behind that of neighbouring areas, regional and national averages. Whilst it is acknowledged that attainment at GCSE remains poor, it does not reflect the fact that many residents do participate (and succeed) in GCSE learning both inside and outside the borough.

In the last ten years, there has been a distinct change in employment trends within Knowsley, alongside overall increases in skills levels and qualifications obtained by residents.

National and local employment and skills support programmes have had a positive impact in helping residents into work. A number of high profile local and national employment and skills programmes have been successfully delivered over the previous ten years, with funding secured from both the public and private sector. Consequently the local unemployment rate is now lower than the national unemployment rate for the first time.

There are now 5,600 more residents in work compared with a decade ago, and the types of work they are doing is increasingly diverse, with some levels of increase in higher occupation groups.



Despite these positive trends, overall levels of economic inactivity (those furthest away from the labour market) have stalled in recent years and there are still considerably more residents inactive compared with the rest of the country.

Economic inactivity is underpinned by health-related complex challenges and long-term sickness and disability is the major contributor. Claims for out of work benefits remains at twice the level of the national rate. Whilst economic activity has improved considerably amongst younger people (16-24), there has been little change in the 30-50 age group and the gap in this age cohort presents the biggest employment challenge in Knowsley.

The proportion of working age (aged 16-64) households where no adult is in employment has reduced in the last decade, but the proportion is still much greater than the UK figure average. There would need to be a reduction of a further 3,900 workless households to equal the average.

For residents that are in work, average earnings for residents are increasing but remain well below the UK national average, and also below the average pay of jobs that are located in Knowsley. Take up of higher paid local jobs is being limited by the skills gap amongst adult residents.

Current skills levels of residents are amongst the highest they have ever been, and the proportion of residents without any formal qualifications is at its lowest. Younger residents are more likely to have formal qualifications than older working age residents. As demographic change occurs in the working age population, the natural 'ageing churn' has an impact in improving skills levels and will continue to do so.

Despite clear improvements, Knowsley faces a significant challenge in closing historic skills gaps with the rest of the country. Closing these gaps can only be achieved by raising existing skills levels and ensuring new learners develop the skills they need to succeed.

Qualifications at Levels 3 and 4 are widely considered to be the critical levels which separate lower performing economic areas with higher performing ones. Level 3 technical qualifications (such as apprenticeships) in particular are the key gateway to economic productivity.

The Level 3 and 4 skills gap has actually increased in Knowsley over the last ten years, and the number of residents undertaking apprenticeships, further education, and enrolling onto degrees is decreasing. Local insight suggests that poor GCSE results (particularly with regard to English, maths, digital and wider STEM subjects) can hold back advancement into achievement of Level 3 qualifications and above. Young people that do not achieve GCSEs at the age of 16 are having to 'catch up' later on, which can mean that the gap grows even further.

There is also a need to continuously address the longer term skills gap amongst older residents to enable those with no qualifications to be 'upskilled' and compete more effectively for current and future job opportunities. There is a specific gap amongst the 30-50 age group in both skills and economic activity levels. There has been little improvement amongst this particular cohort from ten years previous (i.e. when they comprised the 20-40 age group), and there is a need to



develop a better understanding of why employment and skills programme have not necessarily succeeded for this group.

Employment and skills is a complex policy area, and the challenges facing the borough are wide-ranging. Being able to capitalise on existing and emerging opportunities within the Liverpool City Region's economy will be a key part of this alongside a good understanding of future skills needs and how residents can be empowered to achieve them.

Key messages about Employment and Skills in Knowsley are:

- Increasing numbers of residents are in work, the job roles they undertake are changing, and fewer residents are working part time.
- Average earnings are increasing but a persistent gap between workplace earnings and resident earnings suggests that economic gains have not been realised by residents.
- Unemployment is below the national average for the first time and youth unemployment has more than halved.
- The number of households where no adult is working is reducing.
- Levels of economic activity have been increasing over the past decade but have stalled since 2015.
- Economic inactivity remains a key barrier to economic prosperity, and the number of residents receiving out of work benefits is twice the national average.
- Inactivity is underpinned by complex health related challenges.
- Employment support programmes (local and national) are having an impact in helping people into work, but a significant cohort of residents remain economically inactive.
- Skills are increasing across all levels but a gap persists with England for qualifications held.
- Low attainment in school is holding back the overall skills base.
- Most school leavers progress into further education, but Knowsley has a low coverage of skills qualifications at age 19.
- Information, advice and guidance is available but not widely understood.
- There are fewer adult residents participating in further education.
- Devolution of funding for adult skills is expected to better align skills provision with local skills needs.
- Community Education has an important role to play in closing the skills gap and as a gateway to further skills.
- There are fewer apprenticeships being undertaken by residents and national policy reform of apprenticeships is having an impact on starts.
- Local apprenticeship schemes play an important role in aligning employers' skills needs with learners.
- Fewer Knowsley residents are studying in higher education and the gap in higher education participation is increasing.
- There is significant inequality across Knowsley in how likely someone is to participate in higher education.
- There is employer demand for both generic skills as well as technical skills related to economic growth sectors.
- There are opportunities for residents to capitalise on specific future skills needs.

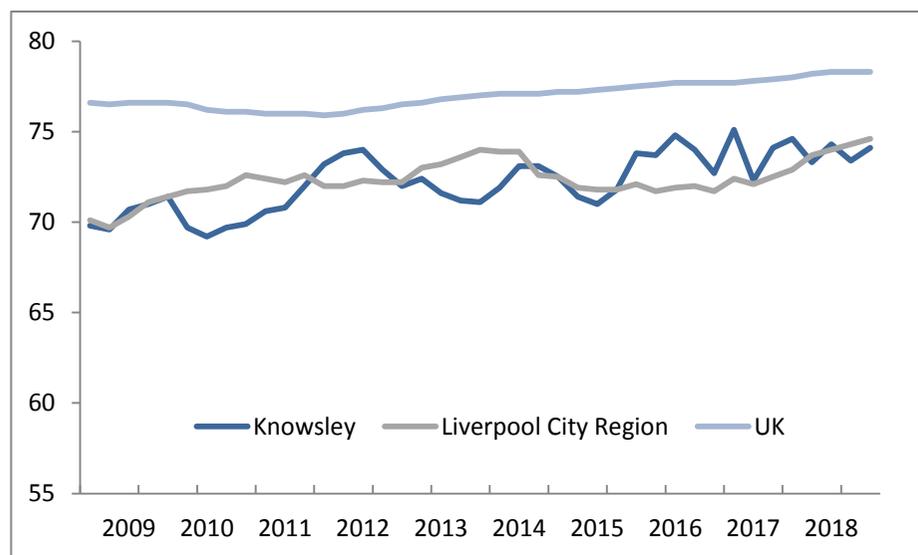
Employment

Access to good quality employment is a driving factor in growing the local economy and, creating opportunities for local residents.

Levels of economic activity have been increasing over the past decade but have stalled since 2015

Economic activity refers to people who either are working or are without a job but seeking work. It effectively represents those who are closest to the labour market and in a position to actively undertake work.

Figure 1: Percentage of working age population economically active

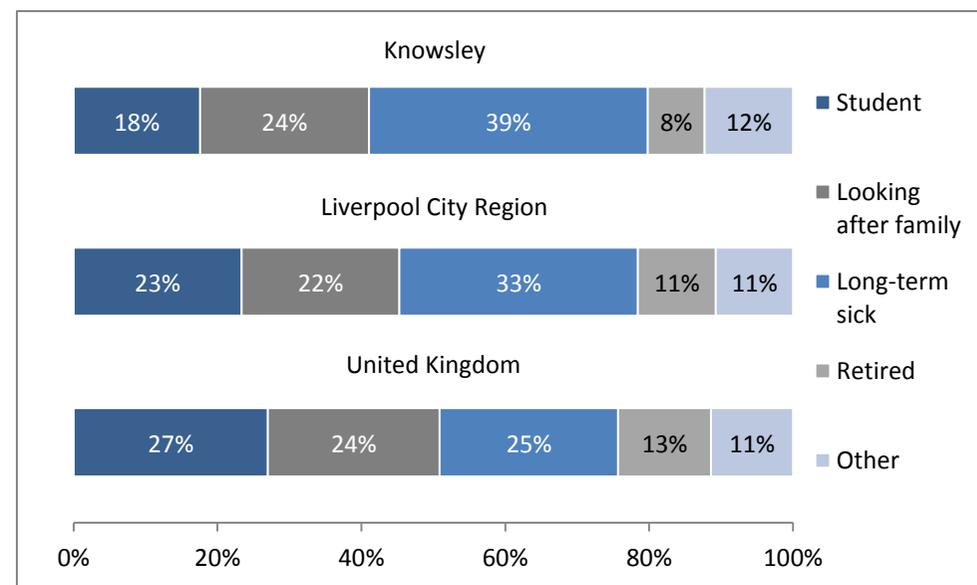


Source: ONS Annual Population Survey

There are currently 68,500 residents who are economically active, comprising 74.1% of all people of working age (16-64). Compared with ten years earlier, there are now 2,100 more people economically active and, in common with the national trend, the rate of economic activity has increased overall since 2008. Whilst the gap between Knowsley and the UK has reduced in the last decade, it remains significant and continues to undermine economic performance.

Improvements in economic activity have been most prominent between 2010 and 2014, coinciding with the national programme of welfare reform, which has required increasing numbers of people to find work. More recently economic activity levels have stalled at the current level as the initial impact of national policy has been normalised.

Figure 2: Economic inactivity by reason (2018)



Source: ONS Annual Population Survey



Reasons for economic inactivity vary, but over a third of economic inactivity is due to long-term sickness. Long-term sickness has reduced in the last decade but remains the underlying reason for economic inactivity, and for the persistent gap with the UK.

More residents are in work and job roles are changing

Latest analysis shows that there are currently 66,500 local residents in employment. This is equivalent to 71.9% of all working age people.

There have been significant increases over the last ten years in the number and proportion of working age residents in employment, meaning that there are 5,600 more residents in work compared with ten years ago. Increases in the local employment rate occurred primarily from mid-2012 following a period of slight decline during and post-recession.

Whilst the gap with the UK has more than halved, the overall employment rate is being held back by persistent levels of higher than average economic inactivity. However, trend analysis indicates that all things being equal, the employment gap could close within the next five to ten years.

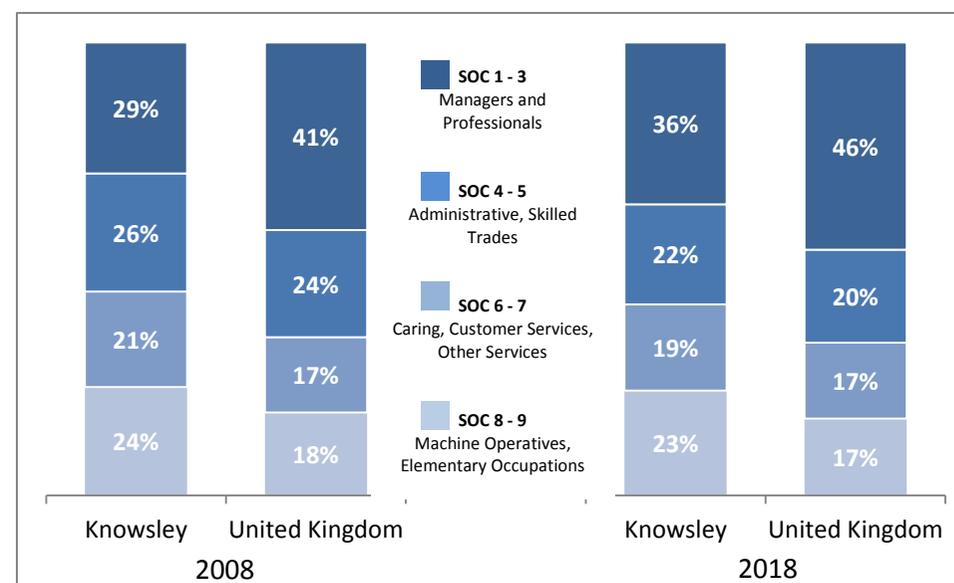
Analysis of the occupational structure of working residents shows that there has historically been a deficit in residents employed in higher paid occupations (such as management, professional and technical occupations) compared with the rest of the UK.

Over the past decade there has been a change in the types of jobs that people are doing, with an increase in those performing higher skilled

occupations. This has been driven primarily by an increase of 6,300 residents working in professional and technical occupations such as health, science, business and engineering (a 47% increase).

Alongside this, there has been a noticeable fall in residents working in administrative and secretarial occupations, which is in part related to reductions in the number of public service jobs available in the last ten years.

Figure 3: Resident occupational structure (SOC 2010)



Source: ONS Annual Population Survey

Whilst the balance has been shifting towards higher skilled occupations, there has also been a specific increase in residents performing roles in process, plant and machine operations. Once again, this is linked to local

growth in the manufacturing sector, and associated volume manufacturing roles alongside the higher skilled roles in this sector.

Fewer residents are working part time

Four out of five working residents are in full time employment, which is a higher proportion when compared with the UK (75%) as a whole, and has broadly increased since 2010. This is representative of more jobs being available, but lower average earnings amongst Knowsley residents leading to second earners in a household needing to work more hours to make ends meet.

Zero hour contracts can represent a good employment option for people who want to maintain flexibility in their work pattern. Also known as the 'gig economy' such contracts have become associated with a new kind of unstable employment. In recent years, there has been a national increase in the number of people employed on contracts that do not guarantee a minimum number of hours from 143,000 people in 2008 to 844,000 in 2018.

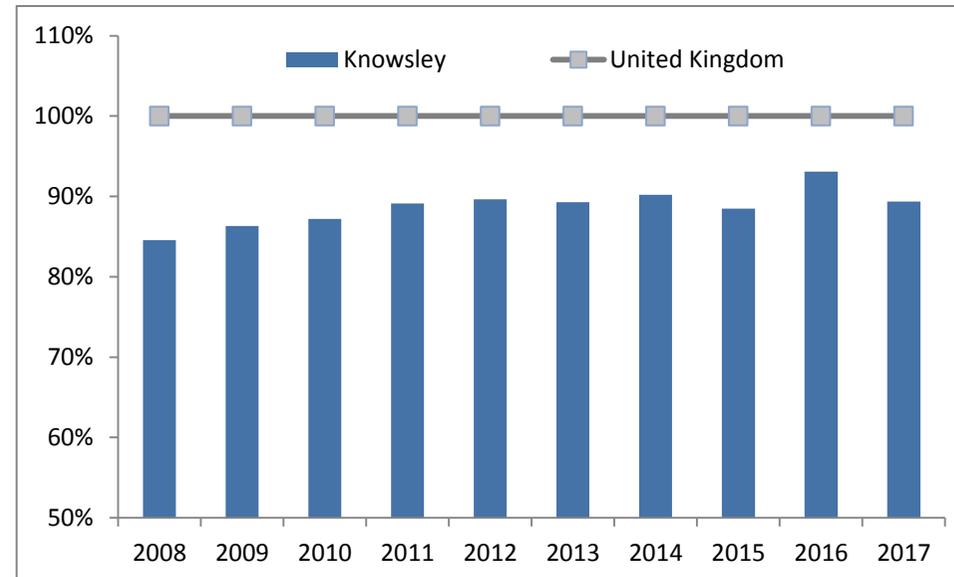
Currently there is limited local data available on residents employed on zero hour contracts, but resident insight indicates scepticism towards zero hour contracts and the extent to which recent increases in employment are as a result of people undertaking jobs that do not guarantee a minimum number of hours. There is a strong belief that people should be able to access jobs that are of good quality and secure, if that is what is desired. Good and stable jobs are considered a vehicle for social mobility and there is a need for residents to upskill to make the

most of employment opportunities in more stable and higher paying industrial sectors.

Average earnings are increasing but remain below national averages

Resident earnings show the earning of Knowsley residents, regardless of where they are employed. Increasing wages of residents is linked to both the local jobs available, and skills required to undertake higher paying work. Average full time earnings of residents are currently £508 per week, which is £61 per week lower than the UK average, and the lowest in the whole Liverpool City Region. The gap has been closing over the last ten years but remains significant.

Figure 4: Indexed average gross weekly full-time earnings (residence-based) UK=100%



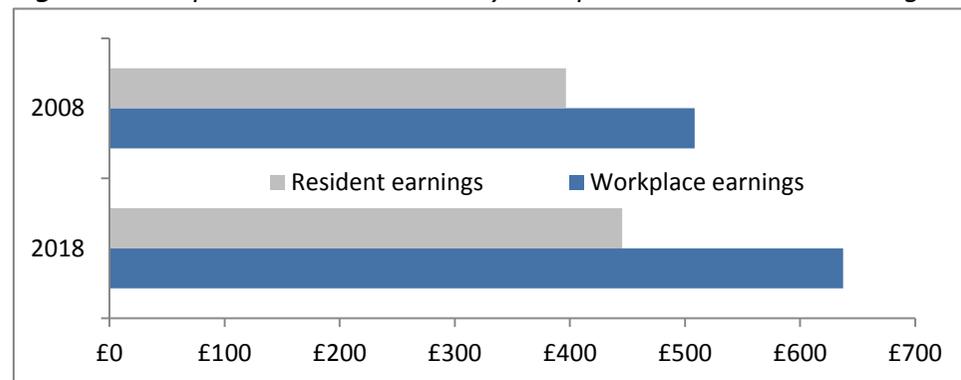
Source: ONS Annual Survey of Hours and Earnings

Resident earnings are lower than average pay from local jobs

Referring back to the Economy and Enterprise chapter, there is also a significant gap between average earning of residents and the average wages paid by jobs in Knowsley. Variations in earnings provide insight into both commuting patterns of residents, and the take up of local jobs by residents.

The gap between what residents earn and the jobs available in Knowsley has widened significantly since 2008 from £49 to £129 per week suggesting that as higher paying jobs are being created, residents are not taking full opportunity of them. The reasons for this can be complicated and multi-faceted, but there is a strong link to residents lacking the relevant skills in the key growth industrial sectors in Knowsley.

Figure 5: Comparison between weekly workplace and resident earnings



Source: ONS Annual Survey of Hours and Earnings

Local insight from businesses and the wider community suggests there is a perceived “skills deficit across the board” which is a barrier to local take-up of jobs.

Low pay is clearly a key issue in Knowsley and analysis of the latest ONS data on earnings shows that around 21% of all jobs in Knowsley are paid below the voluntary Living Wage (currently £9 per hour). Whilst this is lower than the UK average of 23%, across the wider Liverpool City Region around a quarter of all jobs are paid below the Living Wage. As Knowsley residents tend to take up work outside Knowsley there is a greater likelihood this will be a lower paid job.

Local employers increasingly understand the importance of paying a Living Wage that covers the cost of living, providing positive benefits to the employer itself, and also wider benefits to society.

Unemployment is below the national average for the first time

Levels of unemployment increased markedly in Knowsley during the post-recession years from 2008 onwards, and continued to rise during the initial years of austerity from 2010 to the middle of 2012.

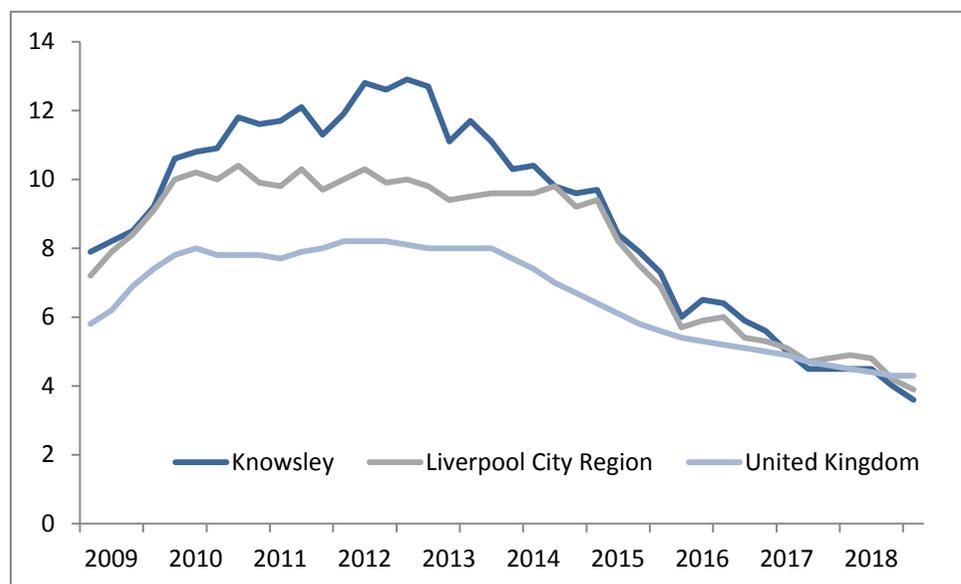
This broadly mirrors the national trend up to that point with a significant and historical gap in the number of people unemployed in Knowsley compared with national and regional levels.

Since the middle of 2012 there has been a dramatic fall in the number of residents unemployed. This has fallen from a peak of 8,700 in 2012 to

2,500 in 2018. The local unemployment rate is now lower than the national unemployment rate for the first time in recorded history at 3.6%.

This reduction has directly aligned to a combination of factors. Reforms to working age benefits have cumulatively developed at pace, such as reductions in the eligibility for Income Support and introduction of Universal Credit. Both such reforms encourage people to seek work.

Figure 6: Unemployment rate of Knowsley residents



Source: ONS Annual Population Survey

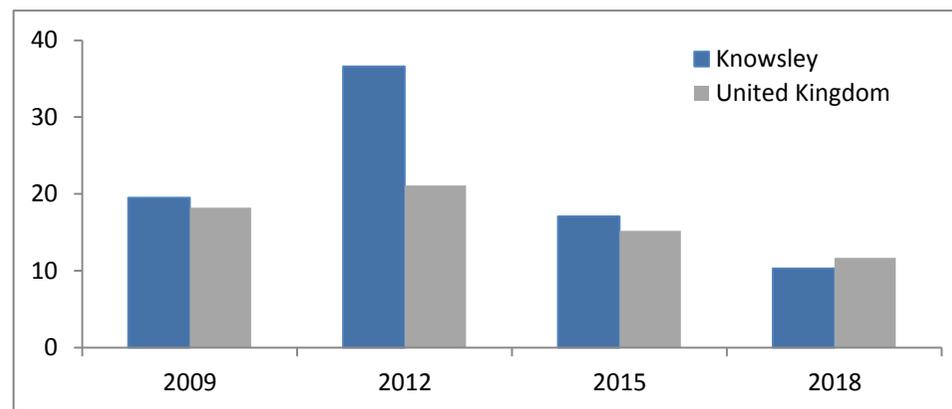
Economic resurgence and job creation have occurred alongside welfare reforms in recent years, leading to more local jobs being available for residents who are now required to seek work.

Youth unemployment has more than halved

Unemployment among 16 to 24 year olds tends to be much higher compared with other age groups due to a combination of factors such as lower skills, job unavailability and indecision around future career paths.

In common with overall unemployment trends, youth unemployment has reduced drastically in recent years from a peak of 36.6% in 2012, to a current level of 10.3%. This means there are 3,300 fewer young people unemployed since that point in 2012.

Figure 7: Percentage of 16-24 year olds who are unemployed



Source: ONS Annual Population Survey

Youth unemployment remains an issue, as young people are still over three times more likely to be unemployed than other age groups, but there is a clear impact being made by local youth employment interventions and programmes to address the historical gap.



Employment support is having an impact

A number of high profile local and national employment and skills programmes have been successfully delivered over the previous ten years, with funding secured from both the public and the private sector.

For example, between 2011 and 2017, 8,717 residents were referred onto the Department for Work and Pensions' Work Programme, which ultimately led to 2,782 successful job outcomes for Knowsley residents.

Knowsley Works was set up to provide employment support above and beyond central government mainstream services (including as sub-contractor for the national Work Programme). The service has successfully delivered a suite of programmes that offer employment chances to some of the hardest to help groups in the local community, alongside information, advice and guidance, and employability training.

The Ways to Work programme is a Liverpool City Region wide European Social Fund and Youth Employment Initiative funded scheme for young people and adults to help them into work through providing information, advice and guidance, work placements and targeted training.

In the three years between 2016 and 2018, a total of 3,692 residents have been helped by the Ways to Work programme, with almost half of all residents taking part in the programme coming from households where no adult was in work. Of all those taking part, 58% of participants have been drawn from the 25+ age group.

Table 1: Number of Ways to Work participants

Participants	2016	2017	2018
Aged 16 - 24	502	538	524
Aged 25+	534	807	787
Total	1,036	1,345	1,311

Source: Knowsley Works service records

In terms of job outcomes, a third of all participants completing the programme have secured employment at the point of leaving the programme, whilst just 2% of participants have been recorded as still economically inactive on completion of the programme.

Knowsley Works also delivers the Households into Work programme in Knowsley. The programme is a new innovative employment programme that was agreed within the Liverpool City Region's devolution agreement. Rather than working with residents on an individual basis, it involves working on a household basis to help workless and long term unemployed residents into work. The programme commenced in March 2018 and will test whether this approach results in better outcomes than the current national model of provision which supports people on an individual basis.

The overall City Region programme aims to work with 800 households and 1,600 individuals. As part of this, Knowsley's target is to work with a minimum of 95 total cases by March 2020.

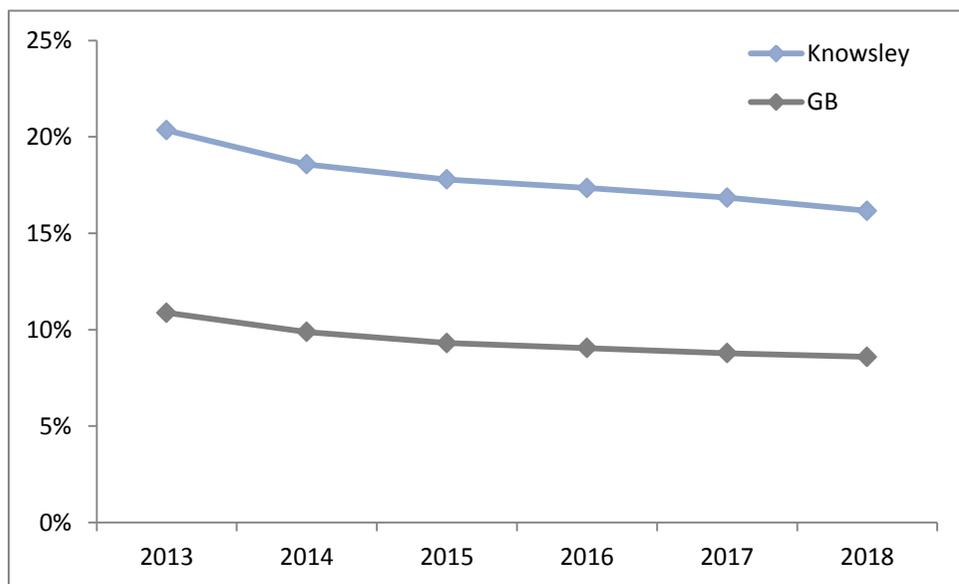
Out of work benefits

Analysis of claims of benefit claims gives an indication as to why people are out of work, as well as being a general indicator of the risk of low income and subsequent financial instability.

Claims for out of work benefits is twice the national average

Knowsley has 15,170 claimants of working age out of work benefits. At 16.2% of the working age population, this is almost twice as much as the national average of 8.6%. The number has reduced over the last five years by around 4,000 residents, but the gap with the UK remains considerable.

Figure 8: Proportion of population (16-64) receiving out of work benefits

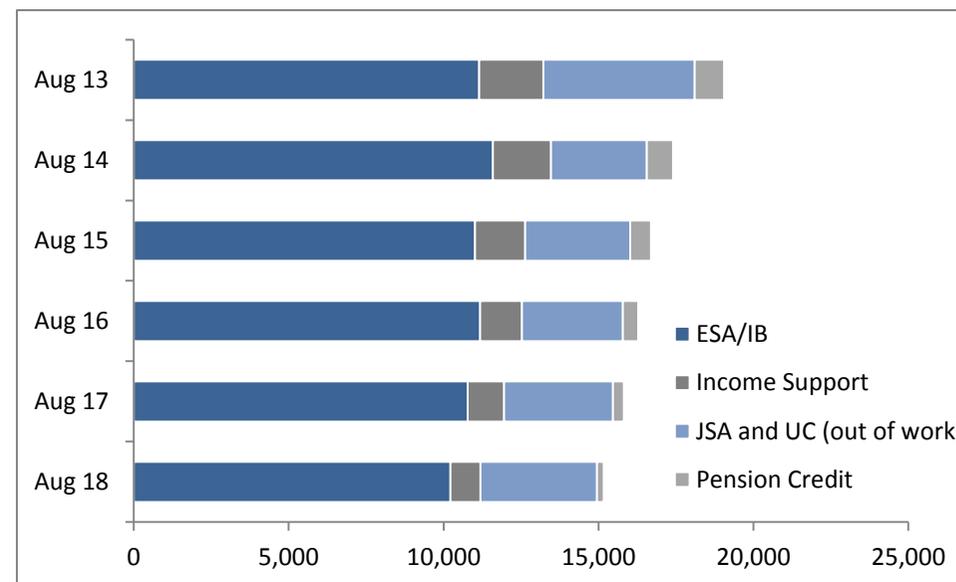


Source: DWP Stat-Xplore



Analysis of the different benefits claimed shows that two thirds (67%) is for reasons of sickness and disability (Employment and Support Allowance or Incapacity Benefit). This has increased in recent years as fewer residents receive benefits for being a single parent (Income Support) or for seeking work (Jobseekers' Allowance or out of work Universal Credit).

Figure 9: Number of out of work benefit claims by working age residents



Source: DWP Stat-Xplore

Claims for Employment and Support Allowance have reduced very little in the last five years (by just 920). As a consequence, residents are twice as likely to be out of work due to ill health as the rest of the country.

Long-term sickness or disability is a major contributor to persisting levels of economic inactivity. A significant cohort of residents remains economically inactive due to long-term health conditions, which is undoubtedly having an impact on the economic potential of the borough. This reflects generational health and social inequalities that are difficult to address over shorter periods of time.

Reciprocally, being out of work for long periods of time is likely to have a negative impact on a person's health and wellbeing. People with low incomes are more likely to experience poor health outcomes, and employment is a key influence on a person's income level.

The impact of low income on health and wellbeing is covered in detail in the Live Well chapter of this report.

Local insight suggests that some residents with disabilities find it difficult to find jobs that are suitable to accommodate their type of disability. There is potentially a need for employers to be trained in awareness of different disabilities and the difficulties some people face in the working environment.

Though residents are also around twice as likely as the national rate to be out of work due being a single parent or seeking work, the numbers are much smaller, and downward trends suggest this is no longer a major issue for the borough.

The number of households where no adult is working is reducing

In common with trends in unemployment and out of work benefit claims, evidence suggests that workless households (where no adult is in work) is becoming less of an issue both locally and nationally.

Alongside the wider economic benefits of employment, work has traditionally been seen as the best route out of low income and poverty. Being in sustainable and well paid employment provides families with the financial means to: contribute towards positive mental health; build resilience and social networks; and improve confidence and self-esteem.

Myths around 'intergenerational worklessness' have been dispelled in recent years, but Knowsley has tended to have higher numbers of out of work households as a consequence of wider social deprivation factors.

Statistics shows that the proportion of working age (aged 16-64) households where no adult is in employment has reduced from 28% in 2007 to a figure of 23% in 2017. This equates to 11,000 households in Knowsley. Whilst much reduced in the last ten years, the proportion is still much greater than the UK figure of 15% and would need to see a reduction of another 3,900 households to equal it.

Skills

Skills are a key driver for economic competitiveness, social mobility and longer term life chances. Raising the skills levels of young people and adults is an essential driver for reducing the gaps in economic activity and improving local economic productivity.



Having the right skills can ensure that residents are able to compete for employment opportunities and, develop a sustainable career. Historical skills levels within Knowsley have lagged behind those of neighbouring areas, and are below regional and national averages, but there is evidence that this is changing.

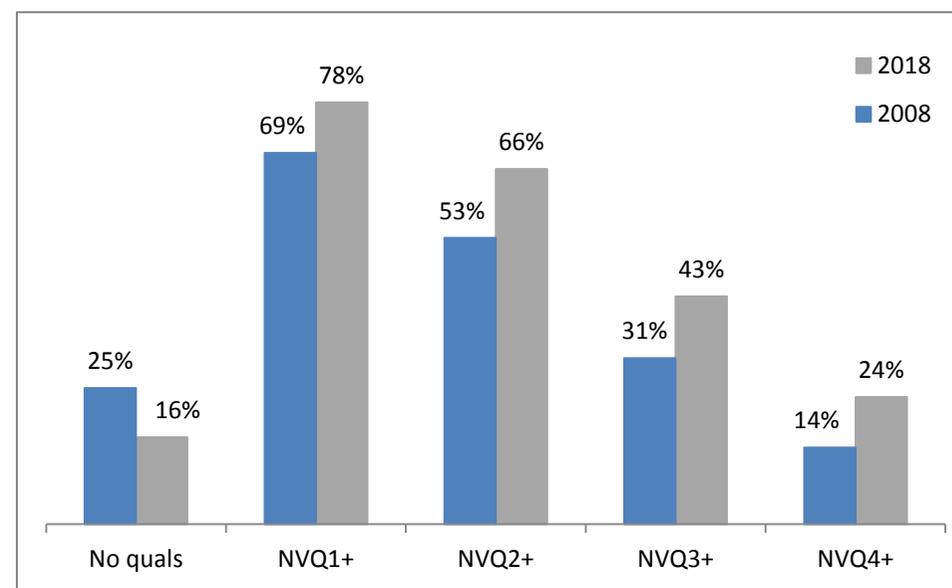
Skills are increasing across all levels

Current skills levels in Knowsley are amongst the highest they have ever been; and the proportion of residents without any formal qualifications is also at its lowest since records began. Since 2008 Knowsley's overall skills base has continued to grow and the proportion of working age residents with NVQ Level 2 qualifications or above has increased by 14% points from 53% of the working age population to 66%. This means that around two thirds of the working age population are now qualified at this important level.

Likewise, the proportion of residents with qualifications to NVQ Level 3 and 4 has risen by at least 12% points in the last ten years. This is particularly important as deficits in technical and higher skills at Levels 3 and 4 is known to significantly restrict opportunities in the Liverpool City Region to compete for jobs in the key growth sectors, and thereby achieve the full economic potential of the sub-region.

Younger people tend to be better qualified than older people. Six out of ten residents in Knowsley without qualifications are aged between 40 and 64. Around one in five residents in that age group have no qualifications compared with a rate of one in ten younger residents aged 16-29.

Figure 10: Proportion of working age residents by qualification level



Source: ONS Annual Population Survey

The proportion of residents aged 40-64 without qualifications has fallen from 32% in 2008 to 19% in 2018. This indicates there has been some success for this age group through adult skills programmes designed to improve basic adult skills levels.

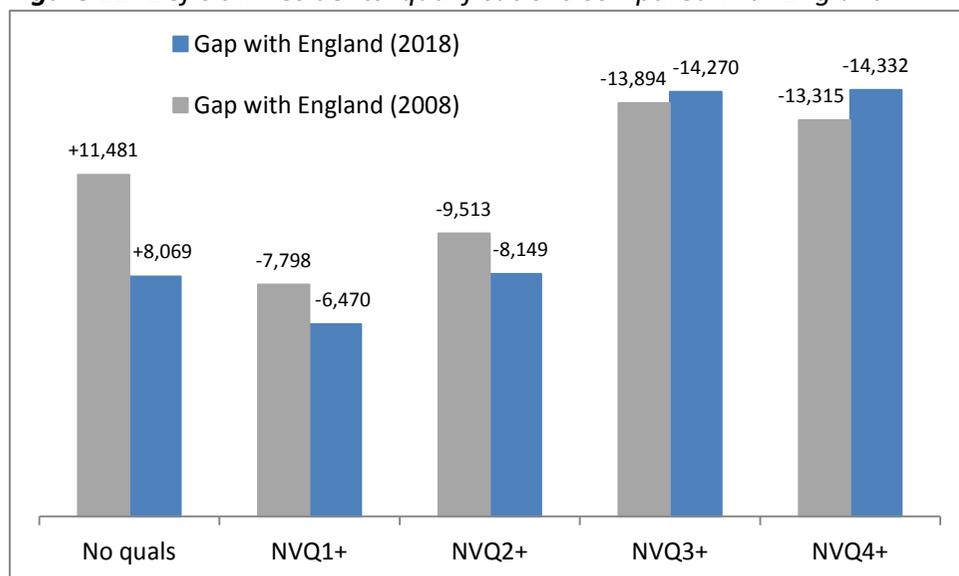
The proportion of residents with no qualifications has fallen for all age groups in Knowsley in the last ten years, with the exception of the 30-39 age group which has increased. This suggests that despite successes for other age groups, there has been limited improvement for the cohort of 20-29 year olds without skills in 2008 as they have progressed into the 30-39 year old cohort by 2018.

Specific improvements to skills levels of the younger age cohort aged 16-29 indicates that more, younger people are gaining formal qualifications, and in common with local efforts to improve adult skills levels, trends suggest that skill levels will continue to improve as people get older, and more, younger people take the place of older unskilled residents.

A gap persists with England for qualifications held

Knowsley faces a significant challenge in closing historic skills gaps with the rest of the country (for example, how many additional working age residents would need a particular qualification to match the national average).

Figure 11: Deficit in residents' qualifications compared with England



Source: ONS Annual Population Survey

In comparison, the Level 3 and Level 4 skills gap (relating to A-level and Degree equivalent qualifications) have actually increased over the ten year period. Local insight suggests that poor GCSE results (specifically English, Maths, Digital and wider STEM subjects) can hold back advancement and achievement of Level 3 qualifications and above.

Improving Level 3 qualifications and above is important to enable residents to access higher level occupations, create a high skills equilibrium and raise local productivity levels.

A 2017 survey of employers in the Liverpool City Region identified these higher level and technical skills as crucial for individuals' career prospects and businesses' innovation and productivity. Creating high quality professional and technical routes to employment is critical in increasing the number of residents with Level 3 technical qualifications, but also required significant is improvement in basic Level 2 qualifications as a gateway to further qualifications, particularly in English and Maths.

Low attainment in school is holding back the overall skills base

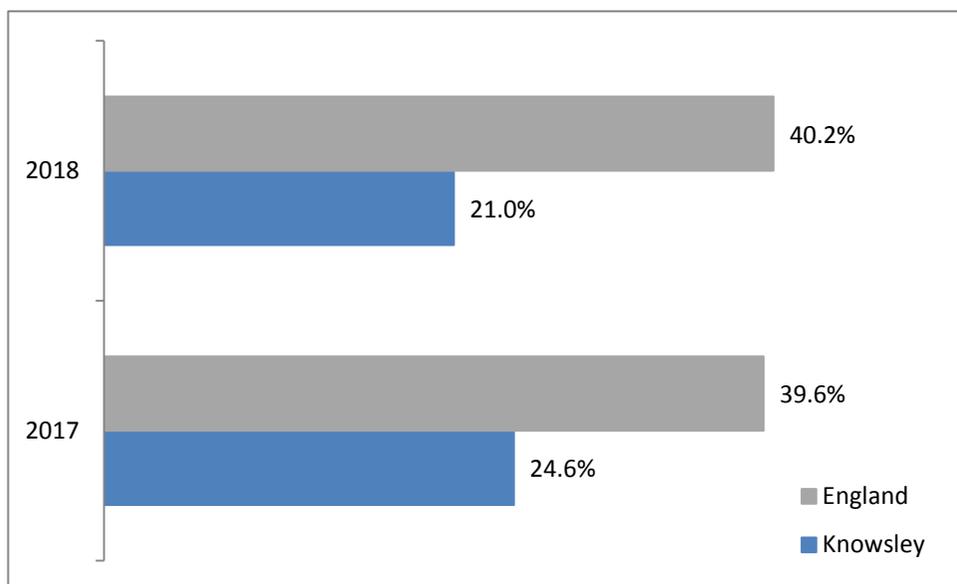
GCSE performance of young people attending schools in Knowsley improved between 2008 and 2013 (though the gap with England remained considerable). Following reforms to the assessment of Key Stage 4, attainment has fallen with a smaller proportion of children gaining good grades in core subjects, including English and maths.

Data on educational attainment for the last two years shows that the proportion of Knowsley pupils achieving a 9-5 grade for English and

maths at Key Stage 4 is around half the rate for England, and has fallen in the most recent year (a grade 5 and above is considered a strong pass).

Poor GCSE results (specifically with regard to English and Maths) can hold back advancement into further education and achievement of Level 3 qualifications. Outcomes for children who attend schools in Knowsley are lower than resident children attending schools outside of Knowsley. For example, the Attainment 8 score in 2018 of pupils attending Knowsley schools was 35.3 compared with 40.6 for overall Knowsley residents. This is a difference equivalent to one whole GCSE at grade 5.

Figure 12: Percentage of pupils achieving a 9-5 pass in English and maths



Source: DfE GCSE and equivalent results

The Start Well chapter of this report contains further detailed information on attainment of young people at Key Stage 4.

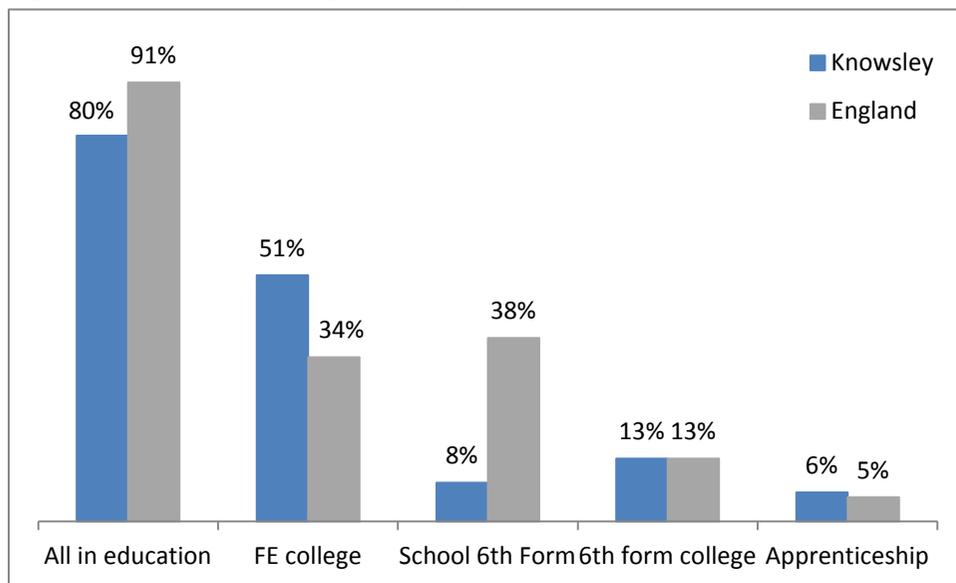
Most school leavers progress into further education

From 2015 young people have been required to continue in learning or training until age 18. Raising the participation age (RPA) does not mean that young people must stay in school; they can choose one of the following options:

- Full-time education, such as school, college or home education;
- Apprenticeships or work-based learning; or
- Part-time education or training if they are employed, self-employed or volunteering for at least 20 hours a week.

The latest data shows that around eight out of ten (80%) school leavers in Knowsley go on to further study or an apprenticeship. This is lower than a national progression rate of 91%, but in comparison, young people in Knowsley are more likely to enter sustained employment at 5% compared with 3% nationally.

Knowsley learners are far more likely to study at a further education college, but much less likely to attend a school 6th form. This is influenced by a number of local factors. Poor attainment at Key Stage 4 means that young people are more likely to seek vocational courses at further education colleges. A lack of school 6th form provision in Knowsley also means that there is no natural progression from Year 11 to Year 12 in schools and so young people are more likely to seek a place at a further education college, whether studying A-levels or vocational qualifications.

Figure 13: Destinations of Knowsley GCSE leavers

Source: DfE Destinations of KS4 and KS5 pupils

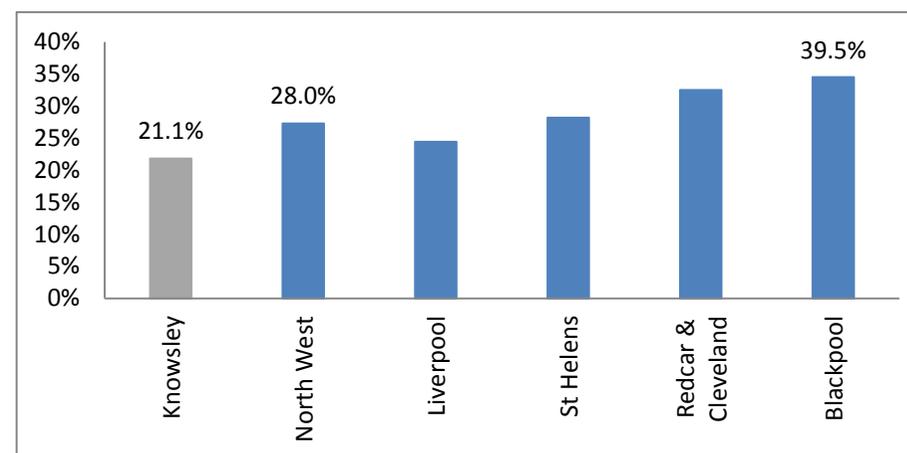
The Government's Post-16 Skills Plan aims to revitalise technical education policy with vocational 'T Levels' at the same level as academic A Levels which provide progression pathways in parallel with academic routes. Successful implementation of transition developments will be important for an area such as Knowsley where GCSE attainment is extremely low if learners are to progress to T Levels (at Level 3).

Knowsley has a low coverage of skills qualifications at age 19

There is a significant gap in the number of young people in Knowsley achieving a Level 2 or Level 3 qualification by the end of statutory

participation in education or training. This presents a major barrier to young people progressing into sustainable and productive careers.

Whilst there is a lower proportion of young people undertaking Level 3 qualifications (whether through A Levels or vocational qualifications), education provision at post 16 offers opportunities for young people to 'catch up' with basic Level 2 skills in English and maths not achieved at GCSE.

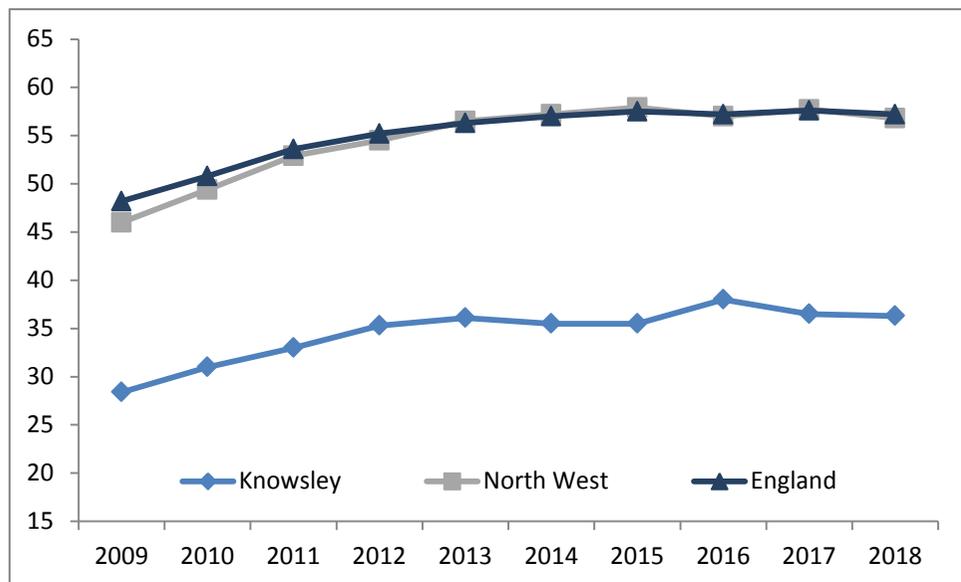
Figure 14: Attainment of Level 2 in English and maths if not achieved at 16 (compared with statistical neighbours)

Source: DfE Level 2 and 3 attainment by young people aged 19

This can then act as a gateway into more advanced education and training at Level 3. Published data shows that just 21.1% of young people who did not achieve a GCSE in English and maths at Key Stage 4 went on to achieve it by age 19.

This means that the gap established at age 16 widens by the time young people reach the age of 19. Coupled with lower take up of A Levels and Level 3 qualifications, just 36% of young people studying at a school in Knowsley at the age 15 achieve a Level 3 qualification by the age of 19.

Figure 15: Achievement of a Level 3 qualification by age 19

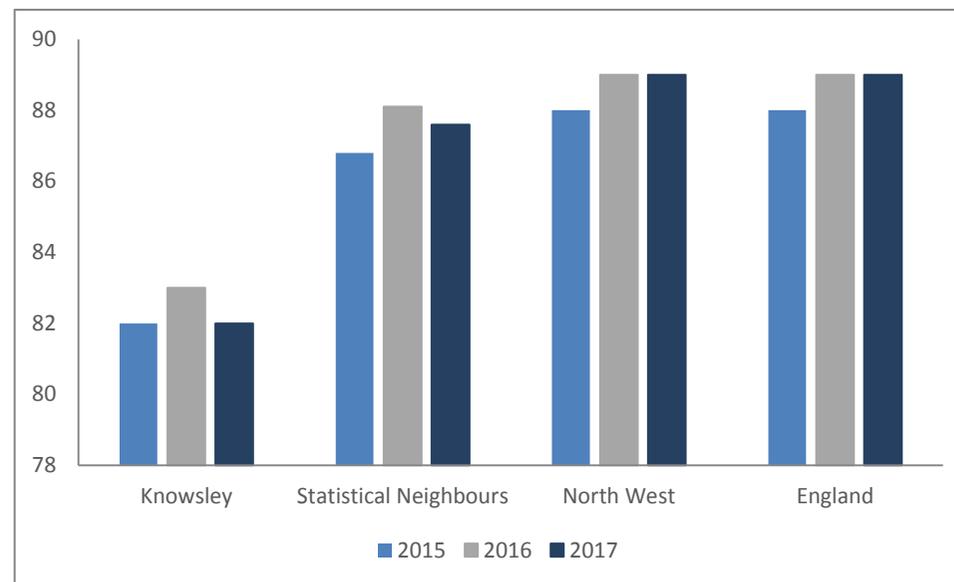


Source: DfE Level 2 and 3 attainment by young people aged 19

From 16 to 19 years old not enough progress is made to balance out the gap at age 19. Statistical neighbours, and places with near Key Stage 4 results (like Blackpool), all make more progress between 16 and 19 than Knowsley. This consequently means that a far lower proportion of young people completing Key Stage 5 in Knowsley remain in sustained further

education, higher education or employment: 82% in 2017 compared with 89% across England.

Figure 16: Proportion of KS5 pupils staying in education or employment



Source: DfE Destinations of KS4 and KS5 pupils

Information, advice and guidance is available but not widely understood

There is a critical role for those with responsibility for careers education and the provision of information, advice and guidance. This needs to be based on current and future needs of employers, whilst also being coherent, consistent, and accessible to young people.

Prior to The Education Act, 2011, the duty to provide a ‘Careers Service’ for young people rested with the Secretary of State. Since 2011 a duty to



'secure access to independent careers guidance' has been the responsibility of schools (for pupils aged 13-18) and Further Education Colleges and Sixth Form Colleges (for students aged 16-18).

Local insight suggests that this has led to a somewhat fragmented information, advice and guidance service that is inconsistent across schools and other education settings. Knowsley therefore has an array of organisations supporting engagement in education, training and employment for young people including:

- Knowsley Targeted Advice and Guidance (TAG);
- Mersey Interactive/Youth Employment Gateway;
- National Careers Service (Age 13+);
- School Attendance Service;
- The Youthy, Youth Centre;
- Career Connect;
- 'Our Place' Advisers;
- Jobcentre Plus;
- Supported Employment and Training (for young people with SEND);
- Knowsley Community College (Careers and HE Advice)
- Knowsley Works
- University of Liverpool (Pre-Apprenticeship Programmes)
- Invest Knowsley.

Local insight gained from both the community, and a Knowsley Better Together Partnership review of skills, suggests that there needs to be much better communication of what jobs are available, what skills are needed, what courses are available, and better signposting to all of this.

Lack of consistent career guidance during school is highlighted as a specific weakness in the system.

The National Careers Strategy indicates the importance of advice and guidance in schools and colleges and has implemented the Gatsby Benchmarks which schools and colleges are expected to meet. This establishes eight measures for careers guidance and raising aspirations that schools and colleges should embed in their information, advice and guidance delivery by 2020:

1. A stable careers platform.
2. Learning from career and labour market information.
3. Addressing the needs of each pupil.
4. Linking curriculum learning to Careers.
5. Encounters with employers and employees.
6. Experiences of Workplaces.
7. Encounters with Further and Higher Education.
8. Personal Guidance.

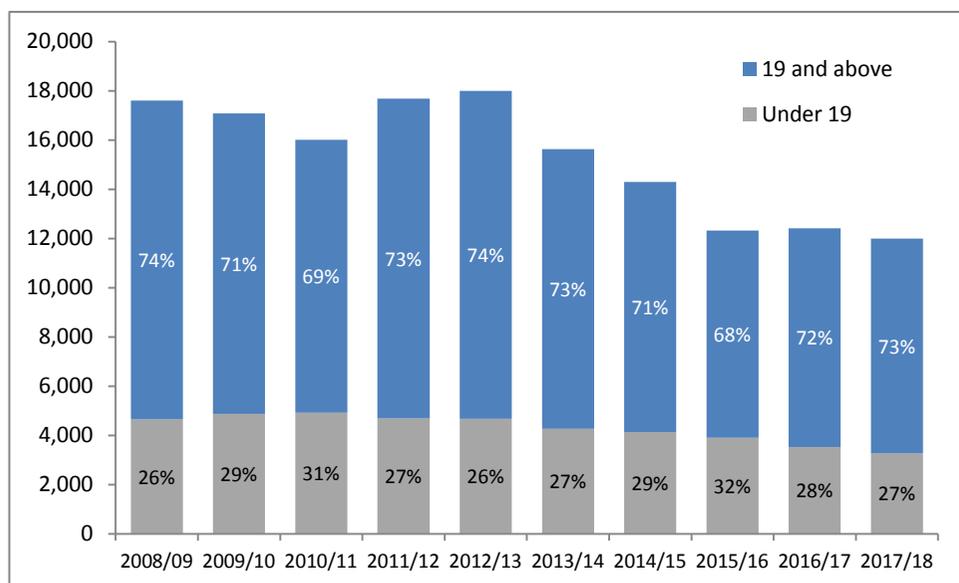
It is still early in the life of the programme of national reform to understand how successful the National Careers Strategy has been in transforming the information, advice and guidance system in Knowsley, but there is a significant local policy focus on improving this area. The Knowsley Education Strategy (2018-21) sets out a series of activities which are designed to ensure that partnerships support schools in meeting their duties in relation to the National Careers Strategy.

There are fewer residents participating in further education

Further education plays an important role in enabling residents to ‘catch up’ with Level 2 qualifications (such as basic English, Maths, and Digital skills, as well as general preparation for life and work). In addition, further education is important in equipping residents with skills at Level 3 and higher, particularly to gain the right skills to make the most of career opportunities such as the City Region’s economic growth sectors.

Further education includes apprenticeships and workplace learning, community learning and education and training provision provided by further education colleges.

Figure 17: Further education participation of Knowsley residents



Source: DfE FE Data Library

In 2017/18 there were around 12,000 residents in Knowsley participating in further education. This includes residents attending education settings in Knowsley, as well as residents attending settings in other areas.

There was a peak in participation in 2012/13 of 17,990 entrants, but this has steadily reduced over the last five years by 33%. This mirrors a reduction in further education participation seen across England. The reasons can be related to a number of factors and interventions, but when considering the longstanding skills gaps in Knowsley at Level 2 and Level 3, fewer participants in further education is a concern.

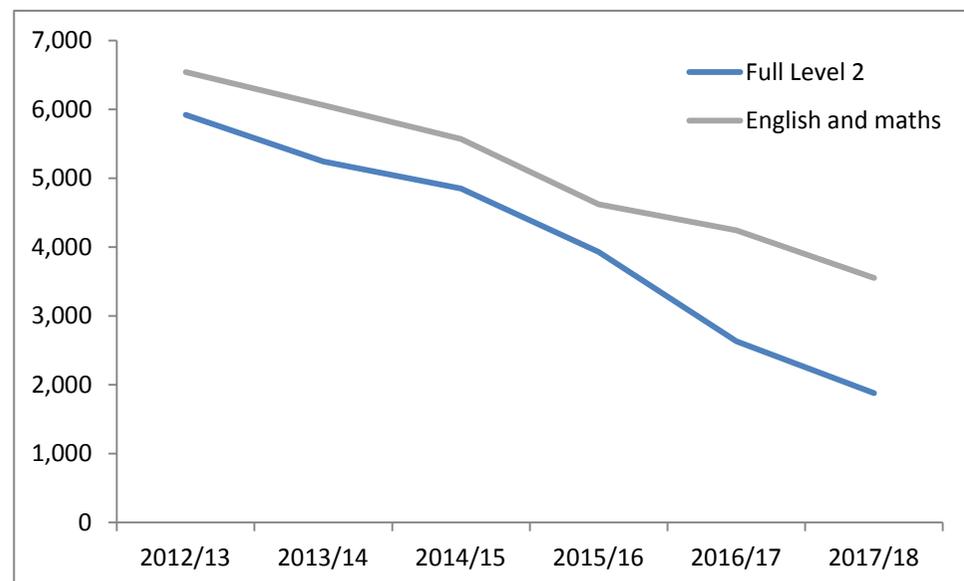
Participation has fallen for learners aged both under 19 and over 19 years of age and currently around three out of four enrolments are by learners aged above 19.

Funding for further education provision at Level 3 and above comes via the Student Loan Company and it is not part of a provider’s adult education funding. Learners must take out an advanced learning loan or pay for the qualification themselves. For some (not all) learners this represents a barrier, though learners do not pay the fees up front. This has been the case since 2013/2014 – previous to which Level 3 and some Level 4 courses were funded through mainstream allocations.

In line with the fall in overall enrolments, participation in English and maths qualifications up to Level 2 (formerly Skills for Life) has fallen by approximately 45% from 6,540 in 2012/13 to a current level of 3,550. English and maths qualifications are designed to give people the basic reading, writing, maths and communication skills needed to operate

effectively in work and succeed onto other training courses. This in turn enables attainment of Level 2 and above qualifications.

Figure 18: Knowsley participation in FE by type



Source: DfE FE Data Library

Whilst demand for this English and maths skills training would tend to fall as more young people attain good Key Stage 4 results and more adult residents holding at least a Level 2 qualification, this is not likely to be a factor in Knowsley as a result of continued poor local GCSE results.

Provision of funded basic digital skills is also due to be implemented in 2020. This will put basic digital schools on a similar footing to English and

maths. Innovation pilots are being tested in the Liverpool City Region in 2019/20 as part of the devolved Adult Education Budget.

Residents attend a range of further education settings both inside and outside of the borough

There are four specific further education providers operating in Knowsley (with Knowsley Community College and Knowsley Council being the largest in terms of learner volume), but there are more than 100 providers with a base in the Liverpool City Region. Knowsley learners attend a range of further education settings; primarily Knowsley Community College or Knowsley Council Family and Community Education services within the borough, and Riverside College, Carmel College, St Helens College, and City of Liverpool College outside the borough.

There has been significant investment in further education infrastructure and buildings in Knowsley over the last decade. The Liverpool City Region Skills Capital Investment Fund was established using £41.1m secured through the Local Growth Fund, and operated between 2015 and 2017. An additional £18m was secured in 2017 from the Local Growth Fund and invested through the City Region's Strategic Investment Fund.

To date a significant amount of skills capital has been invested in Knowsley and enabled development of state of the art learning facilities focussed around provision of technical skills aligned with key economic sectors.

The Northern Logistics Academy is a recently refurbished state of the art facility in Kirkby Town Centre. Operated by Knowsley Community College, the academy is a logistics and transport training specialist of regional significance, delivering sector specific training directly aligned to the needs of employers in the freight and logistics sector.

The Institute of Advanced Manufacturing and Technology is a recently launched specialist institute based in Page Moss. The institute provides a range of pathways in manufacturing, engineering and technology fields, whilst also supporting employers with apprenticeships- all with the aim of addressing local skill shortages.

Direct alignment with Knowsley's manufacturing strengths gives local residents major opportunities to prepare for work in the advanced manufacturing sector, whilst also ensuring that manufacturing employers are able to access the skills they need to implement new industry standard technologies and techniques and boost competitiveness.

Devolution of funding for adult skills is expected to better align skills provision with local skills needs

Responsibility for funding of adult skills in Knowsley (the Adult Education Budget) was agreed to be devolved from central government to the Liverpool City Region Combined Authority as part of the City Region's Devolution Agreement of November 2015. Local devolution will put the Combined Authority in control of what is delivered from this funding from the 2019/20 academic year. It is a single funding stream that brings together adult further education (all 19 years plus provision with the

exception of Apprenticeships and Traineeships), community learning and discretionary learner support.

The main purpose of the Adult Education Budget is to engage adults and provide them with skills and learning needed for work or further learning, while also recognising that returning to education can improve employability skills including communication and self-confidence.

Devolution of funding to the Combined Authority will enable a much closer link to be in place between employers' needs and the curriculum offer.

Community Education has an important role to play in closing the skills gap and as a gateway to further skills

Knowsley Family and Community Education Service (FACE) is Knowsley Council's adult, family and community learning service. The service supports individuals to engage in the widest range of learning opportunities through further education and training, as well as community learning.

The service delivers day-time and evening accredited classroom based and non-accredited community and family learning provision in a number of Sector Subject Areas. This helps to improve confidence, raise self-esteem, build personal, creative and social development, support with the challenges of modern life, reduce social isolation, improve health, resilience and well-being as well as employability and skills that are a stepping stone to higher level training and employment opportunities.



Knowsley Community College is also a provider of adult community learning in Knowsley.

Table 2: Participation in community learning provision

	2013/14	2014/15	2015/16	2016/17	2017/18
Knowsley Community College	590	680	640	590	610
Knowsley Council	1,710	1,630	1,730	1,980	1,590
Total	2,300	2,310	2,370	2,570	2,200

Source: DFE FE Data Library

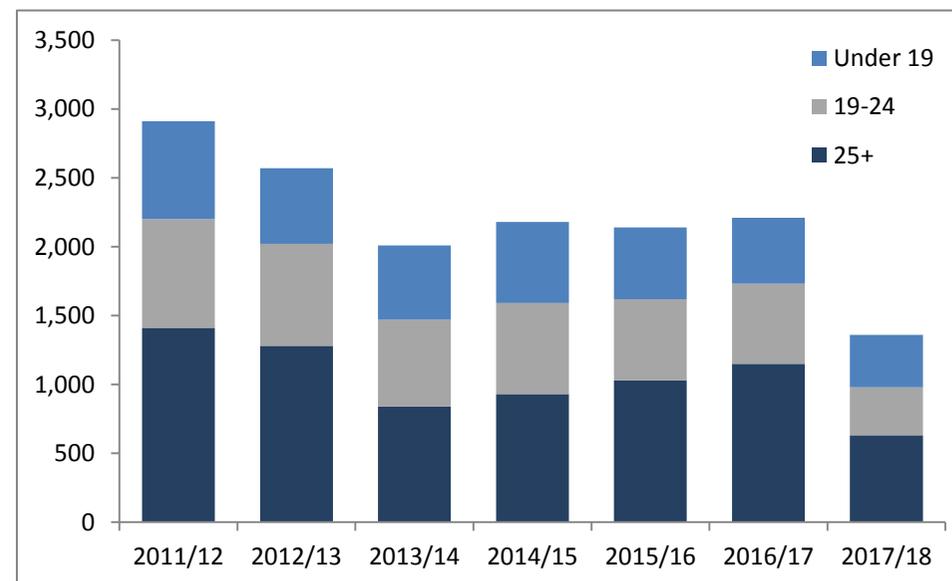
Participation in community learning in Knowsley has been increasing over the last five years, rising to a peak in participation of 2,570 in 2016/17. This has fallen to 2,200 in the most recent year, though in comparison the number participating at Knowsley Community College remained consistent. Seven out of ten community education participants undertake their learning through services courses provided by the Family and Community Education Service.

There are fewer apprenticeships being undertaken by residents

Apprenticeships are a key driver in tackling skills gaps and ensuring residents are able to develop sector-specific skills while gaining practical work experience. Apprenticeship provision has been a strength of the Liverpool City Region for a number of years in terms of the numbers and quality of apprenticeships created. This has led to significant

opportunities for residents in Knowsley to gain 'on the job' skills at both intermediate and advanced levels within key opportunity growth sectors.

Figure 19: Apprenticeship starts by age



Source: DFE FE Data Library

In 2017/18 around 1,360 Knowsley residents started an apprenticeship. There has been a pronounced reduction in starts of 38% from the previous year and a 53% reduction since 2011/12. This pattern is in keeping with the trend across all of England, but Knowsley has seen a much greater reduction in apprenticeship starts since 2011/12 compared with England (28% reduction).

Residents over the age of 25 are most likely to have undertaken an apprenticeship and comprise around half of all apprenticeship starts since

2011/12. The year on year decline in apprenticeship starts is consistent across all age groups at around 50% since 2011/12.

National policy reform of apprenticeships is having an impact on starts

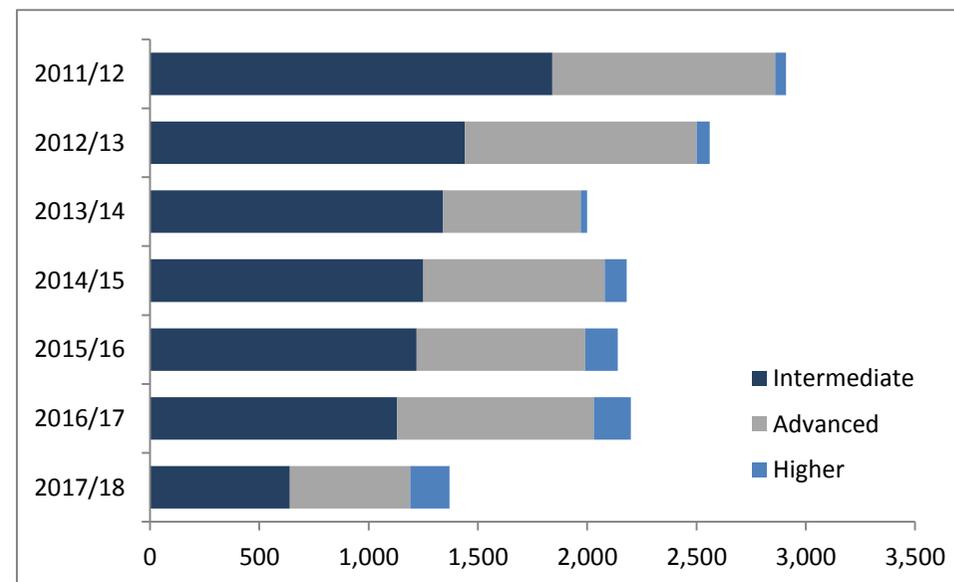
National apprenticeship policy has undergone a period of unprecedented reform over recent years, and this has had a clear bearing on the sector's ability to deliver all aspects of apprenticeships. Recent changes include replacement of apprenticeship frameworks with a smaller number of apprenticeship 'standards', introduction of the apprenticeship levy for employers, routing of funding through a digital account, and introduction of degree level apprenticeships. The introduction of new apprenticeship policies always tend to have an adverse impact on delivery of apprenticeships, but these recent changes have led to an unprecedented reduction in starts both nationally and locally.

Recent changes to apprenticeship funding and operation have started to shift the nature of learning and move the focus towards higher and gold standard Degree Apprenticeships. This risks leaving behind people with lower skills and those from disadvantaged communities. Fewer apprenticeships standards are now available at level 2; these are often the entry point for school leavers or people with fewer skills. This effect can also pose challenges to employers in obtaining and replacing sector specific level 2 and 3 skills.

Local insight gained through engagement with the local community indicates a view that apprenticeships should be applicable for all ages and skill levels. Recent reforms, whilst well intentioned from a policy perspective, risk cutting off access to apprenticeships for people starting

at lower skills levels. It has been reported that some potential applicants struggle to achieve the foundation qualifications needed to get onto apprenticeships, and reductions in access at level 2 is a concern. A greater emphasis on pre-apprenticeships programmes could help to address this.

Figure 20: Apprenticeship starts by level



Source: DfE FE Data Library

Intermediate level apprenticeships (equivalent to NVQ Level 2) have tended to be the most popular amongst learners and employers and accounted for two thirds of all apprenticeships started in 2013/14. In keeping with national policy drivers, intermediate and advanced (equivalent to NVQ Level 3) apprenticeships have declined by 65% and 46% respectively compared with 2011/12. In comparison, and bucking

the trend of decline, there were 180 higher level apprenticeships started in 2017/18, a 260% increase from 2011/12. Whilst this will undoubtedly help to achieve aims to improve those higher level technical skills as an alternative to higher education routes, the reductions in residents undertaking intermediate and advanced apprenticeships poses a significant risk to closing the gap at Levels 2 and 3.

There has been significant work undertaken at the City Region level (through the Skills for Growth agenda) to increase the volume, breadth and relevance of apprenticeships across the City Region, and enable more employers and learners to access and benefit from apprenticeships.

The Liverpool City Region Apprenticeship Growth Plan 2018- 2020 has been developed in conjunction with employers, stakeholders, local authorities, colleges and training providers and sets out a City Region wide collaborative approach to ensuring alignment between demand and supply of high quality apprenticeships. The aspiration is to deliver 20,000 apprenticeships in the Liverpool city Region per year by 2020.

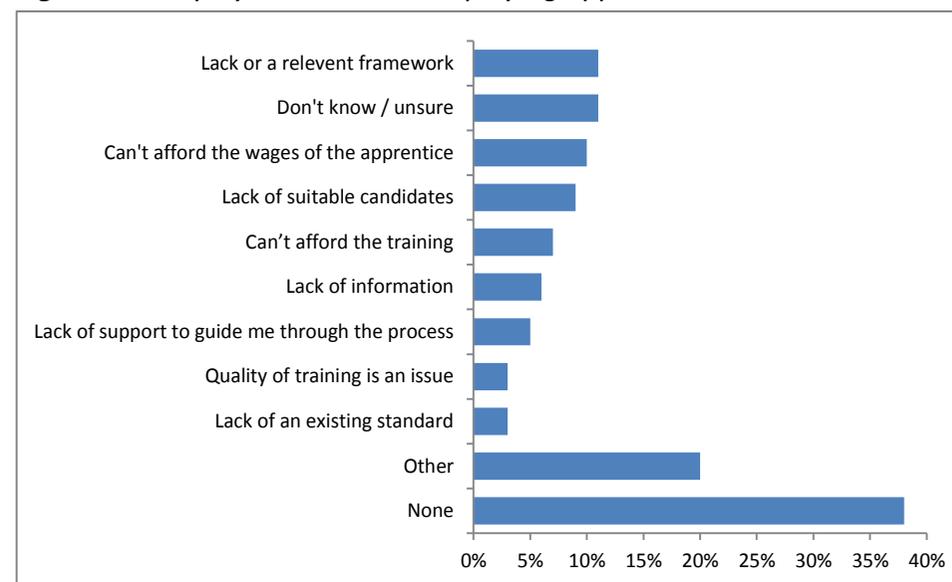
In line with major reforms to the system, local insight suggests that many employers still do not fully understand or engage with apprenticeships.

There is latent demand in the system for the types of skills that apprenticeships can provide, particularly with regards to replacement. A local survey of businesses conducted by Knowsley Chamber in 2018 showed that around 35% of respondents were already employing an apprentice, and a further 50% would consider it in the future.

Local insight from the Liverpool City Region employer skills survey in 2017 indicates that employers do like the concept of apprenticeships and have

very positive views about them. However some employers raised concerns about the apprenticeship programme saying that when it works well, it is very effective, but when it doesn't it causes more problems than it solves. The consistent issue was quality and suitability of apprentices received from training providers.

Figure 21: Employer barriers to employing apprentices



Source: Liverpool City Region Employer Skills Survey 2017

A sizeable proportion of employers (38%) did not see any significant barriers to employing apprentices, but some did cite the lack of relevant frameworks, lack of resources and lack of suitable candidates as reasons they do not plan to recruit any apprentices.

Local apprenticeship schemes play an important role in aligning employers' skills needs with learners

Knowsley Works runs the local Knowsley Apprentice Programme that encourages local businesses to take on an apprentice for a minimum of one year as part of an agreed employer apprenticeship scheme. Employers receive a participant allowance for each apprentice they employ up to a certain value and paid over the first year. After the first 12 months of the programme, the employer is required to assume responsibility for the full cost for the apprentice for the following 12 months.

The programme currently aims to create 100 apprenticeship opportunities each year, and in the last five years has succeeded in creating approximately 630 apprenticeships for local residents with a local employer.

Table 3: *Number of Apprenticeships created through Knowsley Works*

2013/14	2014/15	2015/16	2016/17	2017/18	Total
186	150	100	100	94	630

Source: Knowsley Works service records

Fewer Knowsley residents are studying in higher education

Data from the Higher Education Statistics Authority indicates there were 3,760 Knowsley residents enrolled at a higher education institution in 2016/17. The number of residents undertaking higher education has been falling over the previous ten years (from 4,360 in 2008/09).

The majority of residents in higher education undertake undergraduate degrees (81%). There are, however, fewer residents undertaking undergraduate studies over the last ten years, though the number of Knowsley residents undertaking postgraduate studies (taught and research) is increasing (from 680 in 2009/09 to 709 in 2016/17). This indicates that increasing numbers of Knowsley residents are studying at higher levels (Level 5+) and gaining degrees at the masters and postgraduate doctoral levels; qualifications that are becoming increasingly important to advance at higher levels in chosen career paths.

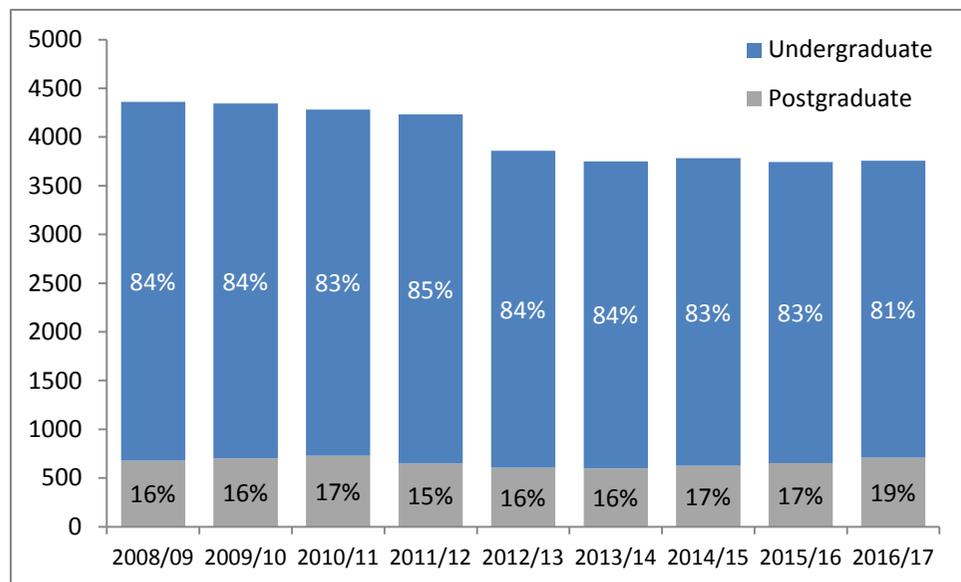
Access to higher education is crucial if residents are to benefit from the opportunities provided by the Liverpool City Region's growth sectors. Retaining the skills and expertise of Knowsley resident graduates, as well as attracting new graduates into the borough, are a key to improving economic sustainability in the area.

The likelihood of a young person from Knowsley attending one of the top third most selective Higher Education Institutions is very low (according to Department for Education destination data) with only 2 % going to one in 2016, 2017 and 2018. The figure reduces to 1% when looking at attendance at a Russell Group University.

The Liverpool City Region and surrounding area is home to a number of leading higher education institutions (University of Liverpool, Liverpool John Moores University, Liverpool Hope University, Liverpool Institute of Performing Arts, Edge Hill University, and the University of Chester). These collectively provide local access to higher education provision for Knowsley residents for those unable or not wishing to attend further

afield. Around half of the Knowsley residents in higher education are studying at a higher education institution in the Liverpool City Region.

Figure 22: Residents enrolled in higher education

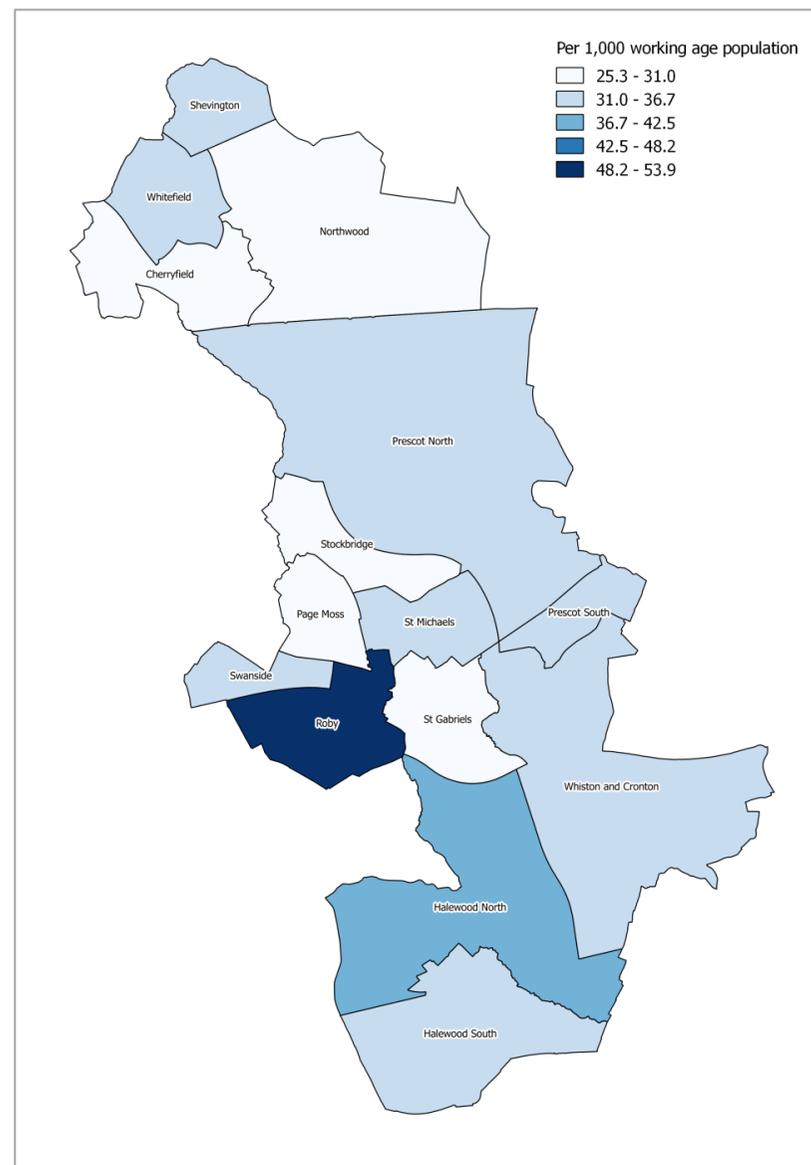


Source: Higher Education Statistics Authority

There is significant inequality across Knowsley in how likely someone is to participate in higher education

Figure 24 shows that residents from Roby were around twice as likely as someone from Northwood, Page Moss, Stockbridge or Cherryfield to undertake an undergraduate degree in the 2016/17. Just two wards in Knowsley have a higher participation rate than the UK average of 36.7 per 1,000 working age people.

Figure 23: Resident undergraduate students per 1,000 working age population (2016/17)



Source: Higher Education Statistics Authority

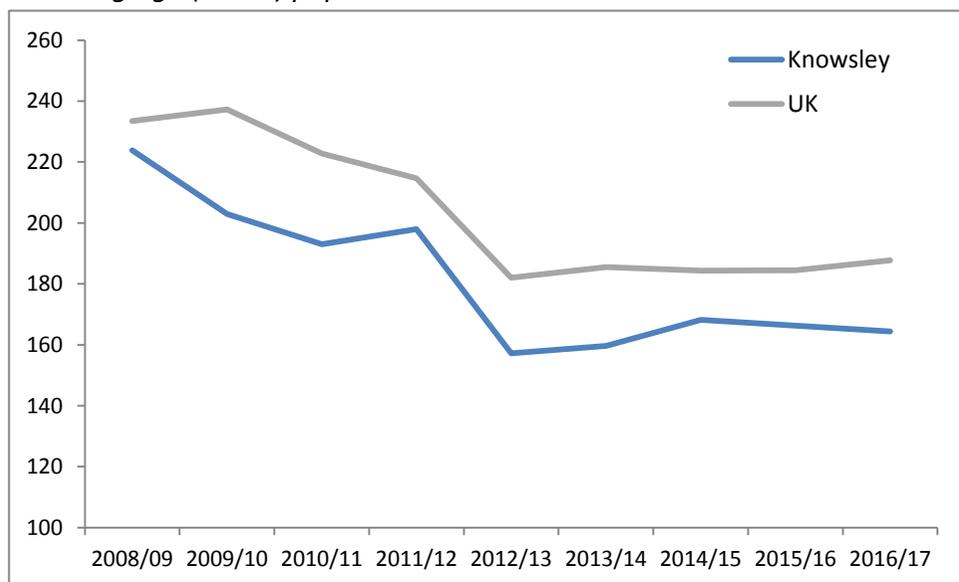


Widening participation within disadvantaged communities is a critical success factor in closing the gap at higher skills levels, and local higher education providers are working together with schools through the [Shaping Futures](#) programme to deliver activities designed to raise aspirations and provide higher education advice to local 14-18 learners.

The gap in higher education participation is increasing

Analysis of first year higher education enrolments over the last five years shows that changes in higher education participation has broadly followed the national trend. There has been a steep decline since 2008/09 which is in stark contrast to the spike in numbers of young people going to university over the preceding 15 years.

Figure 24: Higher education enrolments (first year marker) per 10,000 working age (16-64) population



Since 2014/15, the local trend is diverging as more people are once again attending university across the UK, but the number is falling locally in Knowsley.

There can be many potential reasons for this. The Sutton Trust's [annual poll](#) of young people's attitudes to higher education indicates that the rising cost of tuition fees and student loans is a key deterring factor for young people, particularly for those from more disadvantaged backgrounds. In combination with this, persistent low levels of aspiration acts as a barrier to progression to higher education.

Future career opportunities within the Liverpool City Region's identified key growth sectors are closely linked to skills gained through higher education. Table 3 below indicates the number of residents that have been enrolled on higher education courses that are closely related to future career opportunities in the growth sectors.

The number of residents enrolled on these courses has generally remained relatively consistent over the last five years (since 2012/13). There has however been a noticeable 7% reduction in those undertaking courses related to the Digital and Creative sector. This is due to a fall in the enrolments on creative courses such as Design, whilst participation in Computing based courses has increased over the period; indicating that young people are increasingly seeing the importance of digital skills for future career opportunities.

Table 4: Knowsley residents enrolled on higher education courses related to careers in Liverpool City Region growth sectors

Growth area	Subjects	2012/13	2014/15	2016/17
Advanced Manufacturing	STEM (physical sciences, technology, engineering, maths)	557	572	565
Maritime and Logistics	Engineering and technology, business and admin	530	533	555
Financial and Professional	Law, finance, accounting, business studies, economics, maths, architecture, management	736	729	706
Low Carbon	Physical sciences, engineering and technology	494	509	505
Life Sciences	Physical sciences, biological sciences, subjects allied to medicine	464	449	461
Digital and Creative	Computing, architecture, information services, music, performing arts	624	621	577

Source: Higher Education Statistics Authority

Digital skills in particular are becoming increasingly important for future careers and the Liverpool City Region is one of the UK's fastest growing hubs for digital companies. Digital requirements also extend across other sectors with ongoing investment in the use of digital technology to create a shared information exchange across all of its services. Opportunities arising from digital skills are covered in additional detail in the section on future skills needs on page 29, and in the digital connectivity section in the Regeneration chapter of this report.

There has been a significant increase over the last ten years across the UK in the proportion of university applicants applying to study for a Science, Technology, Engineering or Maths (STEM) subject. Counter to this, participation of STEM subjects by Knowsley residents has remained consistent over the last ten years from 536 in 2008/09 to 565 in 2016/17. This indicates that lower number of local young people remain equipped to progress into higher education in this subject area through acquisition of Level 3 skills at A- Level in science and maths subjects.

There is limited local data on the extent to which graduates remain in Knowsley once they complete their studies and enter employment, but for the City of Liverpool the retention rate is around 31%; much lower than other major northern cities. Retaining existing resident graduates and attracting graduates from local universities is crucial if Knowsley is to increase the share of higher skilled residents living in the area.

Strong business relationships with higher education institutions help to maximise the number of graduate level opportunities in the borough. The local survey of businesses conducted by Knowsley Chamber in 2018

showed that 24% of businesses already offer placements to undergraduates from local universities, whilst a further 50% would consider doing this in the future. Ensuring that employer engagement networks and support systems are in place to do this will be important in order to improve links with higher education.

Likewise, 38% of businesses would like to see better links with research establishments and higher education settings, such as colleges and universities, in the future.

There is employer demand for both generic skills as well as technical skills related to economic growth sectors

Insight into the attitudes of employers in Knowsley and in the wider Liverpool City Region reveal a number of consistent themes regarding current and future skills needs.

The [2017 Liverpool City Region Combined Authority Employer Skills Survey](#) surveyed 1,856 businesses across the City Region in the summer of 2017 and provides one of the most comprehensive reflections of the views of employers ever undertaken at the City Region level.

The findings indicate that an ageing workforce is a key issue and many employers in the Liverpool City Region are struggling to find the right influx of skills to replace existing employees as they retire. Over two thirds of the businesses surveyed had a least one vacancy in the past 12 months, and two out of five reported difficulties in filling them. Likewise the local survey of businesses conducted by Knowsley Chamber in 2018 showed that 28% of respondents in Knowsley saw a lack of suitably

qualified local people as a limitation in Knowsley. A further 57% of respondents cited a need for a better skilled local workforce over the next ten years.

Whilst there are clearly limitations across the City Region in businesses accessing the skilled employees they need, this collectively points towards clear opportunities for Knowsley residents to obtain the skills needed to fill vacancies in the future.

Employers have identified gaps in technical skills that are sector specific in nature, with an identified need for NVQ Level 3 equivalent technical skills in relevant fields. The sectors reporting the largest issues with technical skills gaps are Digital, Construction and Advanced Manufacturing. The importance of these types of skills is illustrated by the majority of respondents to the City Region survey ranking sector-specific technical skills as the most important to business growth.

STEM subjects (Science, Technology, Engineering and Maths) are of particular importance to knowledge economy sectors, both for technical understanding of relevant scientific and engineering processes, but also for the development of project management and problem solving techniques.

A range of generic specific non-sector skills needs are identified by employers, with literacy, numeracy and basic IT skills cited as the most valuable. This includes a basic need of English and maths skills of at least Level 2 for new recruits, as well as upskilling current staff to that level to enable them to progress further within their careers.



Feedback from employers indicates that generic employability skills (such as team working, attitude and literacy) are a key requirement, and recruitment of younger applicants is hampered by not having the right applicants with these skills. Around a third of employers responding to Knowsley Chamber's business survey in 2018 cited a lack of work readiness and generic employability skills as a barrier to recruitment in the last 12 months.

There are barriers faced by those with less experience, or new to the workforce and only 22% of employers responding to the City Region survey had recruited school leavers in the last three years. The sectors reporting the greatest issues with employability of new recruits are Health and Care, Construction and Digital and Creative. Employers do recognise the important role of industry in offering work experience opportunities and 42% of respondents to Knowsley Chamber's business survey were already doing this, whilst a further 37% would consider it in the future.

Work experience is increasingly important to enable young people to improve their employability, and these skills need to be embedded within young people as early as possible. There is a requirement for skills provision to develop the effective communication and interpersonal skills of learners and there is an important role for schools and communities to ensure this happens.

There are opportunities for residents to capitalise on specific future skills needs

With the rapid advancement of technology, artificial intelligence, and flexible working patterns, the horizon for skills and employment is changing, and brings with it new opportunities to embrace future skills needs.

The Liverpool City Region has strong growth potential around a number of innovation industries, such as Digital, Tidal Energy, Advanced Manufacturing, and Life Sciences. Likewise Knowsley's core industries of Manufacturing and Logistics are increasingly adapting to new technological enhancements such as sensor technology, Industry 4.0 and future warehouse innovations (intelligent robots, big data analytics, plug and play automation). Likewise, digital skills are an enabler of future opportunities, as digital technologies increasingly influence all types of business operation and are becoming increasingly important as a core skillset needed, and at more advanced levels.

There is increasing demand for basic, advanced/niche and fusion digital skills (combination of digital and sector specific skills) which are highlighted in the [Liverpool City Region Skills for Growth Digital and Creative Action Plan](#). Provision of skills at all of these levels will be needed to enable residents to obtain the right mix of digital skills to undertake specialist digital roles, or participate in the digital economy.

Further detail on digital skills can be found in the digital connectivity section of the Strategic Infrastructure, Housing and Transport chapter of this report.

The Liverpool City Region [Skills Strategy](#) and [Skills for Growth Action Plan: Innovation](#) set out strategic interventions to deepen the capacity for innovation skills across the City Region by redesigning delivery of education and training to recognise innovation within the curriculum. Alongside this, improving attainment at GCSE for Knowsley residents is the key factor in enabling residents to progress into higher level qualifications in STEM subjects necessary for future technological roles.

There is also a role for foundation skills gained through both formal and informal learning. Flexibility, adaptability, problem solving are the core transferable skills expected to be required in the future. Embedding development of these attributes into education provision is important to ensure that learners are prepared for the jobs of the future.

Careers in the future are less likely to be as linear the past, where choices made in choosing subjects at the age of 16 or 18 determine a lifetime career. In looking at what future job roles are likely to be, the [Foundation for Young Australians](#) identifies seven 'job clusters' that are likely to exist in the future, where required skills are more closely related and more portable than previously thought.

Not all jobs require the acquisition of an entirely new skill set and most people are skilled for more jobs than they or potential employers realise. Some job switches only demand a few new skills.

Figure 25: The 7 new job clusters



Source: *The Foundation for Young Australians*

By understanding the skills and capabilities that will be most portable and in demand in the future, people can equip themselves for the future of work more effectively. Linear careers are likely to be far less common and people will need a portfolio of skills and capabilities. For example, people will be able to more easily shift between the seven 'job clusters' with the right portable technical skills which can be filled with additional training or experience. Therefore there may be a need to focus on developing the

portfolio of technical and enterprising skills to shift between different job clusters.

Engagement with the community has shown that there is an element of local understanding of the changing nature of the job market, with opportunities that are not necessarily a traditional career ladder of old, but a climbing frame of new prospects linked to skills development. There is therefore a need to inspire and motivate the new potential workforce, and communicate change to this new careers system.