



# **Thames Valley Chamber of Commerce Group**

**Business Leaders' Forum  
Friday 6th November 2009**

# Thames Valley Chamber of Commerce Group

## Paul Briggs

Group Chief Executive

Thames Valley Chamber of Commerce



**BANK OF ENGLAND**



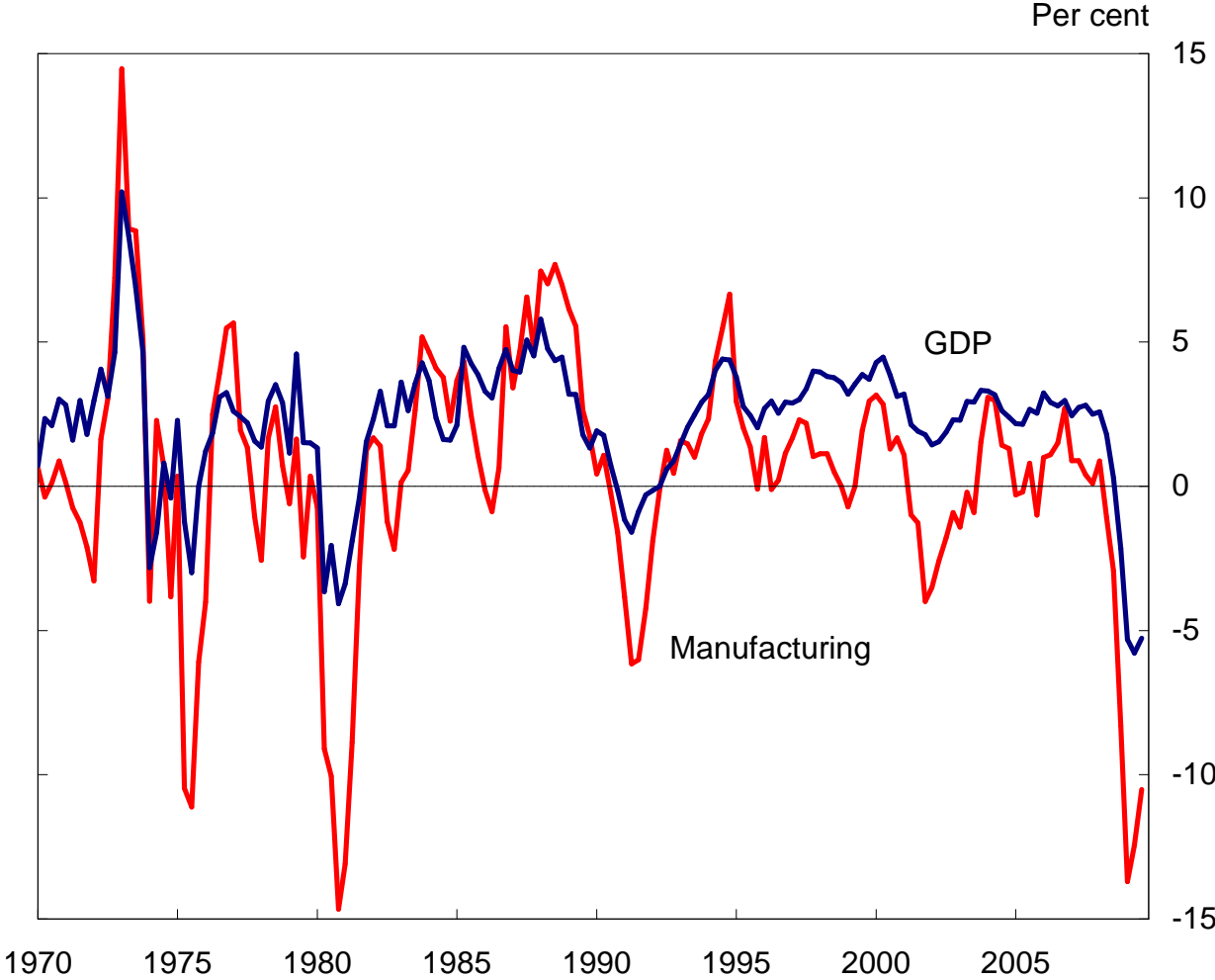
BANK OF ENGLAND

# Overview and outlook for the UK economy

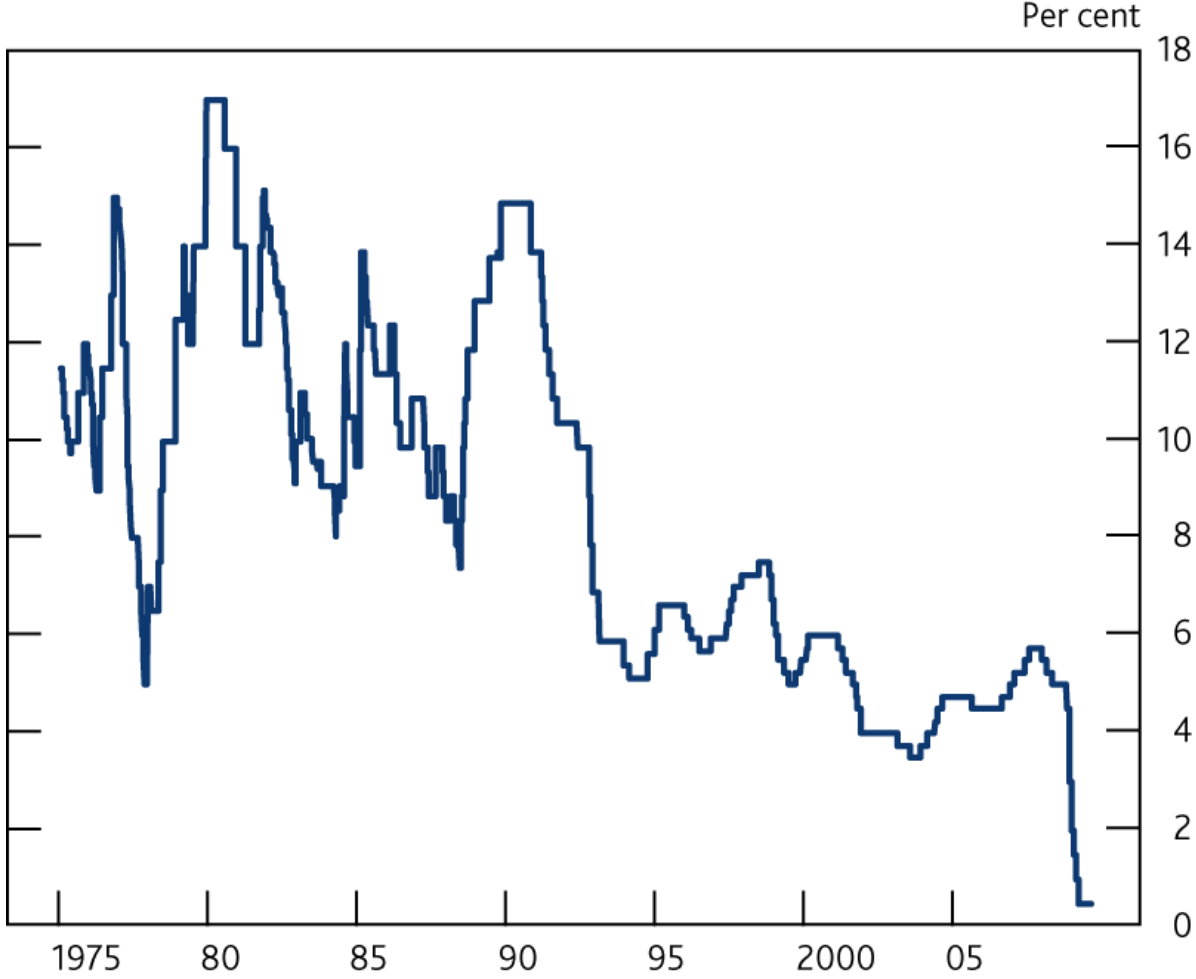
**Andrew Holder, Bank of England**

**6<sup>th</sup> November 2009**

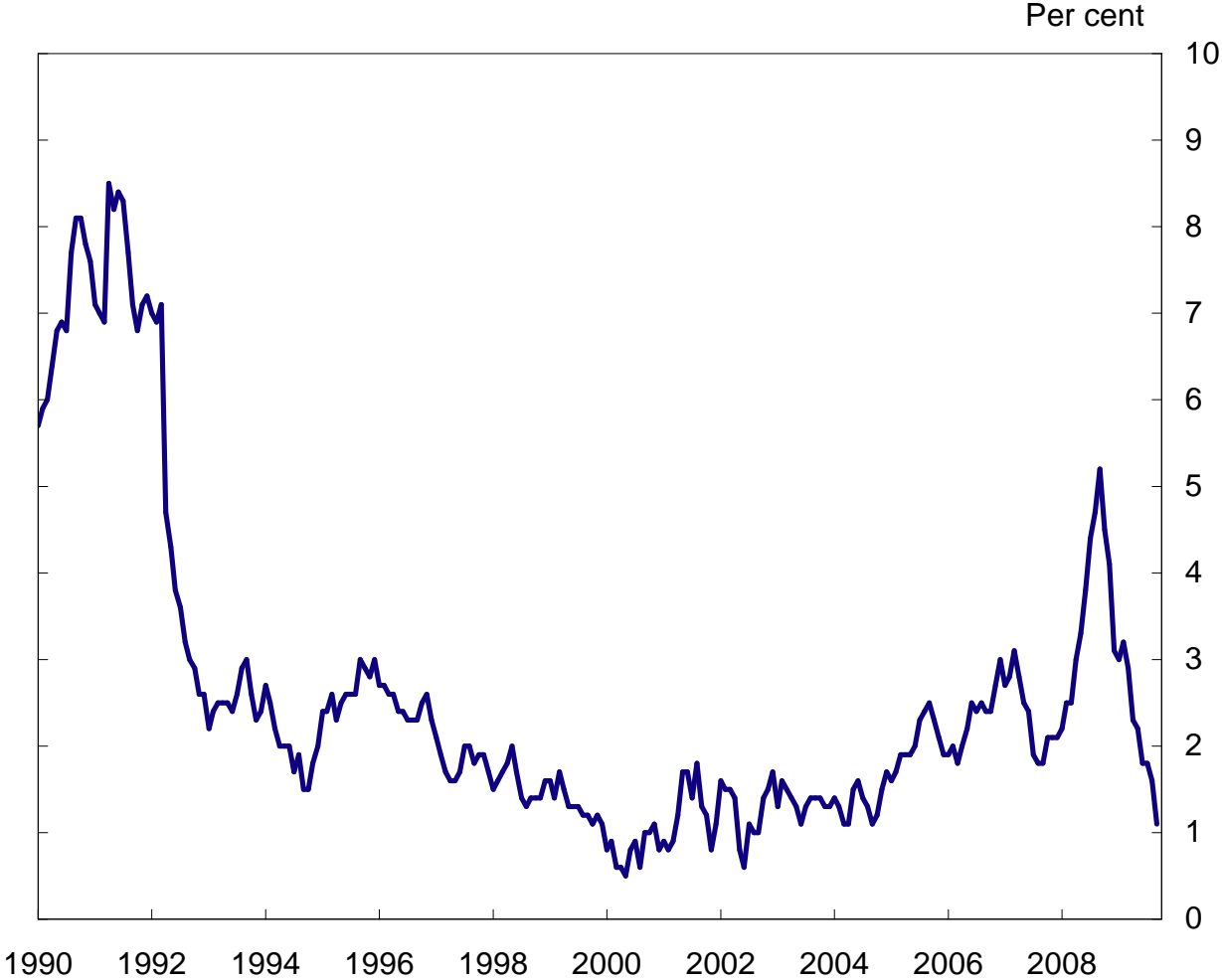
# GDP growth



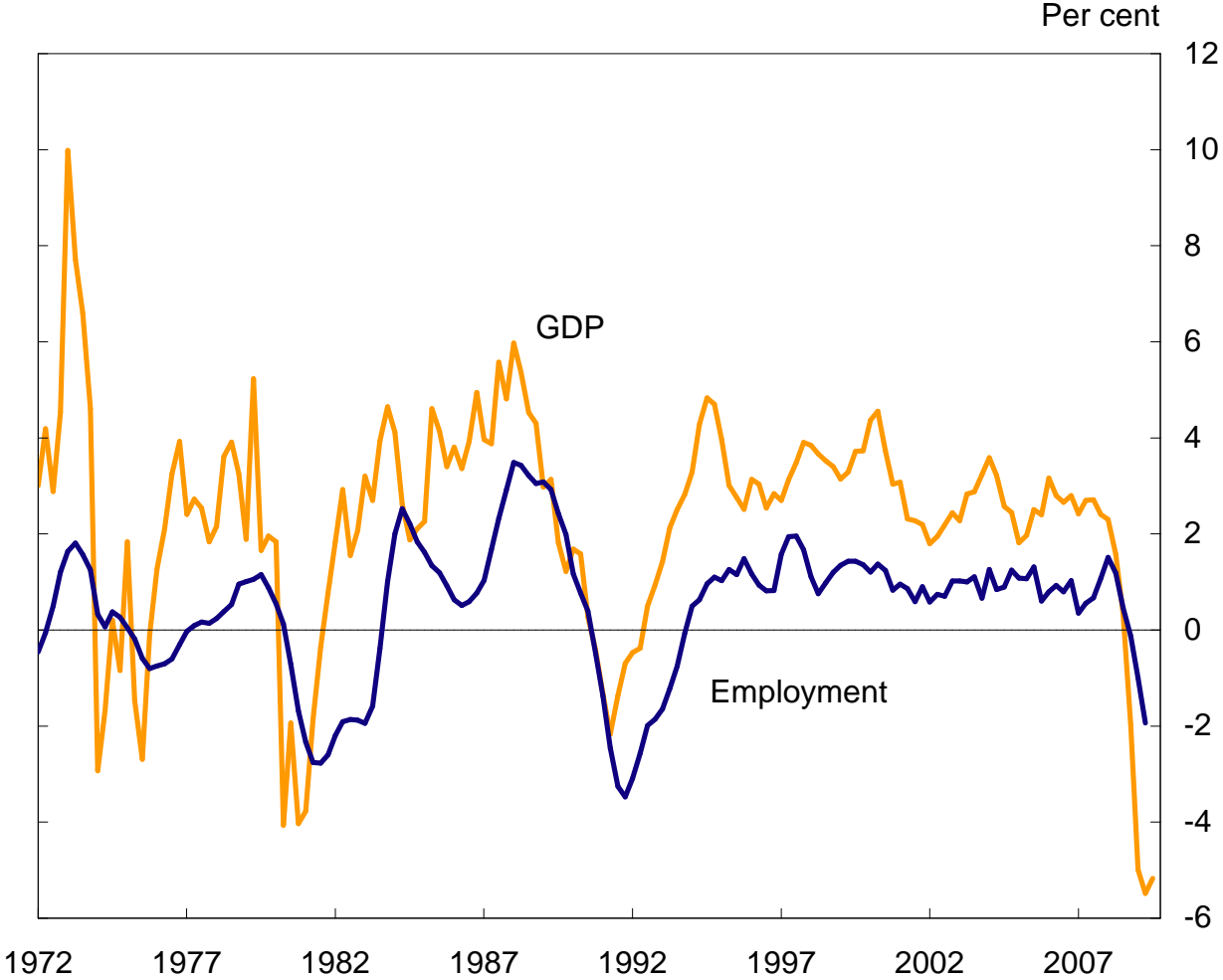
# Bank Rate



# Consumer price inflation



# GDP and employment growth



## Anatomy of a recession

- Shock(s) reduce demand and confidence
- Cuts in spending, stocks and jobs
- Recovery in confidence and activity
- Investment and employment restart
- Use up spare capacity



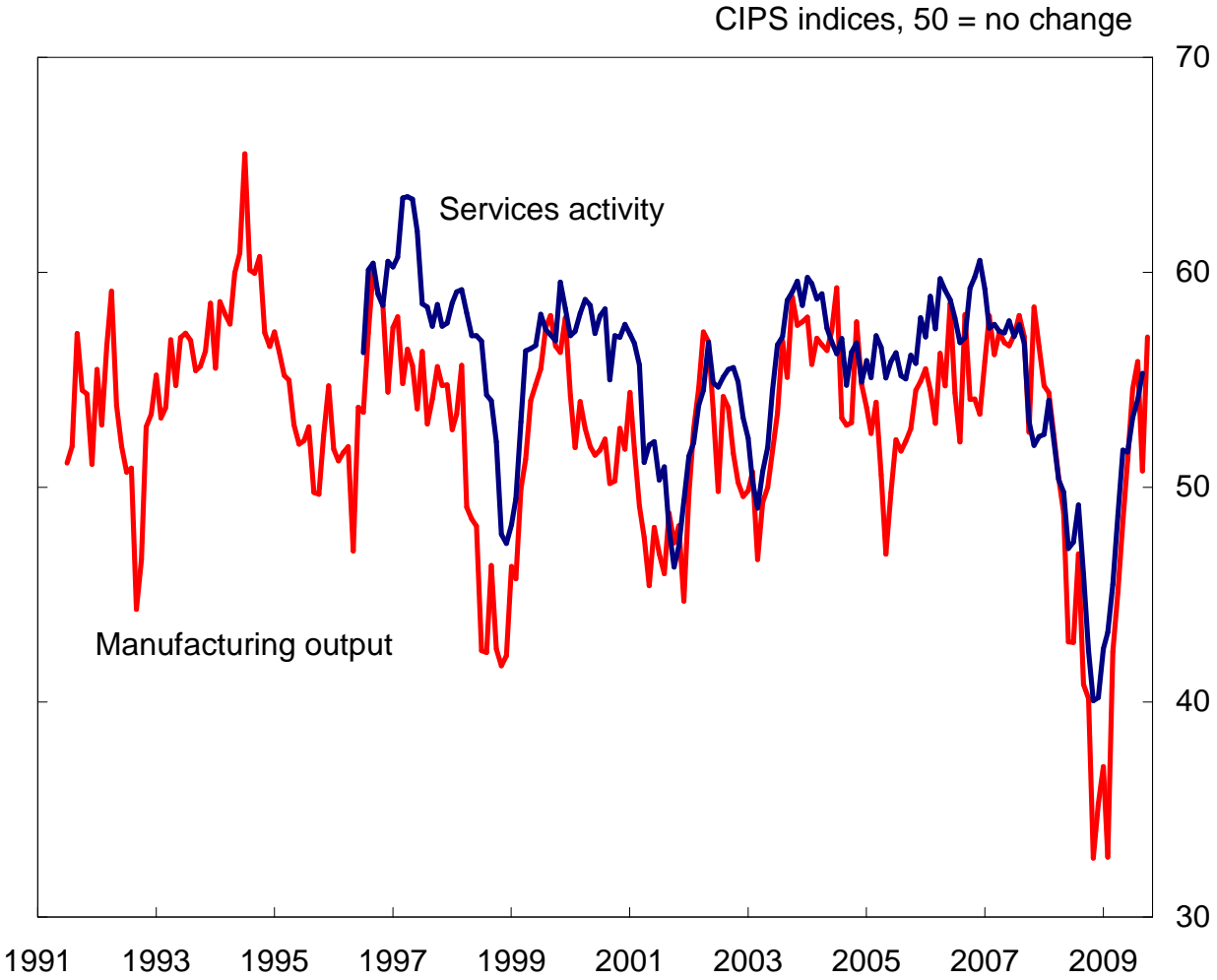
## Will this time be different?

- Low inflation
- Low interest rates
- Swift policy response
- Better labour market?
- Sharp, synchronised fall
- Tight credit
- High debt
- Public finances

**Recovery will come, but likely to be slow and protracted**



# Business activity surveys



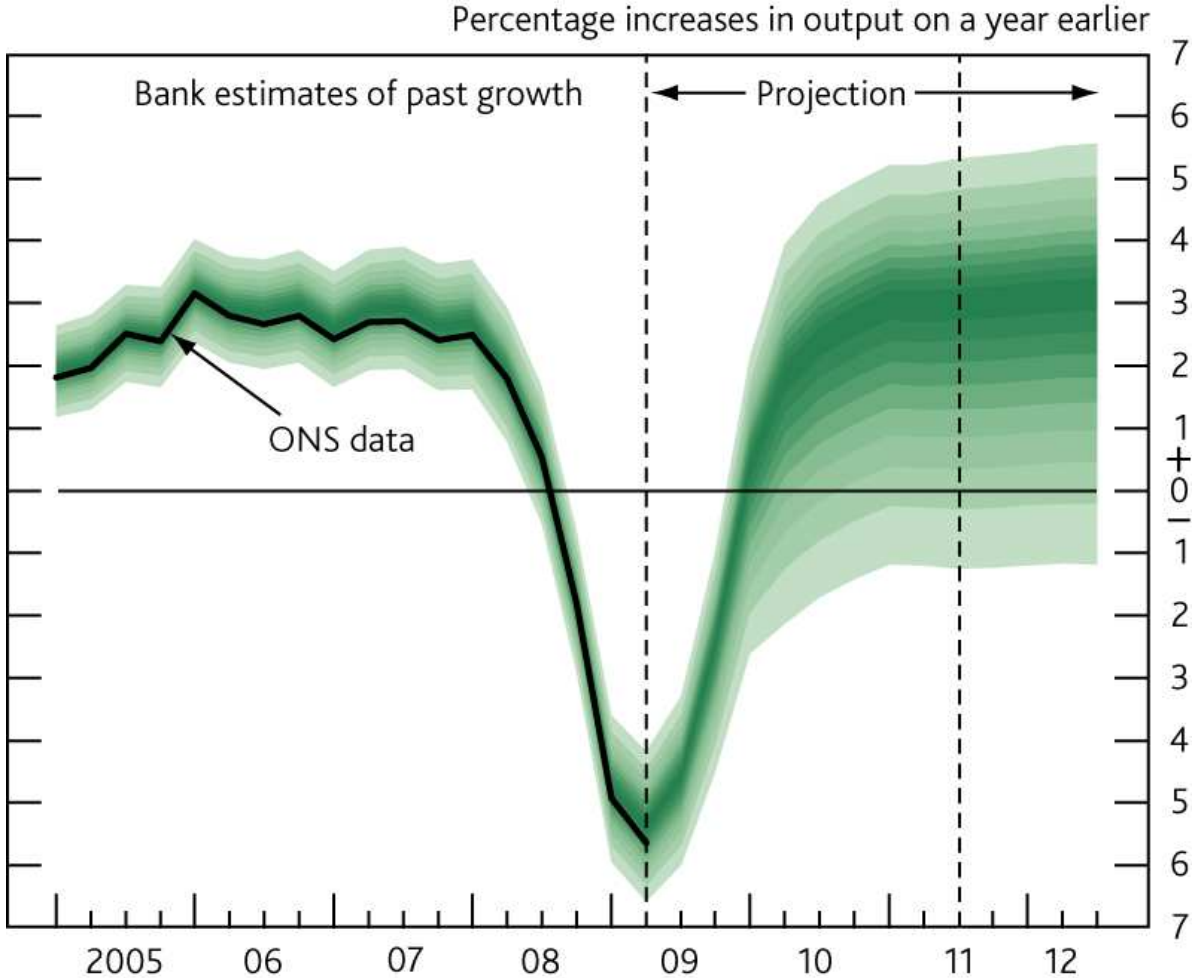
# Prospects for the UK economy: August 2009 *Inflation Report* projections



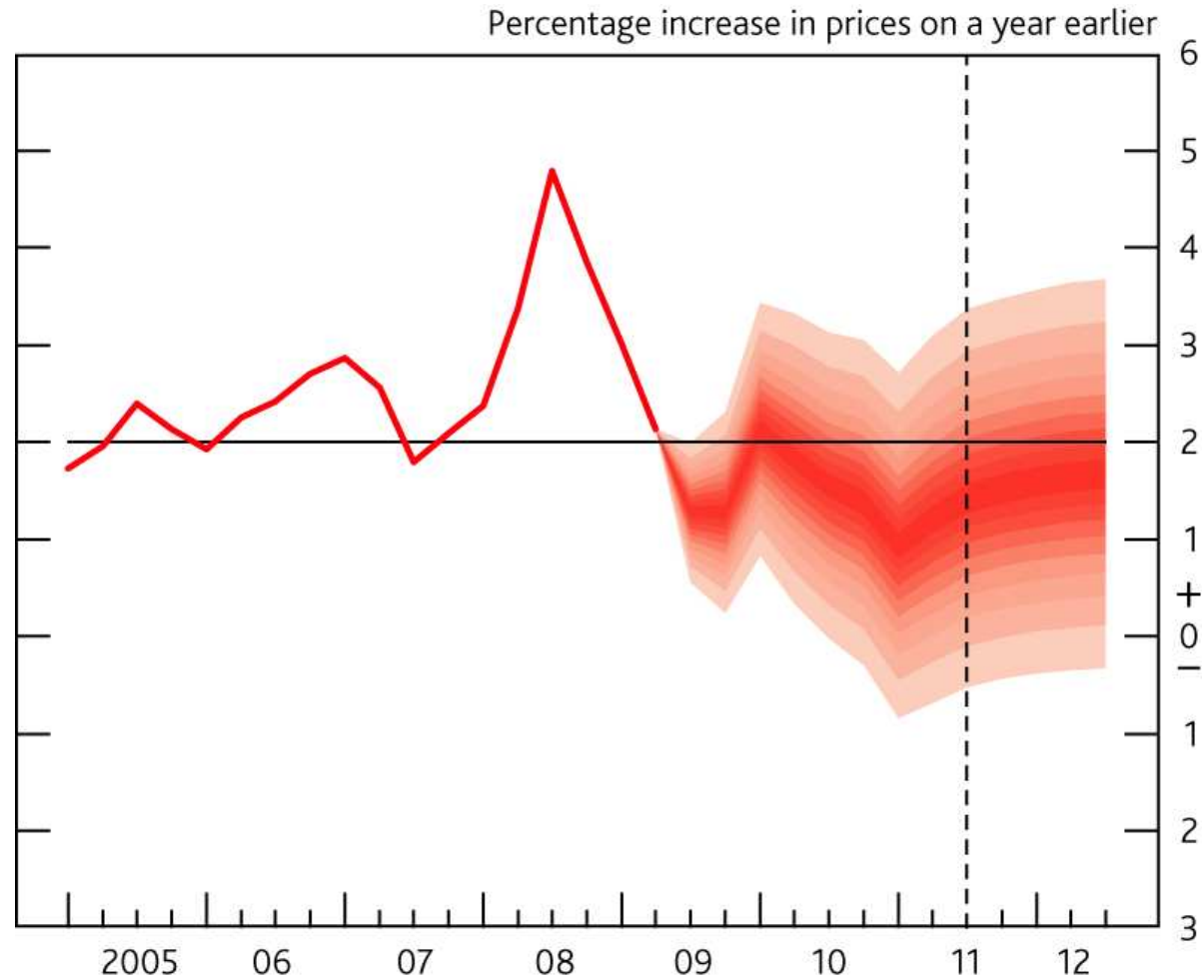
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Agency for Central Southern England

# GDP projection



# CPI projection





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# How Skills Training Can Assist Businesses



Leading learning and skills

**Tony Allen**

**Regional Skills Director**

**Learning and Skills Council, South East**

# A snapshot of Thames Valley



Leading learning and skills

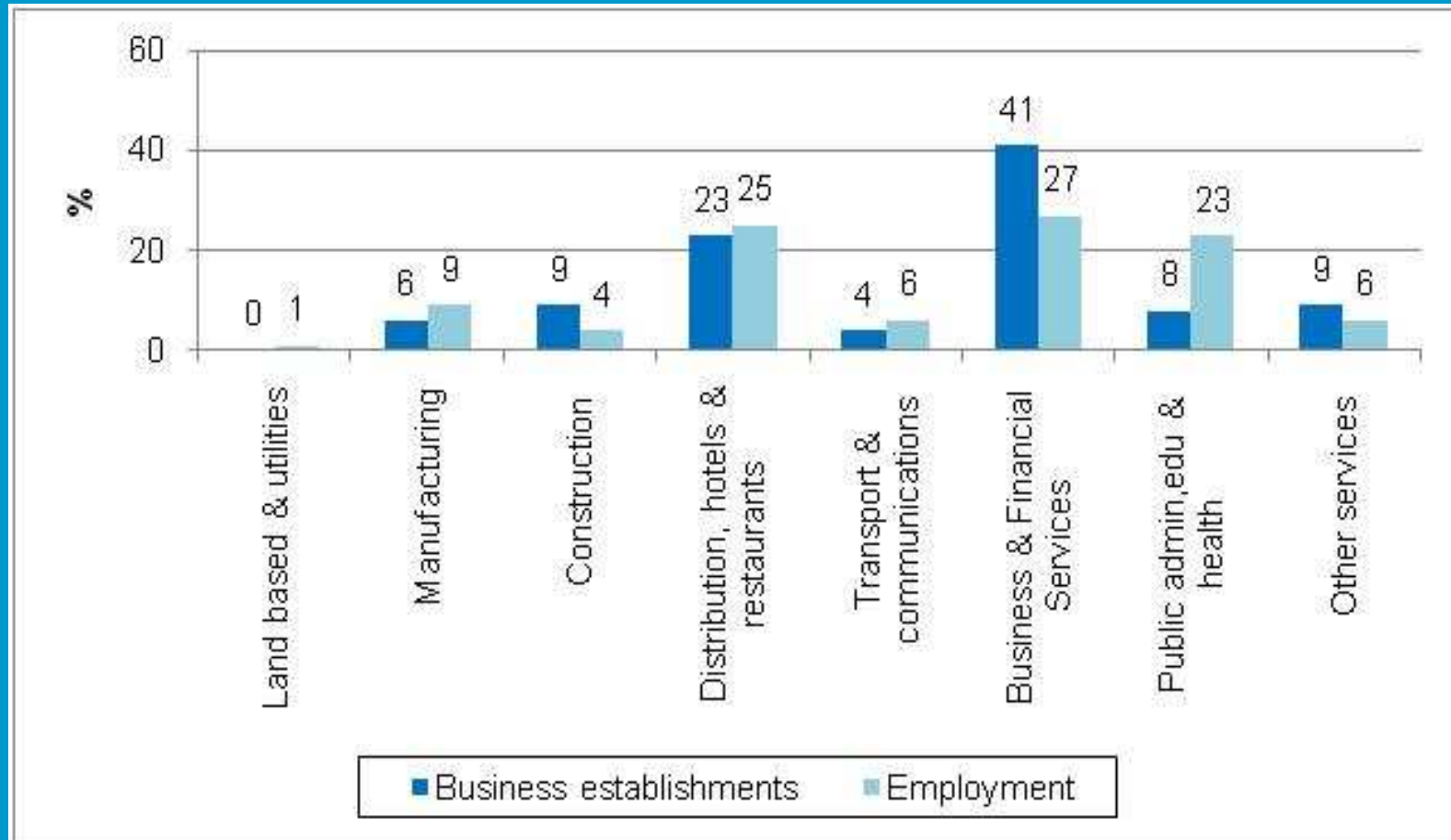
**Berkshire, Buckinghamshire, Milton Keynes,  
Oxfordshire**

- Working age population 1.37 million
- 91,000 businesses (660 large – 200+)
- Around 85% work in service sector
- 110 super output areas in amongst the 20% most deprived in the region
- Economic activity rate – 84% (ranges from 77% Slough to 88% Bracknell)
- Unemployment 40,000 (doubled over last year)
- Vacancies 10,700 (8% increase over the year)

# Business Structure



Leading learning and skills



# Skills profile



Leading learning and skills

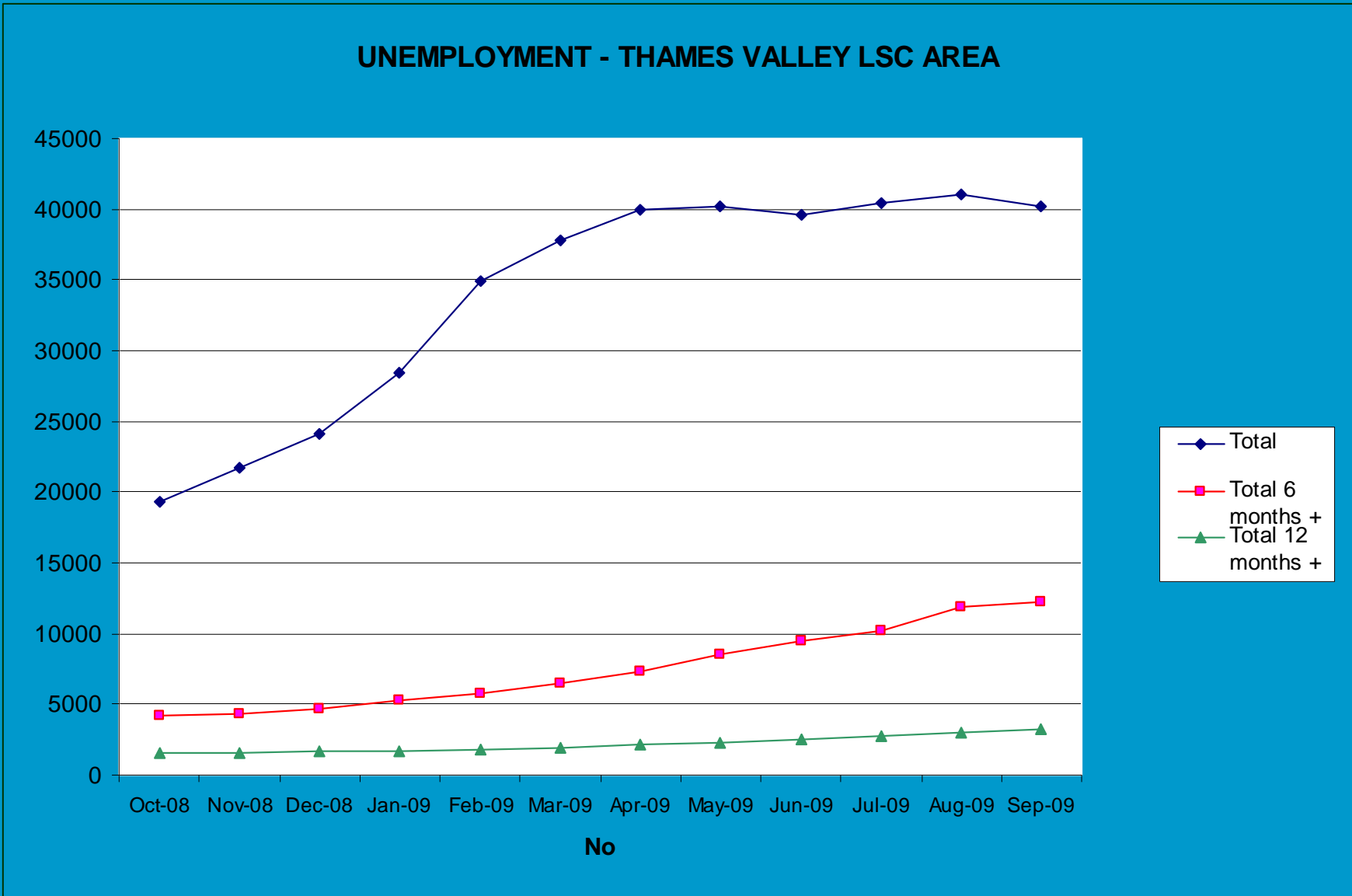
	Thames Valley	England
Level 4+	33%	28%
Level 3/trade apps	19%	20%
Level 2	25%	25%
Level 1	13%	14%
No qualifications	9%	13%

Source APS, 2008

# Unemployment



Leading learning and skills



# Government's response



Aims to build a dynamic and competitive UK economy by:

- Creating the conditions for business success
- Promoting innovation, enterprise and science
- Giving everyone the skills and opportunities to succeed

To achieve this, we will foster world-class providers and promote an open global economy

# The skills training offer to employers



Leading learning and skills

A high quality skills brokerage service at no cost to the employer

Help to identify and source high quality training and qualifications to meet employers' skills needs

An expert who will design a skills solution package

Advice on wider business needs

Access to supported training – Apprenticeship or Train to Gain

For those making the Skills Pledge, follow up advice and support that is fully integrated within the Train to Gain service

# Meeting business needs



Leading learning and skills

- Training designed by business for business
- Improved productivity and competitiveness
- Addresses skills gaps and shortages
- Investment in training brings highly motivated and loyal staff
- Supports succession planning
- On the job learning, real experience and competencies
- Funded training
- Support for recruitment

# The Apprenticeship Prog

Leading learning and skills

- Over 200 Apprenticeships available in over 80 sectors from Business Services to Horticulture
- There are currently 250,000 people working towards an Apprenticeship
- Open to those aged 16-24 years
- Can be a new recruit or existing member of staff
- Offered at two levels, Apprenticeships and Advanced Apprenticeships
- On and off the job training leading to a competency based qualification (NVQ) plus technical and key skills

# How it works



Leading learning and skills

- The Apprentice will need to be employed for a minimum of 16 hours a week (30 hours/week)
- The Apprentice will need to be paid a minimum of £95 a week
- Employers support and contribute to all aspects of the training; provide opportunities to work shadow and allow time off for “off the job” training, etc.
- Delivery is mainly in the workplace, with some underpinning knowledge which may be delivered at the provider’s centre
- Apprenticeships on average take 12-48 months

# What is Train to Gain?



Leading learning and skills

Train to Gain is the Government's flagship service to help employers of all sizes and in all sectors get the training advice and support they need to succeed  
Since the launch in August 2006 more than 88,000 employers have benefited from the service with over 450,000 learner starts  
186,720 employees have achieved a Level 2 qualification

# Which qualifications are fundable?



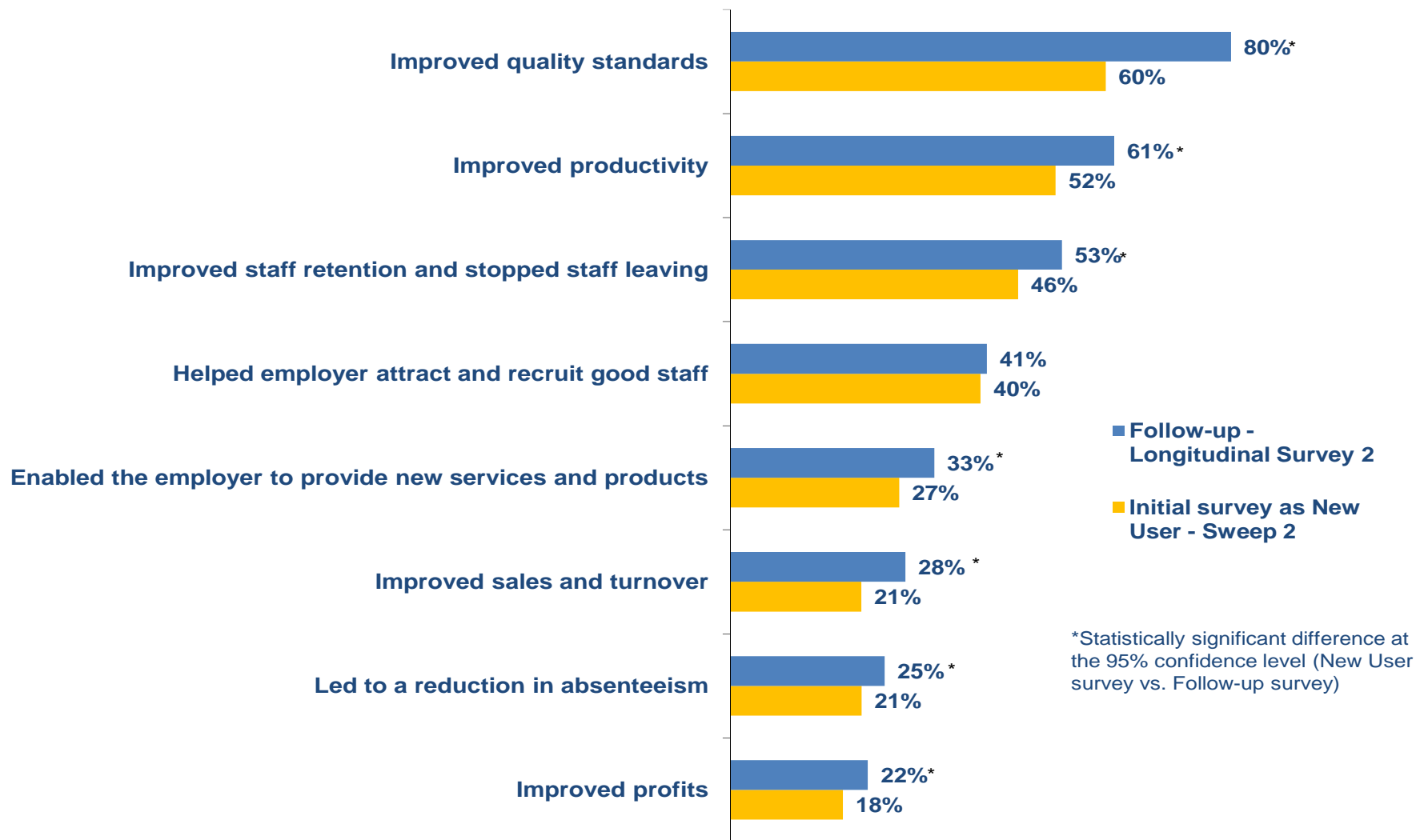
Leading learning and skills

## Basic Skills

Level 2/3/4 qualifications in a range of sectors including:

- Construction
- Retail
- Horticulture
- Leisure & Tourism
- Manufacturing
- Automotive
- ICT

# Train to Gain benefits for employers



Base = All employers who had taken up Train to Gain training: New Users Sweep 2 – initially in contact with Train to Gain skills brokers between May and October 2007 (1,914)

Base = All employers who had taken up Train to Gain training: Longitudinal Survey 2 – initially in contact with Train to Gain skills brokers between May and October 2007 (1,194)

# Changing policies



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Greater focus on joint investment by employers, individuals and the state

More clearly prioritised public funds

Scope for closer links between employers and publicly funded providers such as colleges/ universities

Closer links between employment and skills programmes

Look to recovery and growth – focus on productivity and higher skills

# Changing infrastructures



Leading learning and skills

New regional provider of the Business Link service – Serco – including skills brokerage

National Apprenticeships Service (launched April 2009)

Responsibility for 16-19 learning and skills moves to local authorities and Young People's Learning Agency (Apr 10)

Responsibility for adult skills and learning moves to Skills Funding Agency – an agency of BIS (£5Bn in SE) – focus on managing the skills system through partnerships and providers

# Contact Us



Leading learning and skills

Contact **Business Link** on 0845 600 9006

Contact **Train to Gain** on 0800 015 5545  
or visit [traintogain.gov.uk](http://traintogain.gov.uk)

Contact the **National Apprenticeship Service** on 0800 015 0600 or visit  
[apprenticeships.org.uk](http://apprenticeships.org.uk)

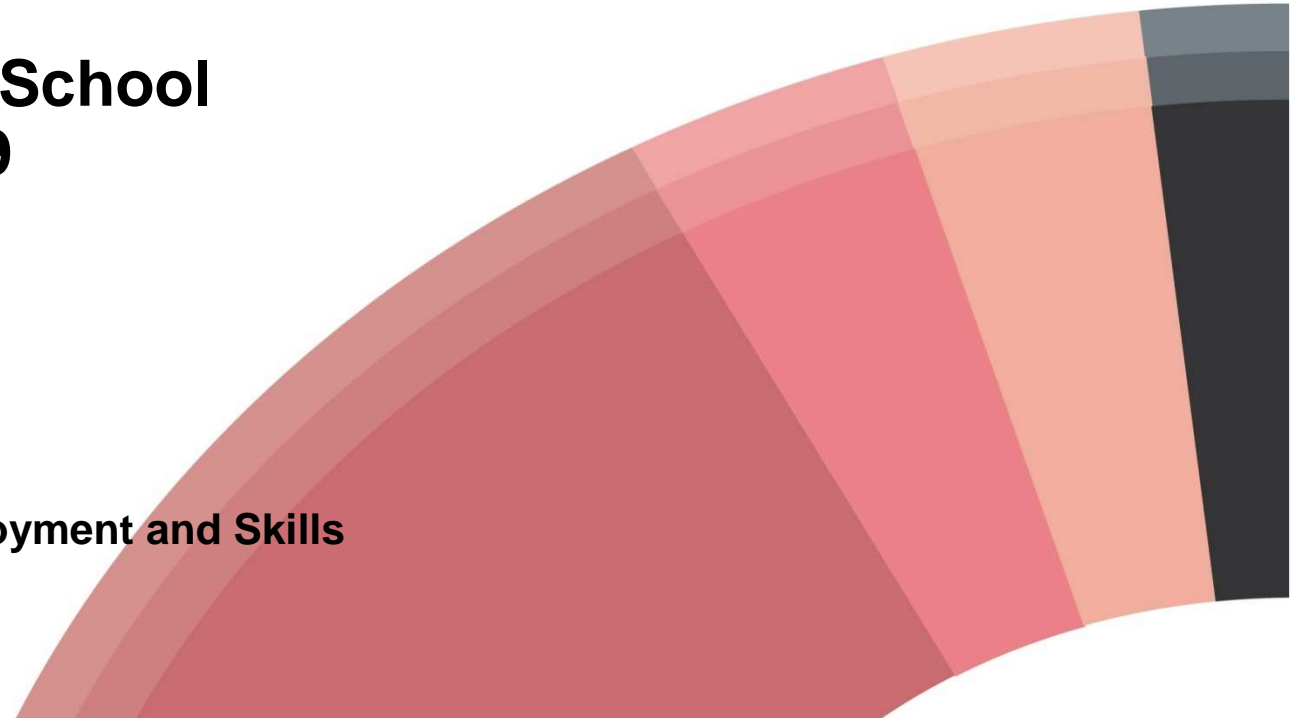
Or contact **local providers** including  
colleges

# Ambition 2020: World Class Skills and Jobs

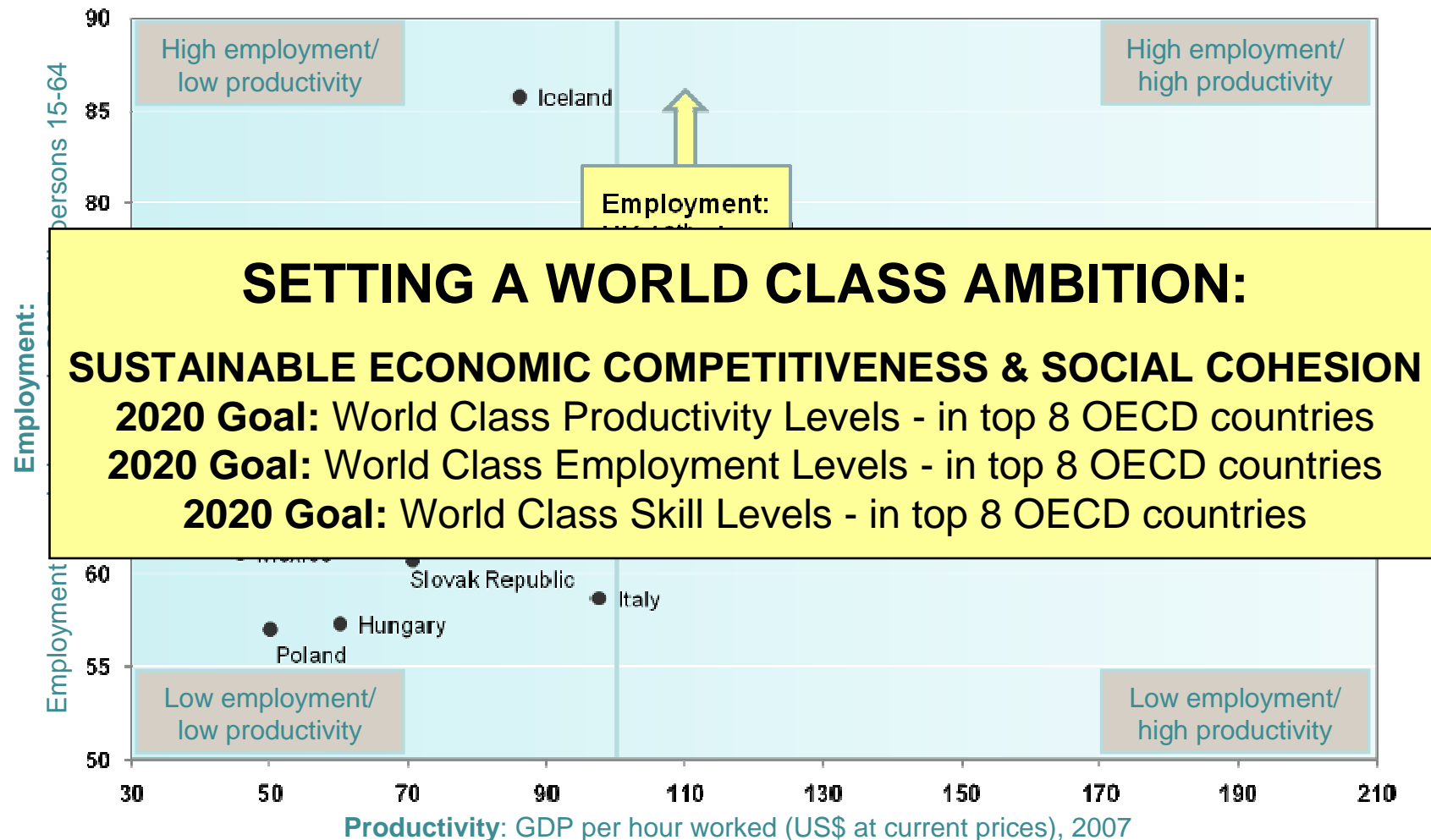
**Henley Business School**  
**6 November, 2009**

**Mark Spilsbury**  
**Chief Economist**

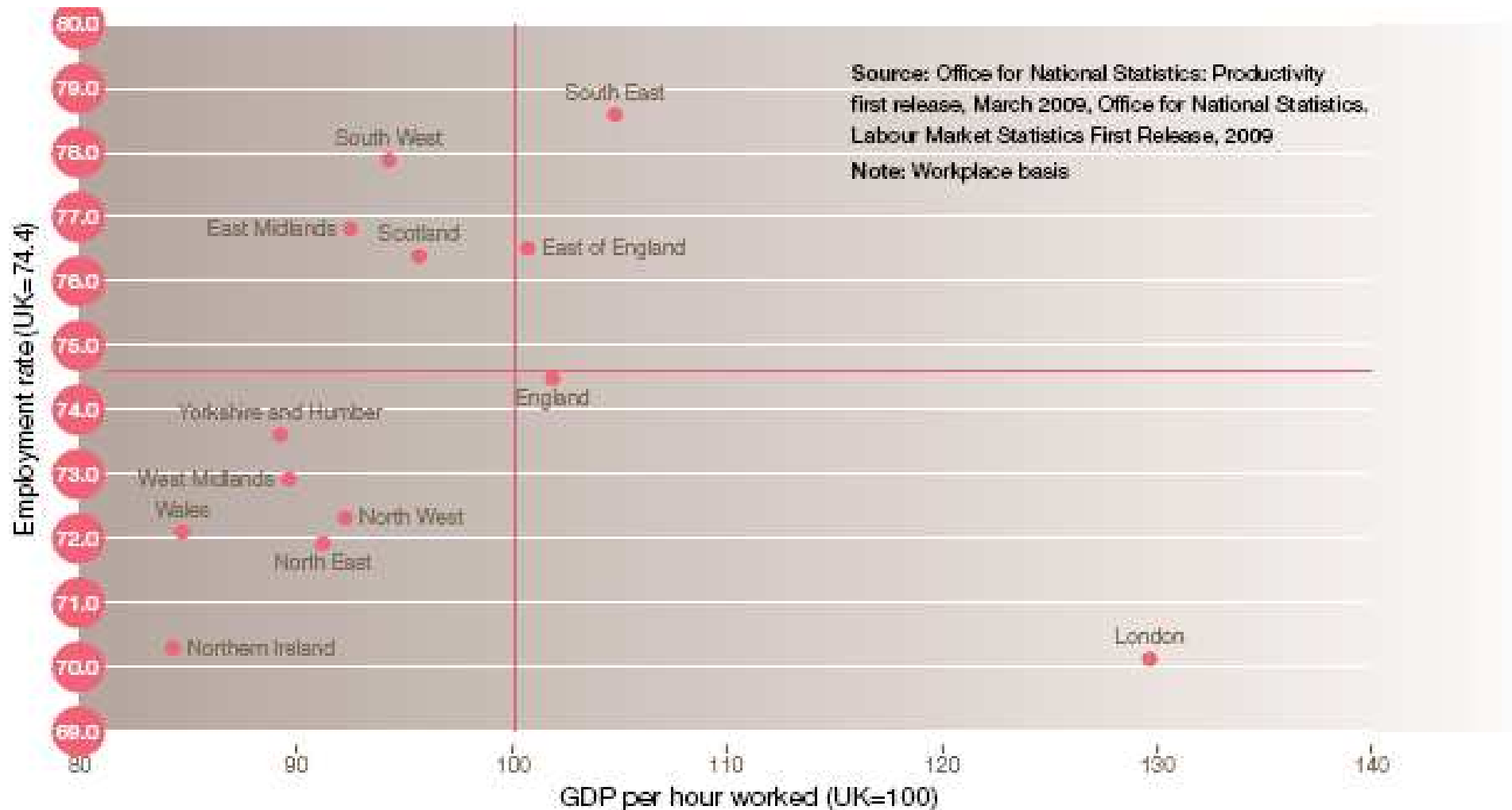
**UK Commission for Employment and Skills**



## The Agenda and the Ambition

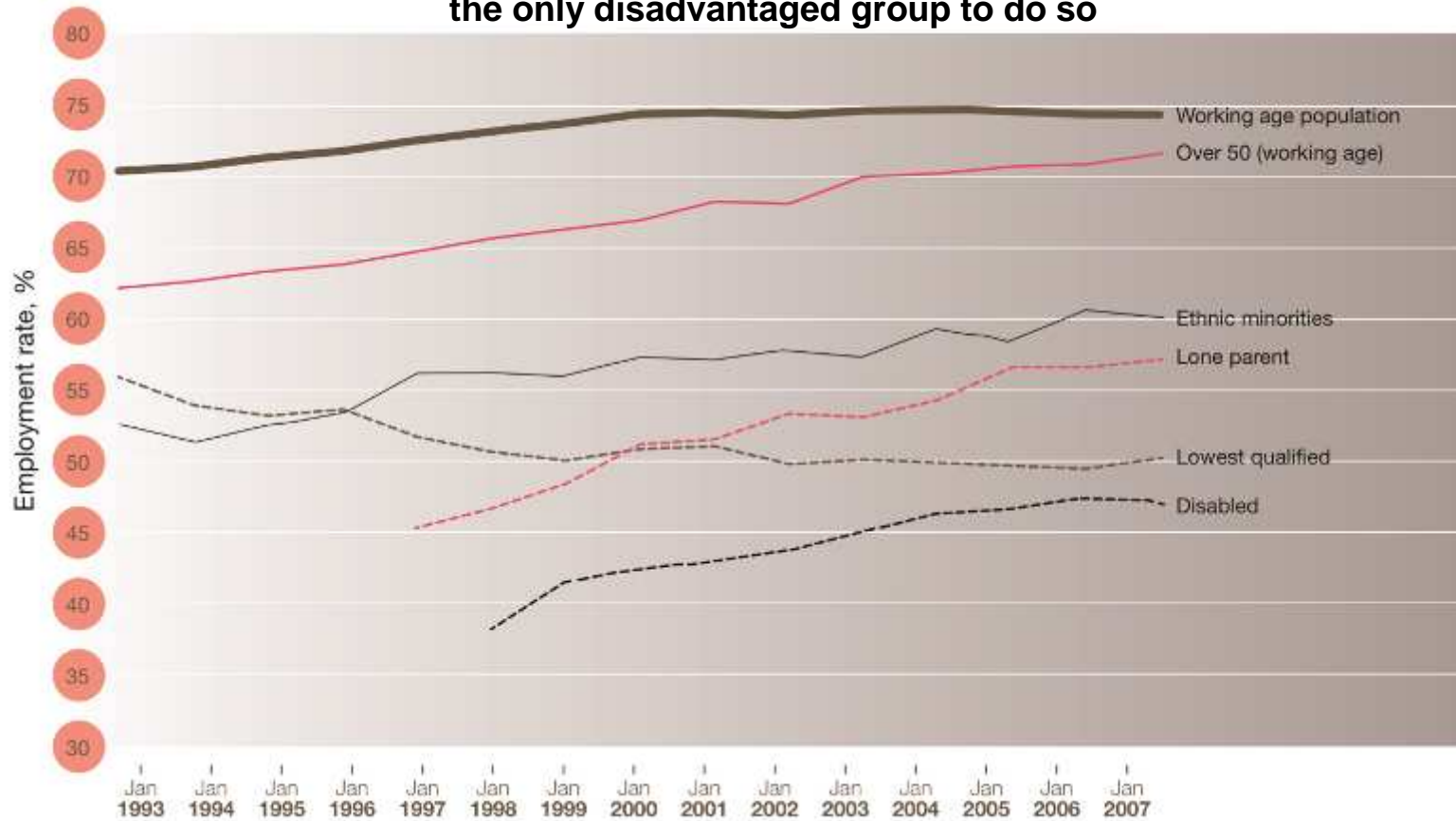


# The Agenda: Productivity and employment in the Nations and Regions of the UK



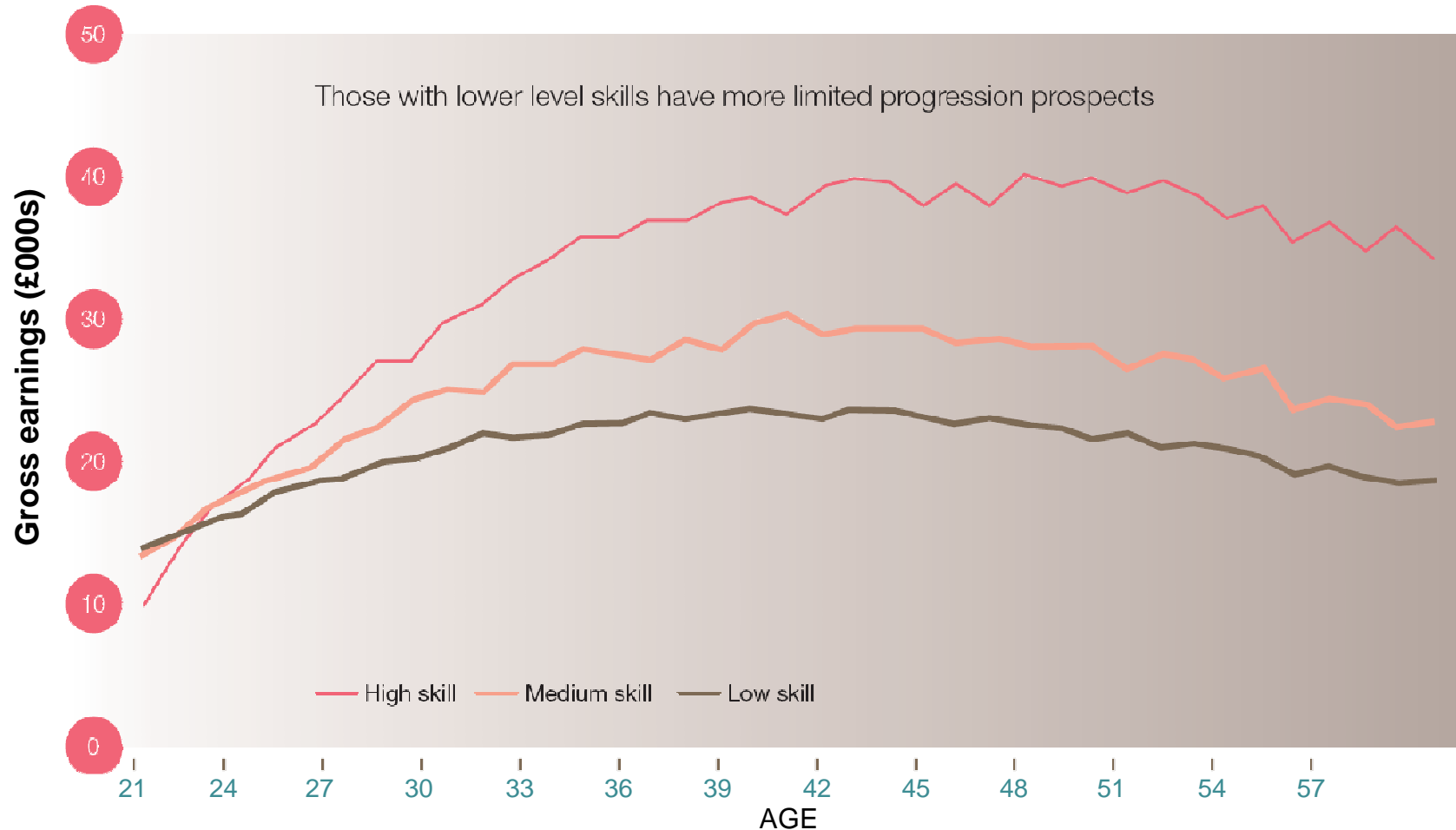
# Skills and Employment

**The Low Skilled experience low and declining employment rates – the only disadvantaged group to do so**



## Skills: the route to Prosperity

Gross median annual earnings (£) by age for men, disaggregated by skill level, 1994–2006



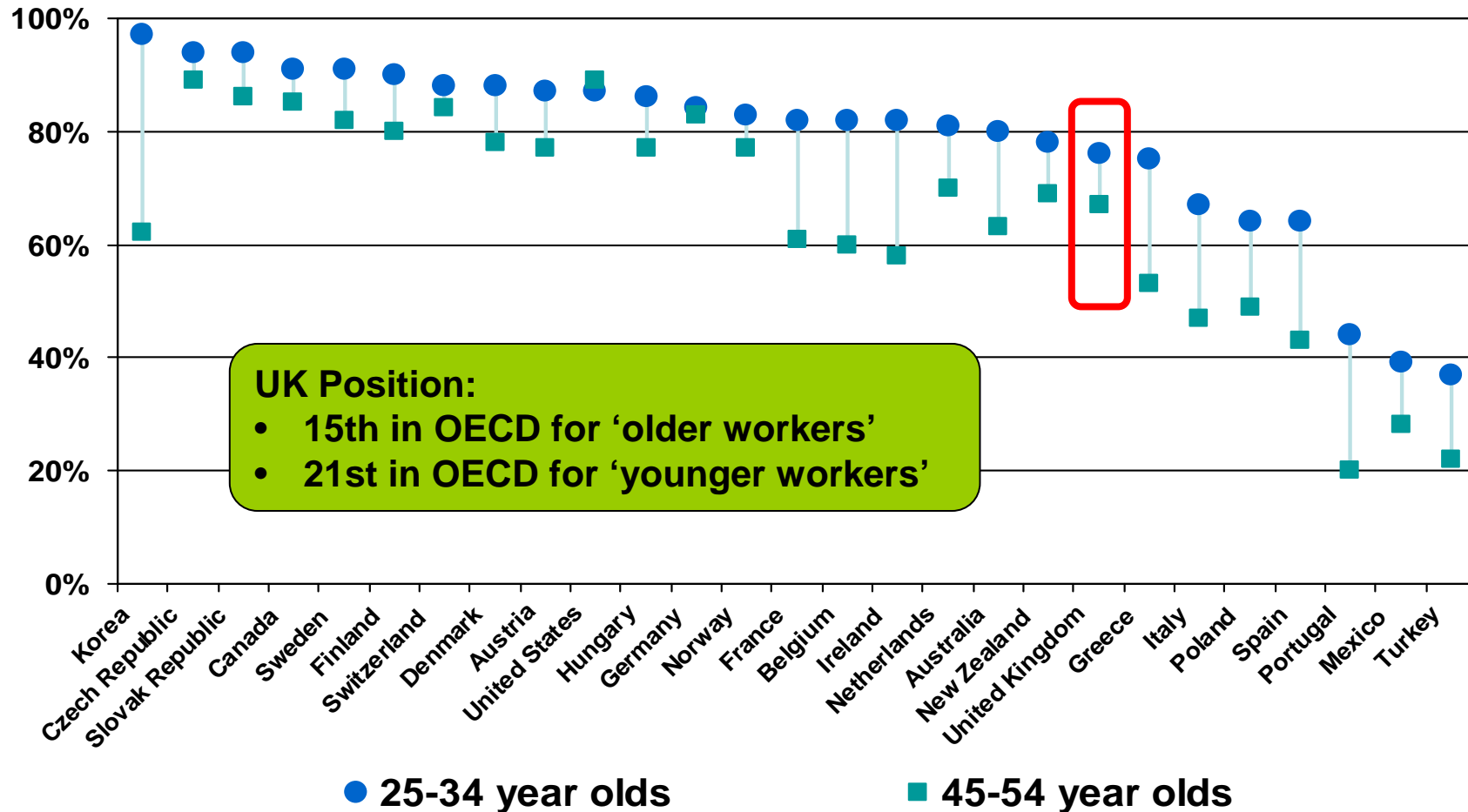
Source: Cabinet Office, *Getting On, Getting Ahead: A Discussion Paper: Analysing the Trends and Drivers of Social Mobility*, 2008

## The UK Qualifications Profile 1997-2007: good progress over last decade

UK Qualification Achievements 1997 – 2007	1997		2007		1997-2007 Change		
	%	Nos ('000s)	%	Nos ('000s)	%	Nos ('000s)	
Level 5	3	1087	7	2274	110	+1187	} <b>+44%</b>
Level 4	18	6101	24	8060	32	+1959	
Level 3	18	5999	20	6738	12	+739	
Level 2	21	6865	20	6912	1	+47	
Below Level 2	21	7074	17	6019	-15	-1055	} <b>-26%</b>
No Qualifications	18	5920	12	4351	-26	-1569	

## Our Progress and Current Position

Population with at least upper secondary education, 2006



## Progress towards 2020 Ambitions

Skill Level	2020 Ambition	Today (2006)	2020 Forecast Outcome
Low level skills	Top 8	17	23
Intermediate level skills	Top 8	18	21
High level skills	Top 8	12	10

## Our Prospects

### Basic Skills

- We will achieve our basic literacy objective of 95%
- We will not achieve our basic numeracy objective of 95%

## **Demand: jobs mismatch and employer ambition**

- **growth of skilled jobs and decline of low skill jobs stalled;**
- **no real evidence of deep seated shortages;**
- **over qualification ... or underemployment;**

## Employer Ambition

- **it remains crucial to raise skill levels (more people and to higher levels), but we need to go beyond:**
  - (i) raising skill levels; and
  - (ii) a better match between skill requirements and skills availability
  
- **skills as a ‘derived’ demand**
  - Economic Policy
  - Skill Utilisation
  - Management and Leadership
  
- **the ‘virtuous circle’ of raising skills demand and supply**

## What next? Implications for action

- **raise skill levels: our people:**
  - raise aspirations, make the case for skills;
  - tackle barriers, target actions, policy mechanisms;
- **improve provision: our system:**
  - increase ‘responsiveness’;
  - partnership with employers
  - anticipation and matching
  - jobs today and the jobs of tomorrow;
- **raise skill demand: our employers:**
  - increase ambition: the business case for skills;
  - tackle barriers, target actions: policy mechanisms
  - skills as a ‘derived demand’

**Increased skill levels only make economic sense for people and business if there are jobs available to make use of those skills**

## Questions:

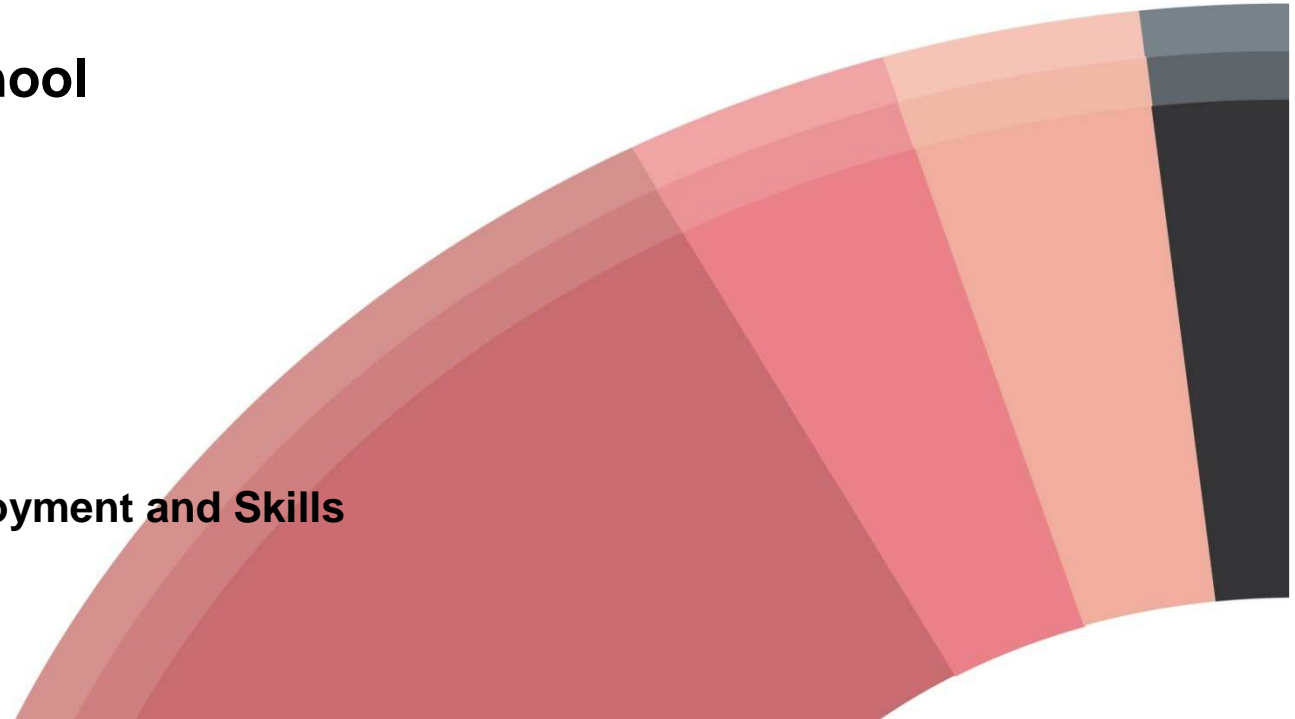
- **what do you want from Government?**
- **what works well, what poorly?**
- **what are you going to do about it:**
  - in conjunction with external partners?
  - within your own companies?

# Ambition 2020: World Class Skills and Jobs

**Henley Business School**  
**6 November, 2009**

**Mark Spilsbury**  
**Chief Economist**

**UK Commission for Employment and Skills**



# Talentmap framework – level 2

The entire talent and skills landscape is summarised across these 5 high level themes



Transform the performance of your business through talent and skills. We can make it easier for you to find the publicly funded support you need.

[Explore the framework](#)  
[Who brought you talentmap™?](#)  
[See why talentmap™ is important](#)

## Explore talentmap™

Click the bubbles to find out more



### Improve performance

Efficiency and innovation are essential to cope with the current recession. Get help to improve the way your business works and influence the performance of your suppliers.

[find out more](#)

A few categories in this area

[Build your company's skills](#)

[Improve efficiency](#)

[Build innovation skills](#)

### What is talentmap™?

talentmap™ provides a simple framework for employers to navigate the education, employment and skills systems in the UK - and find the funding and support they need

[About talentmap™](#)

### Who is talentmap™ aimed at?

Employers - large or small - who want to improve the skills of their staff, as well as brokers and advisers who are supporting employers

[Your feedback](#)

### Why talentmap™ is important

The UK has a skills gap - we can show you the way to deliver better business performance and help make the UK a world-class leader in productivity

[Case studies](#)

### The talentmap™ framework



Developed by employers, the talentmap™ framework can help you consider the range of ways you can build talent and skills in your business.

[View the full framework](#)

## Search talentmap™

Know what you're looking for?

Try our full search

Manufacturing

- West Midlands

All content

[Search now](#)

Want some more information? Why not try exploring the [framework](#) or check out the [case studies](#)

### ? talentmap™ is developing all the time

More sources are being added to the search and content providers continue to up-grade their web-sites. If you don't find good results please let us and the content providers know by emailing [info@talentmap.org.uk](mailto:info@talentmap.org.uk).

Your feedback will help ensure that talentmap™ and the partner organisations aims to meet the needs of businesses across the UK.

### Not an employer?

Partners and content providers - [click here to visit the resource centre](#)

Brought to you by the talentmap coalition:

Business members  
 British Chambers of Commerce, Business in the Community, Commission for Rural Communities, Confederation of British Industry, Federation of Small Businesses, Sector Skills Councils, UK Commission for Employment and Skills

## Apprenticeships

There's a major drive towards the offering of more apprenticeships. Make sure your organisation is taking advantage of this to make your business more effective, productive and competitive. Find out more.

### my plan



Keep track of your search results using 'my plan'

Click save on a search result to save it to your plan

## Featured in: Apprenticeships

### Train to Gain (England only)

[Find out about grants, training courses and advice that are available to businesses in England](#) - or please ring 0845 600 9 006

### Business Link Grants and Support Directory (England)

Find out if there is a [grant available to help improve the performance of your business](#)

### National Learning Database (England)

[Search the National Learning Database for training courses near you](#) - either by Town or Post Code

## search results

[all search results](#)

Develop your people > Build job-related skills > Apprenticeships

Transportation

- South East

All content

refresh

### [Management Standards Centre Apprenticeship Best Practice Guide for Providers](#)

save

Current Team Leading & Management Framework (England and Wales)  
**Apprenticeship Framework** Scotland  
[http://www.management-standards.org/content\\_1.aspx?id=10:2045&id=10:1918](http://www.management-standards.org/content_1.aspx?id=10:2045&id=10:1918)

### [Management Standards Centre Certification Request Forms \(England & Wales only\)](#)

save

Current Team Leading & Management Framework (England and Wales)  
**Apprenticeship Framework** Scotland  
[http://www.management-standards.org/content\\_1.aspx?id=10:2044&id=10:1918](http://www.management-standards.org/content_1.aspx?id=10:2044&id=10:1918)

### [Apprenticeships](#)

save

Advanced Apprenticeships (England) / Modern Apprenticeships (Wales)  
 Purchasing & Supply Management Apprenticeship/Advanced Apprenticeship/Higher Apprenticeship  
<http://www.skillsforlogistics.org/en/index/training/apprenticeships/>

### [Management Standards Centre Apprenticeships](#)

save

Current Team Leading & Management Framework (England and Wales)  
**Apprenticeship Framework** Scotland  
[http://www.management-standards.org/Content\\_with\\_image\\_1.aspx?id=10:1918](http://www.management-standards.org/Content_with_image_1.aspx?id=10:1918)

### [Management Standards Centre Organisation Registration Form \(Scotland only\)](#)

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**My plan**

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3 in total

develop  
your people  
(5)

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new people  
(0)

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with education  
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<input type="checkbox"/> <a href="#">Qualifications   Our Work   UKCES</a> Apprenticeships and Modern Apprenticeships Apprenticeships/Modern Apprenticeships - to develop apprenticeships for England, Wales, Northern Ireland and Scotland that meet employment needs, and to quality assure apprenticeships/modern... <a href="http://www.ukces.org.uk/ourwork/qualifications/">http://www.ukces.org.uk/ourwork/qualifications/</a>	26.08.2009 10:31:52AM
<input type="checkbox"/> <a href="#">Apprenticeship Ambassadors Network</a> The site includes a monthly newsletter and apprenticeship information. Sector: Passenger Transport <a href="http://www.employersforapprentices.gov.uk/index.cfm?action=links.default">http://www.employersforapprentices.gov.uk/index.cfm?action=links.default</a>	26.08.2009 10:30:36AM
<input type="checkbox"/> <a href="#">Trades Union Congress - Learning and Skills Policy</a> The Government is currently legislating to provide a statutory framework for Apprenticeships, including the development of a Specification of Apprenticeship Standards setting out the required... framework for Apprenticeships, including the development of a Specification of Apprenticeship Standards setting out the required content of the new Apprenticeship framework. <a href="http://www.tuc.org.uk/skills/index.cfm?mins#590">http://www.tuc.org.uk/skills/index.cfm?mins#590</a>	26.08.2009 10:30:41AM
<input type="checkbox"/> <a href="#">Apprenticeships</a> Advanced Apprenticeships (England) / Modern Apprenticeships (Wales)	26.08.2009 10:30:12AM

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We generate a unique ID for your plan. To return to your plan in the future please bookmark this page now.

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**How to use "my plan"**

My plan is a place to store search results in one easy to manage place.

Save, order and delete your results

Download and share your plan  
Export your plan into an easily shared and printed PDF.

[Why should I get involved in talentmap?](#)  
[How does it work?](#)  
[Can't I look for these funds myself?](#)  
[More FAQs](#)

[Return to search results](#)

# Roving brand - access



# URLs

talentmap

<http://www.businesslink.gov.uk/talentmap>

<http://www.talentmap.ukces.org.uk>

Email

[info@talentmap.org.uk](mailto:info@talentmap.org.uk)

Web [Images](#) [Videos](#) [Maps](#) [News](#) [Shopping](#) [Mail](#) [more](#) ▼

**Google** talentmap   [Advanced Search](#)  
Search:  the web  pages from the UK

Web [Show options...](#) Results 1 - 10 of about 48,500 for talentmap (0.19 seconds)

**Talent Map**  
[www.talentmap.org.uk/](http://www.talentmap.org.uk/) - Similar

**talentmap Project**  
Communications site for the UK Talent Map Project Phase 3 - developing talentmap.  
[www.uktalentmapproject.org.uk/](http://www.uktalentmapproject.org.uk/) - Cached - Similar

**UK Talent Map**  
The UK Talent Map - a framework to help employees identify and easily locate the appropriate education, skills and employment service most relevant to their ...  
[www.csisulsp.cam.ac.uk/index.php/uktalentmap/](http://www.csisulsp.cam.ac.uk/index.php/uktalentmap/) - Cached - Similar

**Home - TALENTMAP**  
Talentmap has over a decade of experience helping public and private organizations across North America understand employee engagement, ...  
[www.talentmap.com/](http://www.talentmap.com/) - Cached - Similar

**Talent Map - Employment and Skills**  
14 Jul 2009 ... Talent Map Making Skills Simpler. Employers can now get more comprehensive, practical help and information to boost the skills of their ...  
[www.scotland.gov.uk/Topics/Education/skills.../Talent-Map](http://www.scotland.gov.uk/Topics/Education/skills.../Talent-Map) - Cached - Similar

**Talentmap**  
[learnirect.scotlandforbusiness.gov.uk/](http://learnirect.scotlandforbusiness.gov.uk/) is part of Skills Development Scotland and is a partner of



# Legal Update

Jonathan Lloyd-Jones  
Chairman  
Blake Lapthorn

# CRC Energy Efficiency Scheme

- (Formerly Carbon Reduction Commitment)
- Registration 30 September 2010

## Who is affected?

- Industries that purchase electricity on half-hourly meters
- If purchase more than 6,000 mwh – full participant
- If purchase less then some obligations apply
- Need to aggregate your various sites

## Likely to affect

- Large Businesses
- Retailers with multiple outlets
- Schools and Universities
- Local Authorities

## How will it work?

- First measure all energy consumption
- April 2010 – March 2011
- Footprint establishes baseline
- Second you will need to buy from the Environment Agency allowances
- Third your performance will be assessed over next 3 years

## Effects

- Cost of purchase - £12 per tonne
- Fines/cost of buying additional allowances
- Table – who wants to be bottom
- New market in allowances

# Equality Bill

- “A Fairer Future”
- Will replace existing discrimination provisions when providing services, goods or facilities
- In particular – unlawful to discriminate against anyone over 18

## Equality Bill

- Gender pay discrimination to be more transparent
- Organisations with over 250 employees to publish differences in pay
- New gender pay claim to be introduced
- Discrimination based on “association” and “perception”
- Unlawful to force breastfeeding mothers and babies out of cafes and public galleries

## Vetting System

- Operational from 12 October 2009
- Centralised system Independent Safeguarding Authority (ISA)
- Applies to those who work with “children” and “vulnerable adults”
- Duty to report when terminate employment because of harm or potential harm
- November 2010 – duty to check on individuals

## Employment

- National Minimum Wage rises – 1st October 2009
- Tips and gratuities can't be used to top up wage
- Limitation on “weeks pay” rises from £350 to £380
- Paternity rights – 6 months leave after the first 6 months maternity leave

## Agency Workers

- Aim – to give Agency workers equal rights after 12 weeks
- Implementation now delayed

## Weights and Measures

- Two-thirds of a pint measure to be introduced

# Bribery

- Two offences
  - Giving and receiving bribes
  - Negligently failing to prevent bribery

# Legal Update

Jonathan Lloyd-Jones  
Chairman  
Blake Lapthorn

# **Thames Valley Chamber of Commerce Group**

## **Business Leaders' Forum**

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