

Skills for a Sustainable, Low Carbon and Resource Efficient Economy

Report of a Third Round Table
Meeting, 22 February 2010

March 2010

Of interest to those in the FE system with an
interest in skills for sustainability

Further information

For further information, please contact the appropriate LSC partnership team at the local LSC. Contact details for each office can be found on the LSC's website: lsc.gov.uk.

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Introduction

The Learning and Skills Council (LSC) organised two events in 2009 (on 11 February and 30 June) to bring together stakeholders from across the skills system to consider issues arising from the transition to a low carbon and resource efficient economy (LCREE).

On 22 February 2010 a third event was organised to support the development of a consultation document for the Government's planned Low Carbon Skills Strategy.

The event began with presentations from Philip Andrews Department for Energy and Climate Change (DECC) and Jonathan Mackey Department for Business, Innovation and Skills (BIS) to update the group on key aspects of Government's current thinking.

Table discussions then enabled those attending to identify what they considered to be the key issues for the consultation. Key questions were:

- What issues or questions should be covered i.e. content?
- What approaches should be used i.e. structure and dissemination?
- What key questions should be asked of the audience?

These issues were considered crucial to the consultation having outcomes that would inform a relevant, effective and successful Low Carbon Skills Strategy.

The feedback from the tables has been drawn together in this report under the headings of **Issue, Root causes, and Implications for the consultation.**

The meeting was chaired by Frances O'Grady, Deputy General Secretary of the TUC and Vice Chair of the National Council of the LSC. Organisations contributing to the discussions included:

- Asset Skills
- Association of Learning Providers
- Bedford College
- Cogent
- Department for Business Innovation and Skills
- Department for Energy and Climate Change

- Department for Environment, Food and Rural Affairs
- Doosan Power Systems
- e-skills UK
- Energy and Utility Skills
- Engineering and Construction Industry Training Board
- FDF (Foundation Degree Forward)
- GMB
- Institute of Environmental Management and Assessment
- Lantra
- Learning and Skills Council
- Lifelong Learning UK
- Menzies Distribution
- NA Consultants Limited
- National Apprenticeships Service
- National Union of Students
- Pro Enviro Limited
- Siemens
- Skills for Logistics
- Toyota Europe
- Trades Union Congress
- UK Commission for Employment and Skills
- University and College Union
- Warwickshire College
- Wildlife Trust

David Kidney, Minister of State DECC, attended for the final part of the meeting to hear the feedback from the table discussions and provide further insight into Government thinking on this area.

Key Points from Discussion

Issue

Employers are not demanding Low Carbon skills

Root causes

- The language of climate change and carbon targets is technical and off-putting. Also, although the situation is improving there is still too much incoherence. We do not have a clear vision through to 2050 – at least not one in the practical terms that business can understand. There is therefore a need to come to some widely accepted definitions in our terminology to avoid confusion e.g. low carbon, resource efficiency, and green jobs.
- Some sectors will be more threatened by the transition to low carbon than others e.g. because they generate high levels of emissions. There is not enough understanding of this and a lack of capacity to respond.
- There is a perceived lack of relevance to business e.g. there is a perception that Low Carbon is a moral case not a business case. The business case, which is very strong, needs to put forward more clearly. Low Carbon = Better Business.
- Is the consultation trying to cover too much ground? Adaptation and mitigation have separate business cases and including both may add to the confusion. There are also different responses from public vs. private sector, particularly to adaptation.
- The barriers to moving to a low carbon business model may not be skills-related. Large businesses in particular are looking for longer term security when planning investments. Uncertainty about macro-level activity translates into uncertainty about where to invest. Government policy is instrumental in steering business confidence e.g. what renewable energy sources will be prioritised for Government subsidies/support?
- Regulatory requirements could be a key driver but as businesses already feel that they are burdened with regulation, there will be sensitivity about any increased regulation to promote low carbon skills.

Implications for the consultation

- Use language that business understands i.e. resource efficiency or operational efficiency. This would also have the advantage of being less threatening to the inherently high carbon industries.
- Make the business case in terms of competitiveness, new markets, opportunities, return on investment – these are all phrases which will push buttons with business.
- Be clear about the scope of the consultation and the strategy. Use the consultation to find out what employers expect from government in terms of a strategy and what their perception is of the current range of initiatives.
- Ask what barriers there are to moving to a low carbon business model and where skills rank alongside other issues.
- Can the consultation set out a vision of the low carbon economy in practice? Maybe include examples of where it is already working to bring the consultation to life for large and small businesses and individuals. International examples could be useful because they will also exemplify the need for competitiveness e.g. in China there are six green chemistry institutions in development. Are there any examples of international partnerships that could be used?
- Use the consultation to identify more examples of good and effective practice and ask how these could be promoted and used to drive further activity e.g. would raising the profile of industry awards help?
- The consultation could ask what sort of regulation might work – for example adaptation of current requirements rather than anything new.

Issue

We are entering a period of constant shift and evolution in technologies but the skills system is unprepared to support a re-application and development of existing skills. We are talking too much about new skills

Root causes

- Job changes are likely to be mainly evolutionary rather than revolutionary. Skills demands are therefore transitional and incremental and the support needs to acknowledge this.
- The underlying infrastructure of the skills system is focussed too much on whole frameworks and qualifications and is not flexible enough to deliver the 'top-up' skills required e.g. funding is based on whole qualifications rather than smaller units
- It takes too long for a new qualification or even a unit to be developed.
- Because low carbon skills are not an essential part of all qualifications, they can be considered optional or voluntary. One lever to change this might be cutting funding for qualifications which do not have low carbon in the curriculum.
- The lack of STEM skills in young people may be a red herring. It is not necessarily new skills that are required but knowledge and awareness e.g. thinking about what low carbon issues mean for software design.
- STEM skills should be delivered in innovative ways that allow learners to see the potential of what they are learning – not just how it applies today, but how it could apply tomorrow.
- FE providers are generally not prepared to invest in training staff to deliver new qualifications until they are sure there is a market, especially in the current funding climate.
- Sector Skills Councils need to come together quickly with awarding bodies to develop qualifications and share generic units e.g. industry standard materials are already being shared in advanced waste management. Are there opportunities in other sectors to prioritise developments, and how could we ensure that providers offer these?
- Low carbon skills should be built into training that is already recognised by business and individuals as having value e.g. a low carbon module for Masters in Business Administration (MBA) programmes would encourage management level to engage with the issues. Another example would be building environmentally sustainable driving techniques into Heavy Goods Vehicle (HGV) licence tests. Would employers take this up voluntarily?
- A mandatory unit could be included in many qualifications, similar to the mandatory health and safety awareness unit or module in many qualifications. This model could be copied for Low Carbon and Resource Efficiency. What would employers think of this?
- Provide actual examples of what the support for skills around technology shifts might look like e.g. units to top up existing apprenticeships. Ask what employers would want included in Apprenticeship Frameworks to cover Low Carbon and Resource Efficiency considerations.
- Further education tutors have to undergo 30 hours of continuing professional development (CPD) a year to maintain their professional status. Training in the delivery of low carbon skills could be made an element of this removing the need for additional investment. Many professional bodies and associations already manage ongoing CPD in ways that are recognised and appreciated e.g. in town planning and law. The consultation could use an example like this to show how it could work. It could also ask for examples of where low carbon has already been embedded in CPD.

Implications for the consultation

- The requirement for mostly top-up skills should be presented positively. It would be much more difficult for the skills system to achieve the delivery of new skills on a large scale.
- The Qualifications and Credit Framework should be seen as key to the solution as it provides a mechanism for the delivery of low carbon skills in a flexible way, with funding.

Issue

The system does not appear to be 'joined-up' on this agenda e.g. across government departments or regionally to nationally

Root causes

- Lack of consistent messages across government departments e.g. DEFRA agricultural policy requires an increase in food production but does not take into account the effect on carbon emissions and the ability to use land management in carbon management.

- Some sectors are a long way away from understanding and articulating what they need. Where government has a direct influence, sectors need to be encouraged to respond more quickly to market changes.
- Not everyone who needs to be involved in discussion and planning is involved or they come in to it too late etc. Regional Development Agencies (RDA) for instance will have expanded roles in articulating skills needs. Are they involved enough?
- Across many sectors, the skills sets are the same nationally with some regional variation e.g in the quantity of skills needed. Some industries/sectors however, are not picked up in RDA strategies because they are too small but if seen nationally are important e.g. agricultural or environmental. It is not clear how these areas are prioritised for skills funding.
- There is a lack of understanding and response to the impact of demographic issues e.g. the Engineering and Construction Industry Training Board (EICTB) predicts that 50 per cent of its current workforce will reach retirement age by 2020. EICTB currently looks to other sectors to fill gaps and have been successful, for instance, with ex-military personnel who have electrical mechanical skills.
- There was a concern that some businesses may fall through gaps between sector skills councils. How will these businesses be reached?
- There appear to be many low carbon initiatives already underway at various levels. These need to be joined up for businesses to understand and consider as options.
- The voluntary and community sector may not be widely engaged with the low carbon skills agenda e.g. chairs of local housing associations. If this consultation tries to engage them will it make the consultation too broad? Should this be the responsibility of other government departments?
- The consultation should set out how regional and national priorities will be brought together and ask whether employers think this will ensure alignment?
- The Migration Advisory Committee should be considered and mentioned in the consultation.

Issue

Collaboration is needed between providers, employers and workers – everybody needs to act to make it work

Root causes

- Most of the people who will take this forward are already in the workforce and may resist change – through lack of awareness, lack of perceived opportunity or reluctance to invest time or money on what may seem an uncertain opportunity.
- Some new skills will only be used for a short while. We need to rapidly skill people to install smart meters for instance, but once they are installed, meter reading will be automated. The installers must understand and be prepared to move on, mentally and in terms of their skills base.
- The debate about who pays for continual skills updating and development (business, individuals, Government) is important but it can get in the way of progress on the key issues.
- The quality and relevance of careers advice and guidance in this area needs to be developed and improved, at all levels. We need to capitalise on the "green" interests that many people have convert this into low carbon careers and highlight to people where future opportunities may lie.

Implications for the consultation

- Although the consultation will be jointly badged by a number of government departments, it would be good to show how much they **really understand** about low carbon skills. Examples of where low carbon has been or is being built into other policies would be helpful.
- The FE sector works across the 14-19 age range as well as post-19. The messages about priorities from the Department for Children, Schools and Families (DCSF) therefore need to be consistent with those from BIS and DECC.
- The consultation could ask what further research is needed and set out a strategy for ensuring that work in this area is coordinated.
- Maybe the consultation should focus on a few key issues (the 'big ticket items') which mean something to everyone, where a real difference can be made and where there are big business opportunities for the UK. We then prioritise the skills issues in these areas.
- The consultation needs to present a meaningful and persuasive case for everyone to understand that our skills will need to continually evolve and develop as technologies shift. It should emphasise that this can be a positive thing.
- It should talk more about occupational areas and less about sectors. Talking about what low carbon means for occupations is probably easier for everyone to understand and relate to.

- Ask how we should get to a universal low carbon/resource efficiency literacy e.g. should the change come from the bottom up (demand from staff) or from management understanding of future issues and demands.
- Give recognition to the issue of ensuring justice in transition. This could be done by using an industry or occupation where there is a level of threat from low carbon to show a positive vision of transition.
- The consultation could ask how employers/sectors are presenting low carbon career opportunities to drive up demand from individuals.

Issue

For small to medium sized enterprises (SME), low carbon is not necessarily on the agenda, although skills may be. There is therefore, possible reluctance to engage with a consultation or strategy on this issue

Root causes

- The time-scales for a return on investment in a low carbon business model and associated skills will be beyond the planning horizon of most SME.
- Although there are exceptions, industries and companies do not generally anticipate medium to long terms skills needs, especially in response to predicted or perceived technology shifts etc. They tend to react to them. This is especially true of SME.
- 'Initiative overload' means SME may be wary of something that seems new and likely to cost them time (at a minimum) to work through, understand and deal with any bureaucracy.

Implications for the consultation

- Decide if lack of engagement by SME is a significant problem across the board and approach the consultation with this in mind. In some industries, there just may be a small number of big companies to convince and few, if any, SME. In others, SME may account for greater numbers. The consultation should perhaps use tactics appropriate to this rather than a 'one size fits all' approach.
- Design the consultation so that a section is aimed directly at SME with relevant and stimulating questions and examples e.g. energy efficiency affects all businesses and may be the best route to engagement.
- Find and use some early SME adopters of the agenda as case studies.

- Avoid inventing new groups for consultation and development. Identify existing options such as Gas Safe and show how these are being used.
- Emphasise supply chains. Many SME are part of one - if they think new demands may be placed on them through their supply chains, it may make the issue more relevant and push it up their agendas.
- All businesses have people involved in procurement, even if they are not full time posts. They can be significant drivers of change so ask whether a focus on training them would be a good way forward e.g. to ask suppliers if they have an environmental management system (EMS).
- Don't re-invent the wheel. Much of the progress needed can be made by working with existing practices and systems e.g. prioritising the agenda within Train to Gain and Skills Accounts rather than setting up separate low carbon skills initiatives. Ask how we can make these changes in the most efficient manner.

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