

The Highland Council

Planning Environment and Development Committee
Wednesday 12 February 2014

Agenda Item	11
Report No	PED 13/14

HIGHLANDS AND ISLANDS REGIONAL SKILLS INVESTMENT PLAN

Report by Director of Planning and Development

Summary

This report updates Members on progress with the development of a Skills Investment Plan for the Highlands and Islands which is being developed by Skills Development Scotland (SDS), HIE, and the Scottish Funding Council in conjunction with the region's Local Authorities.

The Council's Programme, "Working Together for the Highlands", prioritises and supports the creation of jobs in the Highlands. Furthermore, working with private and public sector partners, the Scottish and UK Governments, the Council will aim to ensure every 16-19 year old seeking employment has the opportunity to access a modern apprenticeship or further training.

1. Background

- 1.1 SDS, HIE and the Scottish Funding Council have set themselves the goal of positioning the Highlands and Islands as a region that already has an outstanding skilled workforce, but as a place where there is a need for further skills development to ensure that the level of skills available continues to meet the needs of business. In light of this ambition, they are developing a draft Skills Investment Plan that looks to ensure that the area benefits from emerging economic opportunities for the region.
- 1.2 The Plan focusses on the Scottish Government's key growth sectors, Food and Drink, Financial and Business Services, Life Sciences, Energy, Sustainable Tourism and Creative Industries. Throughout the region there is potential for growth across all of these sectors, but even at the current time companies are reporting recruitment difficulties relating to key skills and, in some cases, access to training can be difficult and expensive. The Skills Investment Plan is therefore seeking to:
 - align training provision with the current and future needs of employers.
 - ensure that the region retains a larger number of young people in the area by building on the expansion of the UHI, while at the same time attracting larger numbers of young people of working age to the area.
 - enable employers to take an active role in the design and delivery of skills solutions.

2. Skills Investment Plan

2.1 In order to assist the development of the Skills Investment Plan, the Convention of the Highlands and Islands established a short life working group to ensure that local perspectives were fully captured and that agreement was secured on how the resulting actions could be taken forward. This group, chaired by The Highland Council Leader Councillor Drew Hendry, included representatives from Skills Development Scotland, The Scottish Funding Council, HIE, UHI, Inverness College UHI, as well as Moray, Argyll and Bute and North Ayrshire Councils. A number of potential, linked actions for the area were identified and these are summarised below:

2.2

Key Themes	Emerging Actions
Meeting the current needs of employers	<ul style="list-style-type: none"> • Accelerate transition training programmes by scaling up industry led Skills Academies (Nigg, Digital Skills, Food and Drink). • Increase numbers of skills in workforce to meet immediate demand by delivering enhanced numbers of Modern Apprenticeships. • Establish a pathfinder project to develop higher level apprenticeships. • Allocate 1,300 additional full time Higher Education places over the next two years linked to growth sectors.
Planning for the Future	<ul style="list-style-type: none"> • Develop a future workforce programme to accelerate career learning around energy and engineering. • Align the Highlands and Islands College Outcome Agreement to better align HE and FE provision with employer demand. • Implement a highly visible Science Technology Engineering and Mathematics (STEM) strategy. • Establish a new STEM academy programme linking all schools, colleges in the area with industry.
A region for young people	<ul style="list-style-type: none"> • Expand graduate placement schemes that support the growth of local businesses. • Enhance the promotion of career routes and learning pathways around emerging job opportunities. • Establish a framework for engagement in all schools • Retain more young people through attractive range of vocational, further and higher education that are aligned to jobs and the

	immediate and future needs of employers.
Attracting people to the area	<ul style="list-style-type: none"> • Develop a marketing campaign to actively promote the Highlands as a place to work and live. Target 20 to 45 year olds. • Undertake bespoke talent attraction strategies for growth sectors and occupations. • Implement cohesive place development strategies focussing on housing, transport, schools and community.
Engaging employers in the skills system	<ul style="list-style-type: none"> • Implement an ongoing programme of demand led, sectoral and place based skills research for life sciences, business process outsourcing and local skills audits. Ensure all stakeholders are kept fully informed. • Develop a Highlands and Islands wide employer informed single curriculum from senior school to post graduate research via UHI and all educational bodies • Explore potential for regional/sectoral employer panels.

3. Conclusion

- 3.1 The development of the Skills Investment Plan for the Highlands and Islands, and in particular the element of it dealing with the Highlands, demonstrates a willingness to address some important issues that, if not adequately addressed, could threaten the area's ability to fully maximise the opportunities being presented to it. The emphasis on meeting the needs of the employer is to be welcomed. One of the major criticisms of skills strategy documents in the past has been their perceived inability to consult employers and to understand what assistance they actually require. Similarly, the widespread consultation process with Local Authorities and the College network will help to ensure that resources are satisfactorily aligned with demand.
- 3.2 The Highland element of the Plan identifies all the key growth sector opportunities in the area, and identifies the main economic opportunities as being Dounreay decommissioning, wave and tidal opportunities in the Pentland Firth together with the potential for the energy supply chain to benefit from the development of offshore wind farms in the Moray Firth. The potential for tourism is also emphasised. The concentration upon the development of these key growth sectors should not be at the expense of other important elements of the Highland economy. For example, the plan recognises the changing and ageing demographics and the fact that this older age profile will result in a rise in specialist care services.

4. Implications

- 4.1 There are no resource, legal, equalities, climate change/carbon clever or risk implications directly arising from this report.

5. Recommendation

- 5.1 The Committee is recommended to support the development of the Highlands and Islands Skills Investment Plan and of the emerging actions identified at paragraph 2.2.

Designation: Director of Planning and Development

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Background Papers: Draft Highlands and Islands Skills Investment Plan