Report of	Meeting	Date
Chief Executive (Introduced by the Executive Leader and Executive Member (Economic Development and Partnerships))	Executive Cabinet	18 February 2016

CHORLEY SKILLS FRAMEWORK AND ACTION PLAN

PURPOSE OF REPORT

1. To make Members aware of the progress being made in relation to economic prosperity and the skills agenda for Chorley.

RECOMMENDATION(S)

2. Members are asked to note the contents of the report and to endorse the Chorley Skills Framework and emerging Action Plan.

EXECUTIVE SUMMARY OF REPORT

3. Education, training and skills development is a key priority within the refreshed 2014 Economic Development Strategy. Recognising that securing a skilled workforce is a significant barrier to business growth, Chorley Council commissioned the preparation of a Skills Framework and Action Plan for Chorley. The report considers the key messages arising from the Skills Framework (contained at Appendix A) and the emerging three year Action Plan. A Chorley Skills Board has been established to support the delivery of the Action Plan.

Confidential report Please bold as appropriate	Yes	**No**

CORPORATE PRIORITIES

4. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	✓
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	✓

BACKGROUND

5. Education, training and skills development is a key priority within the refreshed 2014 Economic Development Strategy. In Spring 2015 the Choose Chorley for Business Focus Group was established as a means of Chorley Council engaging with the top businesses in Chorley to help realise their growth ambitions. Whilst every business at the meeting expected growth and job creation within the next twelve months, securing a skilled workforce was identified as a significant barrier. As such, 'Employability and Skills' was considered at the Summer 2015 session of the Focus Group to identify and resolve some 'burning' issues

from a demand and supply perspective. A key action from the session was to commission a skills gap analysis for Chorley.

CHORLEY SKILLS FRAMEWORK

6. The Chorley Skills Framework will help to drive the skills agenda forward supporting local businesses to access the workforce they need, supporting their change and growth, as well as ensuring residents are equipped with the skills required by employers. The Framework considers the base employment and skills position from both a supply and demand perspective, opportunities and challenges going forward and presents a Chorley specific, yet co-ordinated approach within a three year action plan.

7. Chorley Council has commissioned ekosgen to produce the Chorley Skills Framework. Ekosgen has over fifteen years' experience in employment and skills related research, strategy and action planning. The company was considered well placed to undertake the study having prepared the Lancashire Skills and Employment Evidence Base, a Skills Action Plan for the Lancashire Visitor Economy and a Preston / South Ribble City Deal Skills Strategy. Integral to the work was consultation with representatives of major Chorley companies, sourced from the Choose Chorley for Business Focus Group, and key sector representatives to gain an understanding from the business and employer perspective. A wider partnership engagement event was also held to encompass the key facts in relation to employment and skills from stakeholders.

8. The Skills Framework is attached at Appendix A and the pertinent points can be summarised as follows.

- In common with much of the UK, Chorley's ageing population will continue to have implications for future workforce supply with the strongest population growth forecast to occur in the 65+ age group.
- Recognising the role that older people can continue to play in the workforce (where they choose to do) can play an important role in maintaining labour supply and supporting the transfer of skills to younger sections of the workforce.
- The borough's employment rate has out-performed sub-regional and regional averages over the past 10 years.
- Chorley has a highly skilled population. Young people perform strongly at GCSE level and continue in education beyond compulsory requirements more commonly than the average, and adult skills levels exceed the Lancashire averages.
- Skills requirements are increasing with an estimated additional 2,800 people required to be qualified to NVQ4+ by 2025 with the health and care sector accounting for the largest additional requirement.
- Higher skilled occupations are under-represented in the employment base – in professional and associate professional occupations the number of residents working in these occupations is 11,000 higher than the number of roles offered in the borough.
- Over 27,000 of Chorley's residents work outside the borough with the highest levels of out-commuting reported by those with the highest skills levels. Creating the right job opportunities in Chorley will help retain higher levels of economic activity within the borough.
- Unemployment is low relative to comparator areas meaning there is limited surplus within the population to accommodate employment growth and an imperative to support and upskill all of those who wish to be in employment.

- With limited surplus capacity in the labour market to satisfy growing demand, supporting all those who wish to work (regardless of their age, health, experience and so on) will be increasingly important going forward; subject to overcoming employer perceptions.
- Relative to its share of total employment, Chorley is over-represented in the following growth sectors: health and social care, creative and digital, and financial and professional services. These growth sectors will continue to create job opportunities going forward.
- Strong employment growth is forecast in construction occupations at a time when the resident occupation structure suggests representation of these categories will reduce.
- A number of skills and recruitment challenges are already evident including high demand for health and social care professionals, engineers and managers, all of which mirror wider trends.
- The business base is dominated by micro enterprises with only 55 businesses employing 50 or more staff in 2014. Research suggests this impacts on anticipation of skills issues and participation in skills development.
- Over the next ten years Chorley is forecast to experience a net addition of 4,400 jobs (+9%) at a time when the working age population is forecast to increase by just 1,700 people. Factoring in replacement demand on top of this, suggests total demand may be in the region of 18,000 workers over 10 years with the strongest demand forecast for professional occupations.
- Many of the challenges above mirror those being experienced across Lancashire and nationally meaning that the ability to draw in workers from adjoining areas is unlikely to be sufficient to address the challenges.
- A need to ensure that Chorley has the workforce available to support company growth and new inward investment by encouraging employers to recruit locally, making Chorley more accessible by road and rail to allow recruitment over a wider geography where necessary, increasing the working age population through new housing development.
- Wider opportunities for accessing employment by recognising links to surrounding areas and growth initiatives, such as Preston/South Ribble City Deal and Lancashire Enterprise Zone, as well as those in Greater Manchester and the Liverpool City Region.

ESTABLISHING THE CHORLEY SKILLS BOARD AND DELIVERING THE THREE YEAR ACTION PLAN

9. A Chorley Skills Board has recently been established to bring together the supply and demand sides of the Chorley labour market; ensuring the employability and skills levels of local people match employer needs. The Board will influence the planning, commissioning and delivery of employability and skills provision in Chorley; encouraging greater collaboration amongst employers, high schools, colleges, universities, skills/training providers and employment services. The Board will work closely with the Choose Chorley for Business Focus Group and positively engage with the Lancashire LEP/Lancashire Skills Hub and their ‘champion’ for skills. In ratifying the Chorley Skills Framework at a recent inaugural meeting, the Board considered the draft three year Action Plan (contained to the rear of the Chorley Skills Framework at Appendix A) which will be subject to some modification following comment from partners. The Chorley Skills Board will be responsible for supporting the delivery of the Action Plan.

10. The Action Plan presents deliverable projects each with an identified lead partner, supporting partners and fit with provision via the Lancashire Skills and Employment Strategic Framework.

The projects fall within three strategic objectives:

Strategic objective 1: Continue to build and develop effective working relationships between employers, training providers and other service providers to ensure a responsive skills system that recognises business requirements

Strategic objective 2: Ensure that Chorley residents of all ages have the skills and qualifications to access and progress in employment

Strategic objective 3: Ensure local expenditure is used to support training, skills development and employment opportunities for local residents

11. Chorley Council and the Chorley Skills Board will seek to procure resources from a range of European and national funds to support the delivery of the Action Plan; influencing and maximising resources from the European Structural and Investment Funds (ESIF) programme and opportunities in relation to Government opt-in packages and calls for bids. In addition, to kick start some activity, £30,000 is being sought as part of the 2016/17 budget setting process.

IMPLICATIONS OF REPORT

12. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

13. Funding of £30k has been identified to fund the Skills Framework in 16/17 as part of the Council's revenue investment packages. These packages will seek approval as part of the budget setting process that will go to Council on 1 March 2016.

COMMENTS OF THE MONITORING OFFICER

14. There are no matters arising from this report.

GARY HALL
CHIEF EXECUTIVE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Cath Burns	5305	28/01/2016	

Appendix A

Skills in Chorley:

The Chorley Skills Framework

December 2015

Contents

1 Context to the Chorley Skills Framework

Key Messages

- At present, Lancashire records a performance gap against a wide range of national averages in relation to economic performance with a step change required to close the gap.
- Lancashire has ambitious growth plans to create 50,000 new jobs and add £3bn to the economy. All parts of the county will have a role to play in achieving these ambitions, building on existing sector strengths and opportunities for growth.
- The new European Social Fund programme presents an important opportunity to drive skills development in response to employer needs across Lancashire, subject to activity being appropriately scoped and commissioned as quickly as possible.
- Central Lancashire – comprising Chorley, South Ribble and Preston – will play the leading role in delivering employment and economic growth in Lancashire over the next ten and twenty years, provided the workforce and housing offer is available to support company investment.
- Chorley has strong economic development ambitions in its own right which can support the achievement of Lancashire wide objectives, potentially through both stand-alone local activities and contributions to wider initiatives.
- The importance of skills development has already been recognised in Chorley with early steps taken to develop the agenda in partnership with a range of organisations with an interest in the agenda from both a supply and demand perspective.
- Development of this Skills Framework will add to the momentum already building in Chorley by enhancing the evidence base, continuing to engage partners and identifying priority actions to work towards.

Understanding Lancashire's Growth Ambitions

The Baseline Position

1.1 The Lancashire Local Enterprise Partnership (LEP) area is home to almost 1.5 million people and employs just over 623,500 people, accounting for 20% of employment in the North West. Whilst traditional sector strengths have been in manufacturing and the visitor economy, the economy has diversified to include strengths in financial and professional services and energy.

1.2 The recession had a significant impact on the Lancashire economy, which between 2007 and 2009 lost over 23,00 jobs – a 4% reduction compared to a 1% reduction in the North West and no overall change nationally (excluding London). Following the recession and slow period of economic recovery, the economy is growing again. Conditions are however changing with new sectors emerging and new skills needs evident.

1.3 The latest statistics show that Lancashire under-performs against national averages (excluding London), including recording:

- fewer jobs per 100,000 working age population less than would be expected;
- Gross Value Added levels per full time worker £10,359 below the national average;
- fewer local people holding higher level skills; and
- business stock in the LEP area below the national average.

1.4 Partners are working together to support Lancashire to improve its economic standing. Lancashire recognises that it cannot be complacent if it is to grow with multiple approaches required to support both businesses and residents to succeed.

Strategic Priorities

Lancashire Strategic Economic Plan

1.5 A series of strategies are already in place to drive growth. Lancashire's Strategic Economic Plan (SEP) sets out ambitious plans to support the county to close the performance gap with the national economy. Over ten years, it establishes an ambition to create 50,000 new jobs, introduce 40,000 new homes and add £3bn of additional economic activity to the economy (an increase of 10%).

1.6 Six priorities underpin the ambition:

Strategic Economic Plan Priorities

Sector development and growth

Support to improve capability and capacity within the advanced manufacturing sector to build on existing strengths.

Innovation excellence

Consistent with recommendations outlined in the Witty Review, this programme will help realise the growth potential of HEI's, underpinned by Lancaster University and UCLan with a series of initiatives in development.

Skills for growth

Two priority schemes have been identified: a Skills Capital Programme (including improvements to college and training provider facilities in response to sector growth needs); and the development of a local Apprenticeship Hub.

Business growth and enterprise

Lancashire's existing Business Growth Hub, Boost, will continue helping to improve the effectiveness and impact of business support provision through Boost 2 Business.

Releasing local growth potential

Building on the LEP's original Growing Places Investment fund, an additional fund will make commercial investments from 2015 onwards, investing in key infrastructure to help kickstart wider investment.

The renewal of Blackpool

Blackpool is a significant visitor destination at a national level but faces challenges with a series of interventions proposed to overcome them.

1.7 An Arc of Prosperity has been identified to provide the focus of economic, employment and housing growth. The arc extends from Lancaster in the north through the Fylde Coast, Preston and East Lancashire to the Barnoldswick advanced manufacturing cluster. Six priority sectors have also been identified to present the strongest opportunities for growth, as considered in Section 3 of this framework.

Lancashire European Structural and Investment Funds Strategy

1.8 The 2014-20 European Structural and Investment Funds (ESIF) programme is just coming on stream and projects supported under the 2007-2013 programme are drawing to a close. The new programme is being delivered in support of overarching SEP growth ambitions.

1.9 The European Social Fund (ESF) element of the programme will play an important role in the delivering of Lancashire's skills ambitions while the European Regional Development Fund (ERDF) element will support the delivery of wider economic ambitions (for example through investment in business support activities and the creation of innovation facilities).

1.10 Structured around two themes, the ESF part of the programme aims to:

Drive the skills for growth: to ensure the workforce is equipped with the increasingly higher level skills required by employers, driving up skills from basic employability through to leadership. The overall intention is to increase the number of people qualified to NVQ Level 4 with the focus on the skills needs to support a high value economy.

Create opportunities for disadvantaged groups/communities: by providing support to those groups and individuals who require the most assistance to benefit from Lancashire's growth plans. Support is intended to help overcome barriers to engagement, including through the provision of employability support, paid internships and support to overcome health related issues.

Lancashire Skills and Employment Strategic Framework 2016-2021

1.11 The strategic framework provides the structure for public investment in employment and skills activities. It is intended to make the system more responsive and provide the foundations for the achievement of SEP ambitions. It also seeks to influence the activities of skills funders and providers in response to local requirements.

1.12 The content is based on the findings of a series of studies (including preparation of a Lancashire wide evidence base and sector skills plans) which identified key issues at a County level to include:

- An ageing population combined with modest population growth, impacting on workforce supply.

- A small workforce aged 21-34 years, including due to young people leaving the area to complete Higher Education and not returning.
- Lower than average employment in higher level occupations, presenting challenges for the recruitment of skilled workers.
- Challenges to creating new employment opportunities in parts of the County, e.g. in East Lancashire, Blackpool, Fylde and Wyre.
- Providing workers to accommodate high levels of replacement demand coupled with employment growth.
- An impetus to reduce the impact of manufacturing decline, including through new inward investment.
- Unemployment increases as a consequence of the recession with a low employment rate affecting certain age groups, including older people.

1.13 A series of actions have been developed in response, structured around four themes:

Future workforce – to enhance young people's attainment and improve the quality of information, advice and guidance to demonstrate links to local employment.

Skilled and productive workforce – to develop the skills of the workforce to respond to changing employer demands.

Inclusive workforce – to improve engagement of all groups to contribute to and benefit from economic growth.

An informed approach – to provide the structure and intelligence needed to underpin skills and employment activity.

The Enterprise Zone and City Deal

1.14 Working in support of SEP objectives, the Lancashire Enterprise Zone (located in Samlesbury and Warton) and the Lancashire, Preston and South Ribble City Deal have identified priority sites for development that will accommodate high levels of overall growth and support the development of Lancashire's priority sectors, including advanced manufacturing and financial and professional services. These Government supported initiatives recognise the scale of potential for growth in Lancashire and provide a focus for both public and private sector partners to work towards.

Core Funding Opportunities

1.15 There is widespread recognition of the need for employment and skills actions to support the achievement of growth ambitions. A number of skills initiatives are already underway, including Chorley specific and Lancashire wide activities, to support both young people and adults to access and progress in employment. Understanding opportunities to build on these will be as important as identifying new funding routes, particularly at a time of funding restrictions.

1.16 A variety of funding sources are also available to support the achievement of skills objectives. For example, the SEP submission identified Local Growth Fund requirements for skills capital investment and an Apprenticeship Hub and the 2014-20 European Social Fund (ESF) programme has a substantial allocation for investment over a seven year programme, both at a Lancashire level.

1.17 ESF investment proposals are starting to be developed in accordance with the themes outlined earlier, with the preference to support fewer, larger projects (suggesting a Lancashire wide focus for many) rather than a wide portfolio of small projects. Ensuring supported activities respond to local conditions and opportunities will be important to allow the funds to achieve their potential.

Improving Skills in Chorley

Strategy Drivers

1.18 There is a need for activity in Chorley to recognise locally specific conditions, challenges and opportunities but also to be delivered in the context of wider Lancashire ambitions. A Chorley specific, coordinated approach is required, recognising that many of the issues facing Chorley will also apply across a wider geography. Partners in Chorley recognise the role that skills will play in supporting economic ambitions. The refreshed Chorley Economic Development Strategy (2014) establishes a vision to:

capitalise on Chorley's location in order to be the place of choice in the North West to do business. Chorley will attract employers to its key employment sites and together with a strong local business base; residents will have a greater opportunity to gain well paid employment locally

1.19 Five priority areas for improvement have been identified to achieve the vision:

- ***To promote and increase inward investment in Chorley through maximising best use of available employment land and buildings in the borough in order to support economic growth and provide a mix of well paid, high and low skilled jobs*** – through acknowledgement of Chorley's existing strengths and opportunities for growth to create a growing pool of businesses and mix of employment opportunities that can be accessed by all.
- ***To provide support to new and existing businesses*** – with activity designed to build on existing strong growth rates to help businesses of all sizes to succeed and contribute to Chorley's growth.
- ***To create a vibrant town centre that attracts people from the local community and visitors in the day and evening, for shopping, eating and entertainment*** – to improve and develop the town centre, attracting more visitors in both the day and evening which in turn will help to strengthen the business base and vibrancy through higher visitor numbers and additional spend.
- ***Education, training and skills development*** – supporting people in accessing the education, training and skills required by local businesses and therefore supporting people into jobs, and supporting businesses to develop the skills of their existing workforce.
- ***Reducing the gap in our most deprived communities*** – taking actions to reduce the gap in Chorley's most disadvantaged communities and support them in becoming economically active and self-sustaining, supporting a reduction in levels of deprivation in the borough.

1.20 The Strategy seeks to encourage and support young people of school age to achieve their potential, both in terms of educational attainment and wider skills. Actions to promote inward investment and support businesses should mean that Chorley can be more competitive in the offer of skilled and well-paid jobs to young people coming out of education and training.

Work to Date

1.21 Emerging from work to deliver the Chorley Economic Development Strategy, a Chorley Skills Board has been established to help drive economic prosperity and deliver the borough's aspirations. By bringing together representatives of business, schools, FE, HE, training providers, funders and the Council, it captures both demand and supply side perspectives to influence the planning, commissioning and delivery of employability and skills activities in Chorley. The remit of the group has been designed to complement the work of the LEP and the Lancashire Skills Board, recognising that there are opportunities for elements of Chorley's ambitions to be delivered through Lancashire wide initiatives.

1.22 A series of initial meetings had also been held with major employers in the area ahead of this commission commencing to build engagement in the skills agenda and secure an early overview of skills challenges. The Council also has an active interest in a series of employability and skills programmes, such as Chorley Works and ensuring the borough is supported through Lancashire wide initiatives such as Lancashire Skills Support for the Workforce.

Purpose of the Chorley Skills Framework

1.23 The Chorley Skills Framework has been developed to help drive the skills agenda forward, supporting local businesses to access the workforce they need to support change and growth and ensure residents are equipped with the skills required by employers, both within Chorley and further. It has been prepared in response to feedback provided by businesses to consider the base employment and skills position from both a supply and demand perspective, opportunities and challenges going forward to present a Chorley specific yet coordinated approach.

1.24 Local partners have played an active role in its development, including the engagement of representatives of the business community, schools, FE colleges and other training providers and support organisations in consultation exercises to ensure the framework is based on a robust understanding of local conditions, needs and aspirations. Partners will also play a leading role in taking activity forward. Lead and supporting partners have therefore been identified against all actions identified towards the end of this document.

2 The Supply Side – Chorley's resident population

Key Messages

- This section focuses on the characteristics of Chorley's residents, regardless of where they work.
- In common with much of the UK, Chorley's ageing population will continue to have implications for future workforce supply with the strongest population growth forecast to occur in the 65+ age group.
- Recognising the role that older people can continue to play in the workforce (where they choose to do) can play an important role in maintaining labour supply and supporting the transfer of skills to younger sections of the workforce.
- The borough's employment rate has out-performed sub-regional and regional averages over the past 10 years but is yet to recover to pre-recession levels meaning that the performance surplus has reduced in recent years.
- Chorley has a highly skilled population. Young people perform strongly at GCSE level and continue in education beyond compulsory requirements more commonly than the average and adult skills levels exceed the Lancashire averages. There are however likely to remain challenges to matching workforce skills to the needs of employers (see next Section).
- Over 27,000 of Chorley's residents work outside the borough with the highest levels of out-commuting reported by those with the highest skills levels, to access a larger pool of career opportunities.
- Preston and South Ribble are the major locations for Chorley commuters (over11,000) with Bolton and Wigan the most important Greater Manchester destinations.
- Unemployment is low relative to comparator areas meaning there is limited surplus within the population to accommodate employment growth and an imperative to support all of those who wish to be in employment to achieve their aim.

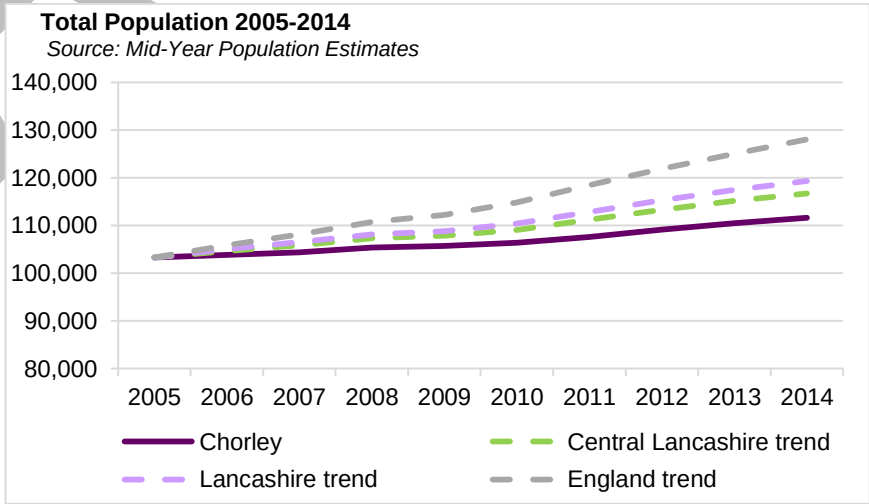
Introduction

2.1 This supply side analysis section considers Chorley's resident base, including its population, demographics, and education and skills levels. Understanding the base position helps to identify both the opportunities and challenges presented by the scale and characteristics of the population as Chorley strives to grow. The analysis helps to determine the types of intervention needed to allow residents to benefit from current and anticipated future employment opportunities, within the borough and further afield.

Chorley's Population

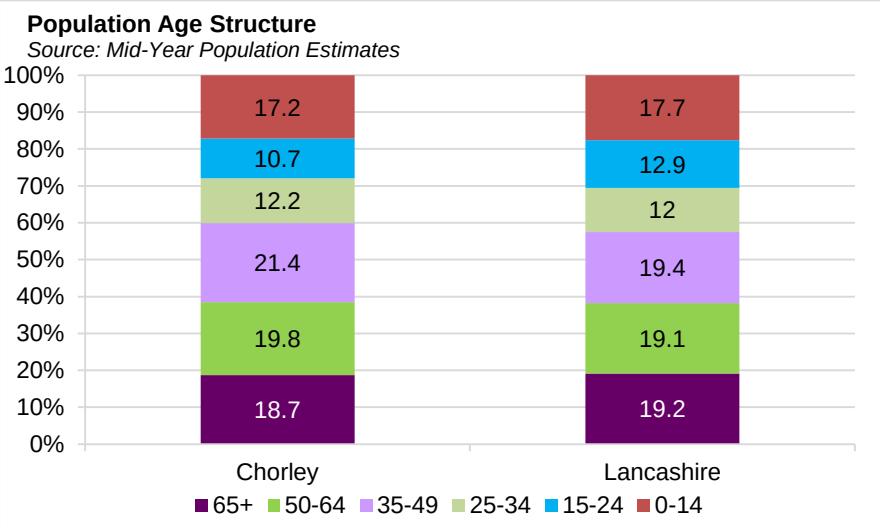
Total Population

2.2 The population of the borough of Chorley was 111,600 in 2014, accounting for 8% of the population of Lancashire and 31% of residents in Central Lancashire. Between 2005 and 2014 the population increased by 8 percentage points, a lower rate than experienced regionally and nationally as shown the figure below. If Chorley had kept pace with growth across Lancashire, it would have been home to an additional 24,800 residents in 2014.



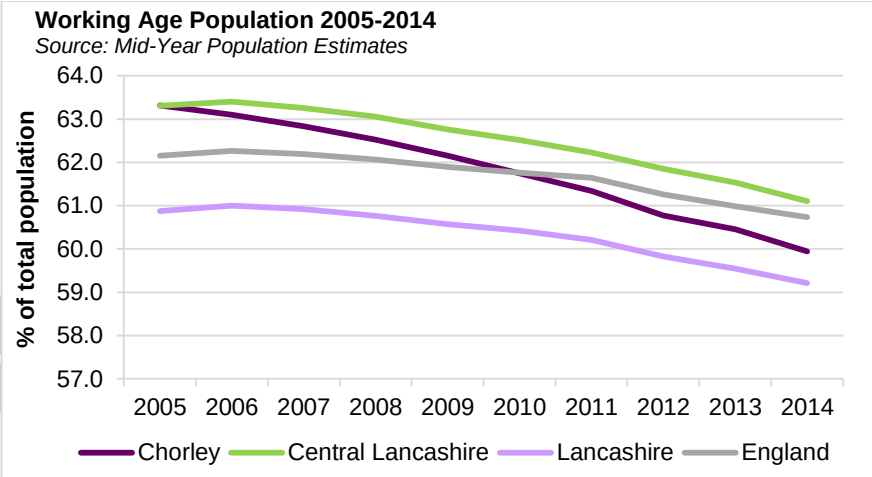
Age Profile

2.3 Just over 64% of Chorley's population in 2014 was of working age, a proportion which is slightly higher than the Lancashire wide average. This difference was due to a relatively large 35-49 year old age band in Chorley. In total, Chorley was home to 66,900 working age residents in 2014.



2.4 Working age residents as a proportion of the total population has declined in Chorley, from over 63% in 2005 to 60% in 2014.This decline is in line with patterns across all geographies, however the rate of change experienced was more significant in Chorley.

2.5 While Chorley's working age population did increase by 1,500 in actual terms, the proportionate decline within the population was due to an increase in older residents. In 2014 Chorley accounted for 30% of Central Lancashire's working age population and 8% of Lancashire's, which is the same proportion as Chorley's share of the total population.



2.6 The decline in working age population as a proportion of the total has been a result of an increasing proportion of over 65's. The over 65's category has increased its representation in Chorley's population from under 15% in 2005 to just under 19% in 2014. This reflects the ageing population being recorded nationally and has implications for levels of economic dependency, although many older residents may choose to continue to work.

2.7 In order to satisfy employment growth forecasts considered in the next section, Chorley will need to attract both in commuters and new residents over the next ten years. The need to attract more working age residents is closely linked to Chorley's housing growth plans.

Sources of Population Change

2.8 Population change results from three factors: natural change (i.e. the number of births exceeding the number of deaths); net internal migration (the balance of people moving into and out of Chorley from the rest of the UK); and net international migration (the balance of people moving into and out of Chorley from the rest of the world).

2.9 Between 2014 and 2015 the population of Chorley increased by around 800 residents. Three quarters (600) of this increase was the result of net migration, with the remainder being natural change, as a result of the number of births being higher than the number of deaths.

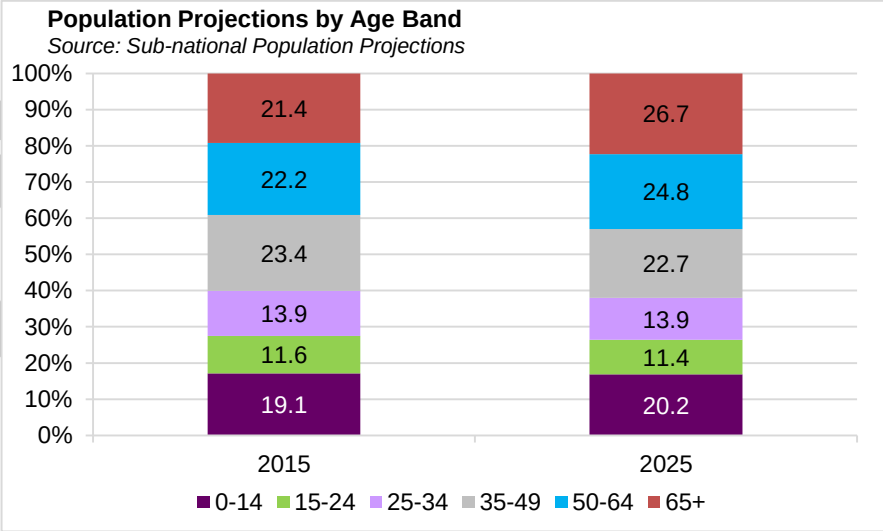
Population change by reason		
	2014	**2015**
Population	110,800	111,600
Natural Change	300	300
Births	1,200	1,200
Deaths	1,000	1,000
All Migration Net	600	600
Internal Migration In	4,500	4,500
Internal Migration Out	3,900	3,900
International Migration In	300	300
International Migration Out	200	200
Cross-border Migration In	200	200
Cross-border Migration Out	200	200
Source: ONS Internal Migration statistics		

2.10 Going forward, migration into Chorley, both international and domestic migration will be essential in providing the skilled local workforce to support employment and economic growth.

Forecast Population Change

2.11 Population forecasts suggest that Chorley's population will increase by around 7% (8,100 people) over the next 10 years. This is a faster rate of growth than forecast for Central Lancashire overall, with Chorley's growth accounting for 58% of the total, despite accounting for only 31% of the current population.

2.12 The age bands forecast to experience the largest increases are the 50-64 and over 65 groups with 7,900 people. The 65 and over age bracket as a proportion of the total population is forecast to increase by over 5 percentage points by 2025. This represents Chorley's ageing population, as the currently over-represented group at the top of the working age band move out of the economically active group.

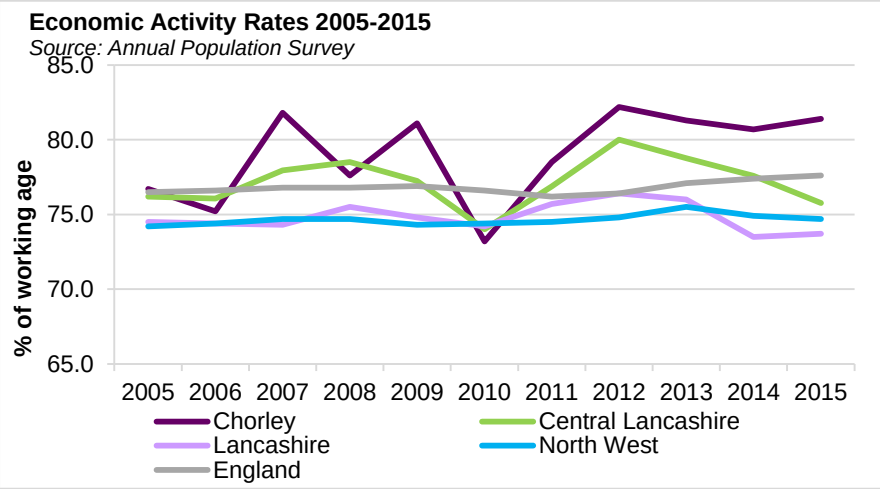


2.13 Using the 15-64 age band as a proxy for the working age population, suggests that this group will grow by 1,700 between 2015 and 2025 (just over a fifth of total growth). Looking over a 20 year period, Chorley's population is forecast to grow by 13,000 people (12%), reaching 125,000 but within this the working age population (using the proxy above) is forecast to fall from 71% of the population in 2015 to 58% in 2035. Opportunities for older workers to remain in

employment, in cases where they wish to do so, will become increasingly important as the ageing population continues to become more prominent.

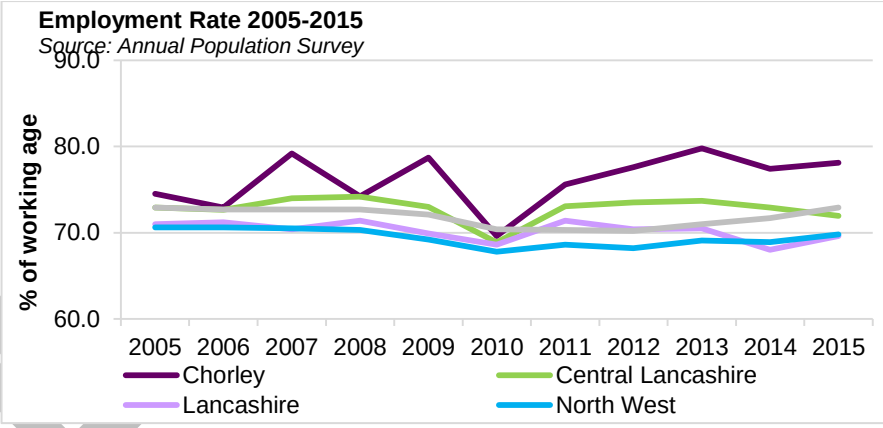
Economic Activity Rates

2.14 In 2015, around 81% of Chorley's working age population were economically active, which is 5 percentage points higher than the Central Lancashire figure and 4 percentage points higher than nationally. Between 2005 and 2015, Chorley's peaks and troughs in economic activity have been more pronounced than Central Lancashire wide. Whilst Chorley's 2015 position exceeds pre-recession levels, both Central Lancashire and Lancashire are yet to recover in full.



Employment Rates

2.15 Chorley has out-performed sub-regional and regional employment rates over the past 10 years. The employment rate has however fluctuated, reflecting the national and global recession and slow period of economic recovery. Between 2009 and 2010 employment fell from just under 79% to 70%, a decline of 9 percentage points. Whilst the employment rate of Chorley residents has not yet recovered to pre-recession levels, the 2015 figure of 78% is just a percentage point lower than the peak in 2007, and is significantly higher than rates for Lancashire, the North West and England.



2.16 The proportion of Chorley's residents in full-time employment has increased slightly over the past decade. This increase has largely been due to a growing proportion of female residents in full-time positions. At a Lancashire level, males in full-time positons declined by 2.8 percentage points while part-time positions increased by an equivalent amount, which differs from the trend in Chorley.

Employment by Full-time/Part-time and Gender				
	2015	2005%	2015%	Change
Total				
Full-time	41,200	75.7	76.9	1.2
Part-time	12,400	24.3	23.1	-1.2
Male				
Full-time	25,300	90.7	90.8	0.1
Part-time	2,600	9.3	9.2	-0.1
Female				
Full-time	15,900	58.3	61.8	3.5
Part-time	9,800	41.7	38.2	-3.5

Source: Annual Population Survey

Economic Inactivity

2.17 There are 12,700 economically inactive[1] working age residents in Chorley as of 2015. Of these, almost a third (32%) are retired, which is more than twice the figure in Lancashire and England. Chorley has a relatively low proportion of economically active students, accounting for 14% of the population which is ten percentage points below the Lancashire figure, reflecting the presence of higher education institutions in other parts of the county.

2.18 Chorley also has a relatively low proportion of residents who are economically inactive due to long term sickness, around 10 percentage points lower than the Lancashire figure, but a higher than average proportion of temporary sick, at 8% being over 5 percentage points higher than the Lancashire and national figures.

Economic Inactivity by Reason 2015 (Working Age)

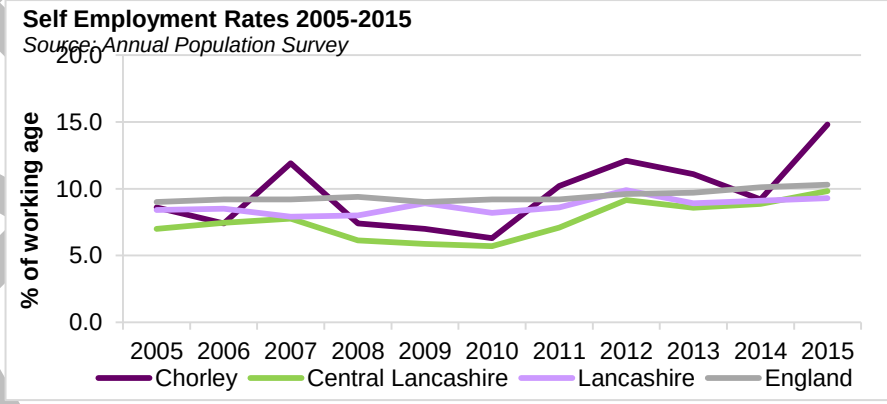
Reason	Chorley		Lancashire	England
	Number	%	%	%
Retired	4,100	32.2	15.6	14.1
Looking after family/home	2,500	19.9	23.7	26.1
Long term sick	2,100	16.9	26.4	20.9
Student	1,800	13.8	23.8	26.6
Other	1,200	9.6	7.6	9.7
Temporary sick	1,000	7.7	2.2	2.1
Total	12,700	100.0	100.0	100.0

Source: Annual Population Survey

Self-Employment

2.19 The proportion of people classed as self-employed has been increasing in the UK over the past decade. In Chorley, growth has been particularly pronounced with the proportion of self-employed residents more than doubling since 2010, from just over 6% to almost 15% in 2015.

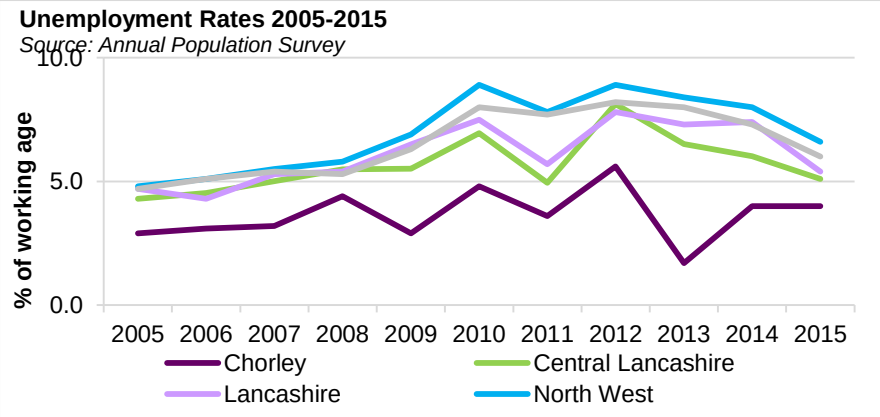
2.20 The largest increase came in one year between 2014 and 2015 by almost 6 percentage points with the 2015 proportion being the highest reported across the 10 years. Chorley's 2015 self-employment rate is significantly higher than the national average of around 10% and Lancashire average of 9%, suggesting high levels of entrepreneurialism in the population.



[1] Economically inactive means those who are neither in employment nor unemployed.

Unemployment

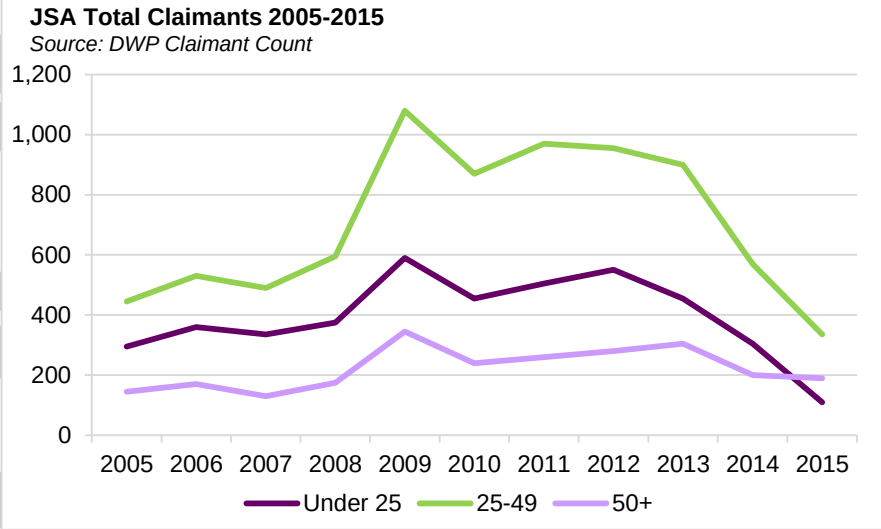
2.21 Between 2005 and 2015, Chorley's unemployment rate was consistently lower than regional and national averages. In 2013 the unemployment rate fell as low as 1.7%, however by 2015 it had risen back to 4%, reflecting wider trends. Despite the increase, it remains 2 percentage points lower than the national average of 6%. The relatively small pool of unemployed residents will have implications for local employers seeking staff. Discussions with JobCentre Plus when preparing this Skills Framework suggested that as the number of employment opportunities increased post-recession *"those able to move seamlessly into work did so"*.



2.22 In July 2015 around 635 Chorley residents were claiming Jobseekers Allowance (JSA). Almost a fifth (110 people, 17%) of these were under 25, just over a half (335, 53%) were between 25 and 49 and three in ten (190, 30%) were over 50. Claimant count has declined amongst all age groups following a peak in 2009, declining more sharply since 2013. The number of under 25s claiming Jobseekers Allowance has also declined so that there were more 50+ year olds claiming JSA in 2015 for the first time in a decade. However, as the 15-24 age group accounts for less than 11% of Chorley's population, under 25's are still overrepresented in the claimant count at 17%[2].

[2] As young people were transferred onto Universal Credit ahead of other age groups this figure may also be under-reported.

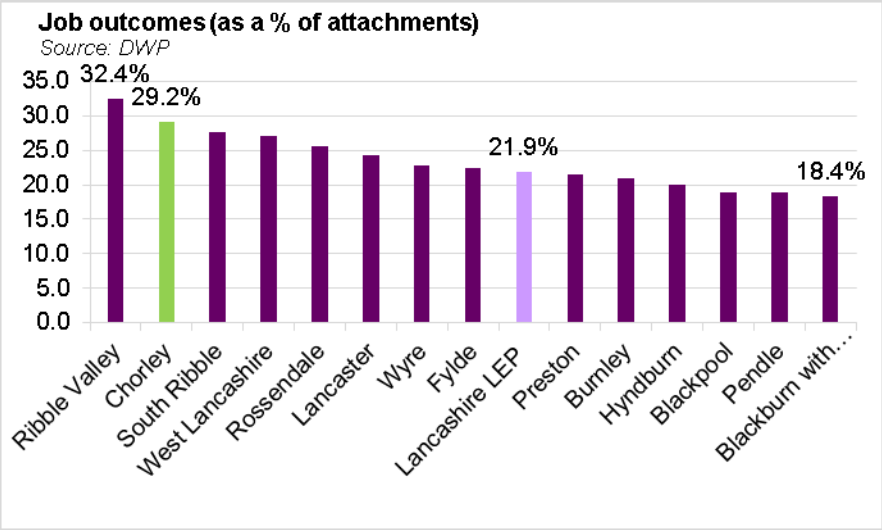
2.23 Addressing youth unemployment has been a challenge across the UK in recent years. Consultations in Chorley, as in other parts of the country, suggest that young people often lack the core employability skills needed by employers and have limited awareness of the range of employment opportunities available to them. Preparing young people to have greater awareness of business requirements (both through structured information, advice and guidance and personal research) and respond accordingly will be important to lowering levels and allowing them to access and progress in their chosen area of work.



2.24 In 2014, 255 JSA claimants (40%) had been claiming for less than 3 months, 160 (25%) for between 3 and 6 months, 90 (14%) for between 6 and 12 months and 125 (20%) for over a year. Between 2005 and 2015, the number of long term claimants, those claiming for over 6 months, increased by around 50%. Long term claimants were slightly more overrepresented amongst younger age groups (under 50) compared to the older age groups, with over 50s accounting 27% of claimants over 6 months compared to 30% of the total.

2.25 Since its introduction in 2011, the Government's Work Programme, which aims to support out-of-work people who are at risk of becoming long-term unemployed, has attached over 48,000 people in Lancashire to the scheme. Chorley performs well in terms of job outcomes as a percentage of attachments

obtained through the Work Programme, as a percentage of over 2,000 referrals in the borough. At over 29%, Chorley has the second highest proportion of job outcomes in Lancashire, and is 7 percentage points higher than the LEP average.

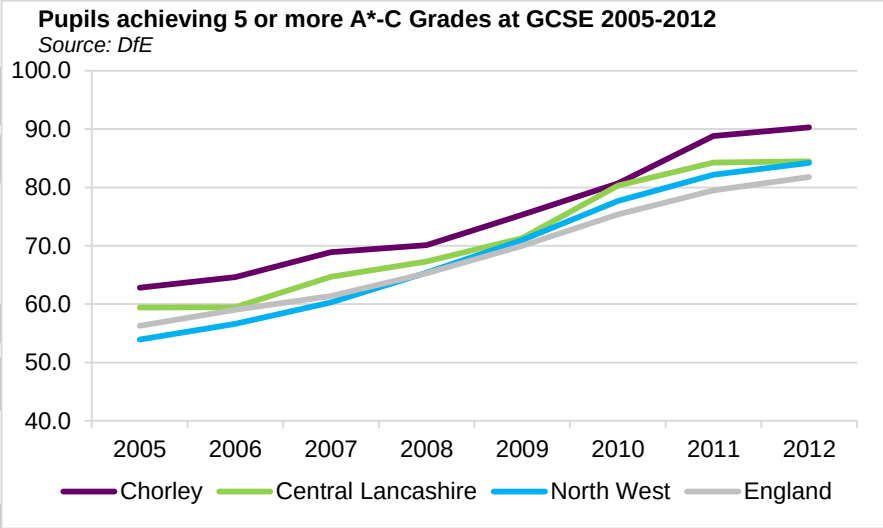


2.26 As would be expected, the main reason for leaving JSA in Chorley between 2005 and 2015 has been finding work[3], which was the case for over 46% of reasons in 2015. This figure has increased from a low point of 34.5% in 2008, which was slightly higher than failing to sign at 32.8% in 2008. Chorley has out-performed the rest of Lancashire on this indicator, with 39% of claimants leaving JSA due to finding work in Lancashire, compared to 46% in Chorley. This may be a reflection of Chorley's better performance in job outcomes through the Work Programme.

Young People's Participation

GCSE Attainment

2.27 The proportion of pupils achieving five or more A*-C Grades at GCSE level has been increasing gradually across the UK in recent years. Between 2005 and 2012, Chorley's GCSE attainment (based on learners at schools based in the Chorley borough) was consistently higher than regional and national averages. By 2012, Chorley's attainment rate was nearly 9 percentage points higher than the national average placing young people in a strong position to pursue continued education and careers of their choice.



NEETs

2.28 A NEET is a young person who is not in education, employment or training. In 2014 there were around 12,800 16-18 year olds recorded as being NEET in the Lancashire local authority, which was the equivalent of 2.1% of 16 year olds, 4.7% of 17 year olds and 8.3% of 18 year olds. The NEET figures in Lancashire were slightly lower than the North West for 16 and 17 year olds but slightly higher for 18 year olds. Due to Chorley's relative position in Lancashire in

[3] Other reasons include failing to sign (the second most common reason for leaving JSA), moving abroad and transferring onto government-supported training

terms of educational attainment and employment levels, it would be expected that Chorley as a borough would have a lower proportion of young people who are NEET than Lancashire although data does not go down to this level.

Participation at 16+

2.29 Participation rates of 16-17 year olds is also available at a local authority level. In 2014, 80.2% of 16-17 year olds in Lancashire were participating in full time education and training, which is slightly lower than the national figure of the North West figure of 81.5% and the national figure of 83.1%. However Lancashire had a higher proportion of 16-17 year olds participating in apprenticeships (6.7%) than England (4.9%), as well as a slightly higher proportion in work based learning (1.5% compared to 1.3%). A significant proportion of 16-17 year olds in Lancashire were also participating in part-time education (1.1%), compared to just 0.3% nationally.

2.30 Data for attainment of pupils at age 19 is available at local authority level.

Attainment at age 19, 2014

	Achieved L2 inc. English & Maths	Achieved L2	Had not achieved L2	Total Cohort
Lancashire	9,080	2,280	1,575	12,935
Blackburn w. Darwen	1,170	425	235	1,830
Blackpool	865	430	265	1,560
Lancashire LEP area	11,115	3,135	2,075	16,325

Source: DfE Level 2 and 3 Attainment by Young People in England

School Leaver Destinations

2.31 The following table shows where Chorley students went after completing compulsory education. These figures are built up from an individual school level, and provide an average from the multiple secondary schools in the borough. In total, 90% of leavers in Chorley went on to further employment, education or training. A relatively high proportion went on to a further education college (70%), with a small proportion (14%) going on to a Sixth form college.

2.32 This reflects the lack of school sixth from colleges available in the borough, and the presence of large further education colleges such as Runshaw College which has a base in Chorley. Chorley also has a relatively high proportion of leavers (6%) going on to do apprenticeships.

Leavers Destinations 2012/13 data based on 2011/12 cohort

	Chorley	North West
Overall education/employment/training destination	90%	90%
Any education destination	87%	88%
Further education college	70%	38%
Independent school	0%	0%
Other FE provider	2%	4%
School sixth form - state funded	1%	25%
Sixth form college	14%	19%
Employment /w training qualification	1%	0%
Apprenticeships	6%	6%
Other employment	1%	0%
Destination not sustained	7%	6%
Destination not sustained/recorded NEET	2%	2%
Activity not captured in data	2%	1%

Source: DfE

Apprenticeships

2.33 In 2014/15 there were 770 Chorley residents enrolled on apprenticeships. This represents a slight decline in the total number of apprenticeships from the previous year, and follows the pattern across the UK, despite a number of initiatives to encourage take-up.

2.34 The number of residents overall taking apprenticeships in Chorley declined by 9.5% between 2013/14 and 2014/15. This was largely due to lower uptake of intermediate and advanced level apprenticeships, whilst those taking higher apprenticeships doubled, however this still only accounted for 5.3% of the total. The decline in advanced apprenticeships is associated with changes in funding, such as with the introduction (and subsequent withdrawal) of Advanced Learning Loans for learners aged 24+ for advanced apprenticeships. In terms of the age groups of residents taking apprenticeships, the number of people aged under 19 and between 19 and 24 declined by 15% and 16% respectively whilst the number of over 25s increased by 12%.

Chorley Apprenticeships by Level and Age

	2013/14		2014/15		Change
Level	**No.**	**%**	**No.**	**%**	**%**
Intermediate	490	58.3	460	60.5	-6%
Advanced	330	39.3	260	34.2	-21%
Higher	20	2.4	40	5.3	100%
Total	840	100.0	760	100.0	-9.5%
Age	**No.**	**%**	**No.**	**%**	**%**
Under 19	260	31.3	220	28.6	-15%
19-24	310	37.3	260	33.8	-16%
25+	260	31.3	290	37.7	12%
Total	830	100.0	770	100.0	-7%

Source: Statistical First Release[4]

2.35 In 2014/15 the most common apprenticeships in Chorley were in business, administration and law (29.9%), retail and commercial enterprise (24.7%) and health, public services and care (22.1%). This reflects Chorley's sector strengths and current large employment bases in these areas. Whilst apprenticeships in business, administration and law and health, public services and care declined between 2013/14 and 2014/15, those in retail and commercial enterprise grew by 36%.

Chorley Apprenticeships by Subject

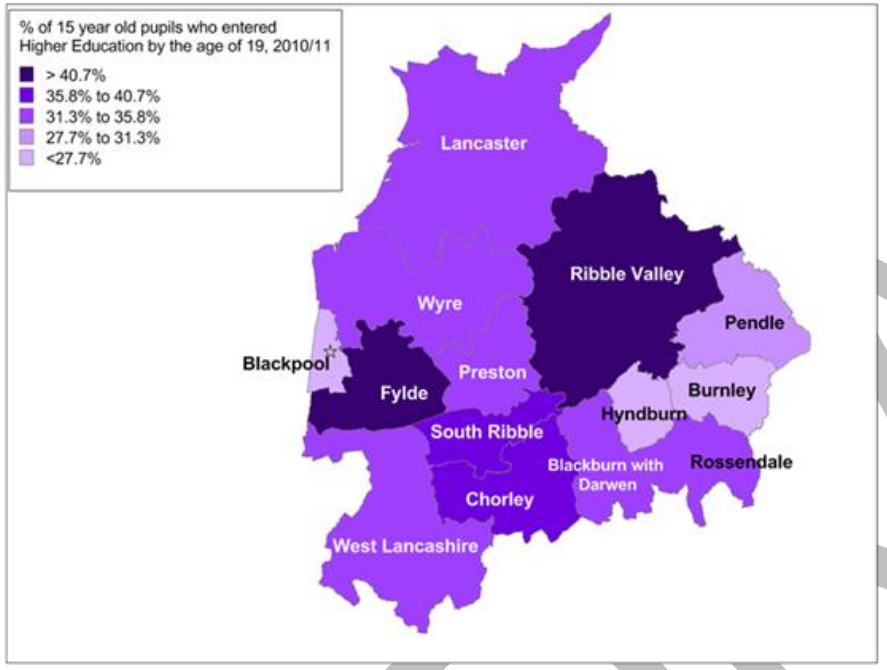
	2013/14		2014/15	
Subject	**No.**	**%**	**No.**	**%**
Agriculture, Horticulture and Animal Care	10	1.2	10	1.3
Business, Administration and Law	260	31.3	230	29.9
Construction, Planning and the Built Environment	30	3.6	30	3.9
Education and Training	10	1.2	10	1.3
Engineering and Manufacturing Technologies	110	13.3	110	14.3
Health, Public Services and Care	210	25.3	170	22.1
Information and Communication Technology	20	2.4	20	2.6
Leisure, Travel and Tourism	20	2.4	10	2.6
Retail and Commercial Enterprise	140	16.9	190	24.7
Total	830	100.0	770	100.0

Source: Statistical First Release

[4] Overall totals may vary due to rounding methodology.

Participation in Higher Education

2.36 As shown in the figure below, Chorley had a relatively high proportion of 15 year olds pupils who entered Higher Education by the age of 19, with 39% making it the third highest in the county, after Fylde and Ribble Valley. This reflects Chorley's strong academic attainment at lower levels, with residents going on to further study.

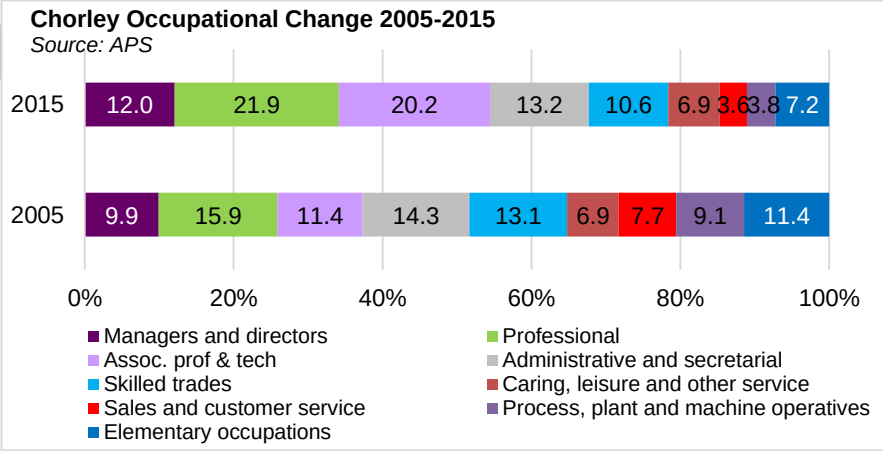


Occupational Profile of Residents

2.37 Chorley has a relatively high proportion of residents in higher tier occupations. In 2015, 6,600 residents (12%) categorised themselves as managers and directors, professionals or associate professionals and technical staff.

2.38 The representation of higher tier occupations has been growing over time. Between 2005 and 2015, the proportion of those in associate, professional and technical occupations increased by nearly 9 percentage points, and professional occupations by 5 percentage points. This corresponded with a decline in the proportion of residents in skilled trades (-3 percentage points), sales and customer service occupations (-4 percentage points), process, plant and machine operatives (-5 percentage points) and elementary occupations (-4 percentage points). This in part reflects changes in the sectoral structure of employment (see Section 3), including job losses in manufacturing and accommodation and food services.

2.39 This occupational profile differs to the Lancashire-wide distribution which has seen an increase in caring, leisure and other services, a slight increase in elementary occupations and only a small decline in process, plant and machine operatives between 2005 and 2015, the latter of which more than halved in Chorley. Lancashire's largest area of growth was also in professional occupations but to a lesser extent than Chorley (2 percentage points) and the largest area of decline was in administrative and secretarial occupations (-2 percentage points).

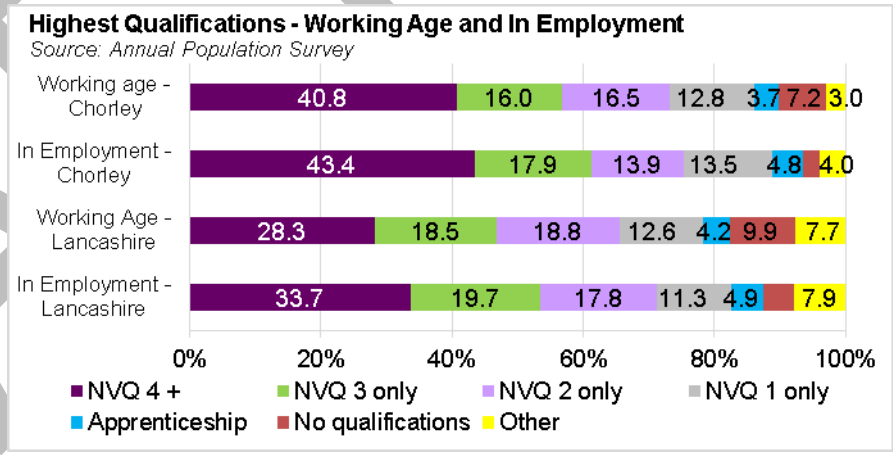


2.40 Chorley's over-representation of managers and directors, professional occupations and associate professional and technical occupations can be demonstrated by its location quotient relative to England. A location quotient indicates the relative concentration of employment in one location compared to the national average – a location quotient of more than one indicates a higher concentration of employment in a particular occupation. Whilst administrative and secretarial occupations proportionately declined by a percentage point between 2005 and 2015 they are still overrepresented in Chorley. In contrast, the typically lower skilled occupational categories are underrepresented.

Chorley Occupational Profile	
Occupation	**LQ (England)**
Managers and directors	1.1
Professional	1.1
Assoc. prof & tech	1.4
Administrative and secretarial	1.3
Skilled trades	1.0
Caring, leisure and other service	0.8
Sales and customer service	0.5
Process, plant and machine operatives	0.6
Elementary occupations	0.7
Source: Annual Population Survey 2015	

Adult Skills Profile

2.41 Reflecting occupational structure, Chorley is home to a relatively highly skilled working age population. The Annual Population Survey 2014 showed that 41% of Chorley's working age population had a qualification equivalent to an NVQ Level 4 or above. This is around 13 percentage points higher than the Lancashire figure of 28%, equating to 8,800 more people than if the Lancashire average applied. Chorley had a lower representation than Lancashire in all other qualification levels, other than Level 1 only where it was equal. Only 7% of the working age population in Chorley had no qualifications, compared to 10% at a Lancashire level.



2.42 The proportion of those in employment educated to Level 4 and above was even greater at over 43%. However the difference between Chorley and Lancashire was slightly less defined at around 10 percentage points. Again, Chorley had a slightly higher proportion of residents with Level 1 qualifications only, with 13.5%, 2 percentage points higher than the Lancashire figure. Therefore residents with high level qualifications are overrepresented in the employed population in both Chorley and Lancashire, whilst those with no qualifications are under-represented. This suggests that skills development may be needed to support residents to access work.

A Connected Economy

Travel to Work Destinations

2.43 Data from the 2011 Census show that around 40% of Chorley's residents worked within the borough. In total, two thirds (66%) worked within Central Lancashire, with South Ribble accounting for 15% of resident workplaces and Preston 11%. The next most common workplace destinations for Chorley residents were Bolton, Wigan, Blackburn with Darwen and Manchester. This generally reflects road links along the M61 and M6 corridors, with over two thirds of commuting in Chorley occurring by car. In total, 5,412 Chorley residents travelled to work in other Lancashire boroughs not specified above, with Fylde and Ribble Valley being the most popular destinations.

2.44 While Manchester is the most common destination for commuters by train and some 1,100 residents work in the city, Bolton and Wigan are a much more important source of employment for Chorley residents.

Travel to Work Areas

Chorley Residents	**Number**	**%**
Within Chorley	17,280	40.1%
South Ribble	6,537	15.2%
Preston	4,770	11.1%
Bolton	2,453	5.7%
Wigan	1,912	4.4%
Blackburn with Darwen	1,328	3.1%
Central Lancs residents		
Within Central Lancashire	104,412	72.5%
Fylde	6,258	4.3%
Ribble Valley	3,831	2.7%
Bolton	3,599	2.5%
Blackburn with Darwen	3,551	2.5%
Wigan	2,809	2.0%

Source: Census, 2011

2.45 As developments are taken forward in other local authority areas, there is potential for the employment pull to increase. For example, as the Enterprise Zone and City Deal sites are built out, requiring both short to medium term construction workers and longer term the workforce to satisfy the needs of new occupiers. Understanding the aspirations of other local authorities alongside Chorley will therefore be important to allowing residents to fulfil their potential.

Distance Travelled by Occupation and Skills Profile

2.46 Chorley's relatively high levels of out-commuting are demonstrated by the distances travelled to work by occupation. Around a quarter of Chorley residents in professional, associate professional and technical occupations travel over 20km to go to work, with over a fifth of managers and directors also doing so. Less than a fifth of professional, associate professional and technical occupations (3,096 people) work within 5km of their usual residences. This will in part reflect the availability of local employment opportunities, as considered in Section 3.

Distance travelled to work by Occupation (Chorley residents)

Occupation	Less than 5km	5-20km	20+km	Work mainly at home/other
Managers and directors	22.7	34.1	22.2	21.0
Professional	18.9	42.5	24.6	14.0
Associate prof. and technical	18.7	38.7	23.0	19.6
Administrative and secretarial	34.3	45.0	10.6	10.0
Skilled trades	23.5	29.4	9.5	37.7
Caring, leisure, other services	49.7	31.5	6.1	12.6
Sales and customer service	49.7	35.0	8.0	7.2
Process, plant, machine operatives	29.9	39.2	12.0	18.8
Elementary occupations	48.5	27.7	6.2	17.5

Source: Census 2011

2.47 Commuting distances by skill level in Chorley show that residents with higher level qualifications commute further on average. Over 23% of those with a Level 4 qualification commute for 20km or more, compared to 10% with Level 1 qualifications only, and 6% with no qualifications.

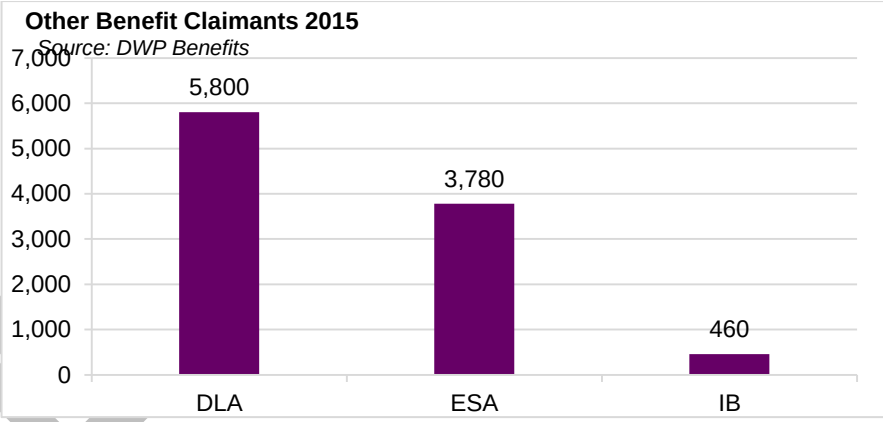
Distance travelled to work by Highest Qualification (Chorley residents)				
	Less than 5km	5-20km	20+km	Work mainly at home/other
Level 4	20.3	40.2	23.1	16.3
Level 3	33.9	37.7	12.7	15.7
Level 2	37.8	34.7	10.9	16.6
Level 1	36.8	34.6	10.4	18.2
Apprenticeships	27.8	34.8	10.9	26.5
Other	36.7	29.6	11.2	22.5
No qualifications	40.0	29.2	6.4	24.5

Source: Census 2011

2.48 Levels of home working have been increasing across the UK in recent years and are expected to continue to grow as people move to more flexible working. Home-working may also increase due to higher levels of self-employment, which has already increased significantly in Chorley in recent years, as noted earlier in this section.

Benefits Dependency

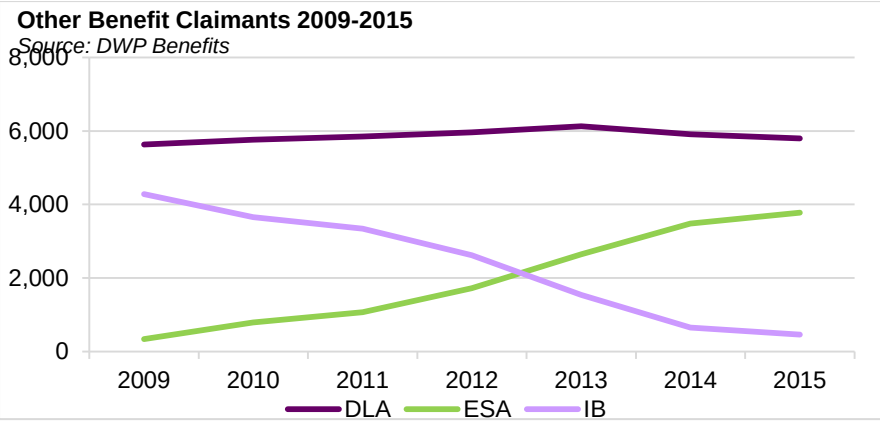
2.49 Statistics for 2015 show there were 7,400 working age residents claiming any type of benefit, around 11% of the working age population, which is a lower proportion than across Lancashire at 15%. More than three quarters (78%, 5,800 people) of benefit claimants in Chorley were claiming Disability Living Allowance (DLA), approximately half (3,780, 51%) were claiming Employment Support Allowance (ESA) and 6% (460 people) were claiming Incapacity Benefit (IB)[5]. While Chorley had a lower overall percentage of the population claiming benefits, it had more people claiming multiple benefits than across Lancashire, where 70% were claiming DLA, 50% ESA and 5% IB.



2.50 The number of residents claiming benefits in Chorley has stayed relatively stable between 2009 and 2015, with the number claiming DLA, ESA and IB going from 10,250 in 290 to 10,040 in 2015. The composition has however changed with the number of residents claiming Employment Support Allowance increasing from 790 in 2009 to 3,780 in 2015 while the number of residents claiming Incapacity Benefit fell from 4,280 to 460. This change is due to a change in the way benefits are classified, with ESA replacing IB.

2.51 Consultations suggest that some employers are reluctant to employ people with health issues. In a tight labour market, this position (as well as the employment of older workers) may need to be re-considered to ensure demands can be satisfied and that all those looking to work are able to make their full contribution. JobCentre Plus initiated work trails are supporting a wide range of people to secure work experience and prove their abilities in a workplace, resulting in a high number of businesses offering employment at the end of the trial.

[5] As people can claim multiple benefits, the individual total is higher than the overall claimant count



Workless Households

2.52 Workless households are defined as households where no adult residents are in work. Data from the Office for National Statistics (2012) shows that Chorley had a relatively low proportion of non-working households at 15%. This was 4 percentage points below the Lancashire average and 2 percentage points below the England average.

2.53 The proportion of children living in workless households in Chorley was also lower than regional and national comparators at 12%, being 2 percentage points lower than the national average and 6 percentage points lower than the Lancashire-wide average. However this figure is still higher than the 2005 figure when 8% of households were workless, and also shows an increase from the 2011 data where the figure was 10%.

Children living in workless households, 2012		
Area	No.	%
Chorley	2,388	12.0
Lancashire	49,649	18.2
North West	236,325	17.9
England	1,406,108	14.1
Source: Workless households for regions across the UK, ONS		

Conclusions

2.54 Although Chorley's residents like those across the country were affected by the recession they have performed relatively well in a competitive labour market. The borough is home to a higher than average skilled population that occupies traditionally higher skilled and paid occupations. Differences between the skills profile of the employed and wider economically active population suggests that there is an impetus for residents who are out of work to upskill.

2.55 With over 27,000 of Chorley's residents working outside the borough, it suggests that people are able to find and progress in work in both adjoining and further afield local authority areas. This suggests residents will benefit from growth both in Chorley and in other parts of the County, including through the City Deal investments due to be delivered in the adjoining Central Lancashire authorities.

2.56 However, the position also indicates that there are gaps in the local employment offer relative to resident skills and that there is scope to retain higher levels of economic activity within the borough. The longer distances commuted by the higher skilled and those in higher skilled occupations may reflect a financial ability but also a necessity to commute to access appropriate employment and career progression opportunities which are often more evident in large urban centres (considered further in Section 3).

2.57 As is evident across the UK, an ageing population presents both an opportunity and a challenge for Chorley's economy. Understanding the ambitions of those residents approaching the end of their working life will be important to understand the potential scale of labour turnover and associated loss of skills to allow employers to begin to prepare.

2.58 There will be opportunities for older age groups to continue to play a role in the success of the Chorley economy (and surrounding areas reflecting out-commuting patterns) to help retain skills in the short to medium term and build the skills of younger members of the workforce to allow abilities that are in demand to be expanded. This will be particularly valuable in an area with relatively low unemployment rates and therefore limited surplus capacity in the labour market to satisfy growing demand. Supporting all those who wish to work to do so (regardless of their age, health, experience and so on) will be increasingly important going forward.

3 Demand Side Perspective – businesses and employment in Chorley

Key Findings

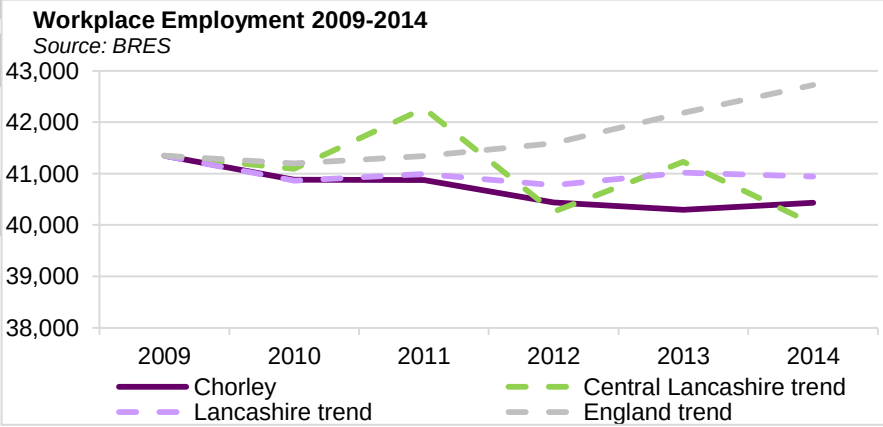
- Just over 40,000 people are employed in Chorley based businesses (6% of the Lancashire total) representing a significant shortfall against the level required to sustain the borough's full working age population (71,000 people) or numbers currently in work (55,000 Chorley residents).
- Between 2009 and 2014 Chorley lost 2% of its employment base. The borough was severely affected by public sector job cuts while private sector employment grew at the same rate as Lancashire wide.
- Chorley's employment base has strong representation of financial, professional and business services, predominantly public sector employment sectors (health and social care, education and public administrative and defence) and wholesale and retail but low representation in manufacturing. This includes strengths in sectors that are forecast to grow.
- Higher skilled occupations are under-represented in the employment base – in professional and associate professional occupations the number of residents working in these occupations is 11,000 higher than the number of roles offered in the borough.
- Relative to its share of total employment, Chorley is over-represented in the health and social care and creative and digital priority sectors and also has a high level of employment in financial and professional services providing opportunities for Chorley to contribute to Lancashire wide growth objectives.
- The business base is dominated by micro enterprises with only 55 businesses employing 50 or more staff in 2014. Research suggests this impacts on anticipation of skills issues and participation in skills development.
- A number of skills and recruitment challenges are already evident including high demand for health and social care professionals, engineers and managers, all of which mirror wider trends.
- Combining replacement demand with growth forecasts suggests demand in the region of 18,000 workers over 10 years with the highest requirements expected in professional, caring and elementary occupations with implications for the skills system.

Introduction

3.1 The demand side perspective focuses on the economic activity that occurs within the borough of Chorley, i.e. the local employment and business base. Due to Chorley's connectivity and exchanges of people with other nearby areas, analysing supply and demand considerations together is important to support the growth of Chorley based businesses and its residents, in some instances within the borough and in others beyond.

Employment Levels

3.2 Business Register and Employment Survey (BRES) 2014 data shows there were 40,434 people employed in Chorley in 2014. This figure is 3 percentage points lower than the 2009 figure of 41,349 (a loss of 915 jobs), showing that workplace employment in Chorley has undergone a gradual decline. Whilst employment in Lancashire has also declined over the period, as shown in the figure below, this has been less gradual than in Chorley.



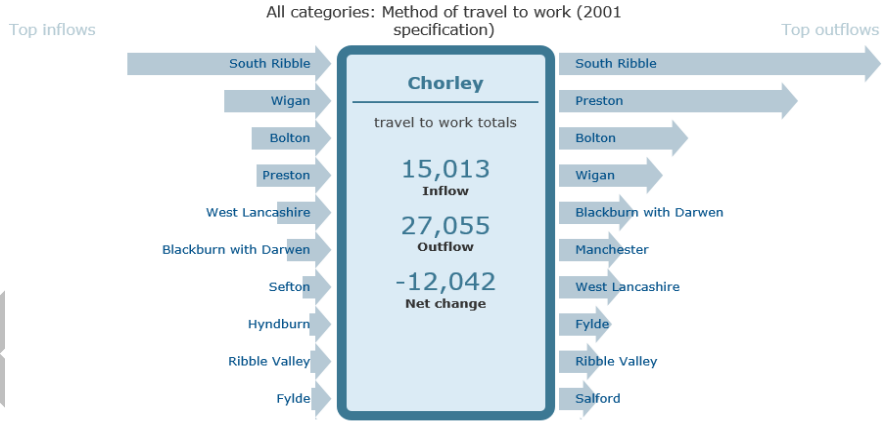
3.3 Chorley accounts for 23% of total employment in Central Lancashire, and 6% in Lancashire down from shares of 7% in Lancashire in 2009 and remaining the same in Central Lancashire due to its fluctuating employment levels. This will have contributed to the out-commuting of Chorley residents outlined in Section 2 as people will need to have looked further afield to secure employment in a competitive market.

3.4 If employment levels are viewed more historically through the Annual Business Inquiry, it shows that this decline in employment is a recent phenomenon, and follows a decade where employment grew by over a quarter between 1998 and 2008, peaking in 2007 at over 42,600 jobs. This suggests that like much of the country, Chorley's employment has been heavily affected by the global recession, and specifically (as considered later) Chorley has experienced a much higher proportion of job losses in the public sector than neighbouring regions.

Workforce Catchment

3.5 With approximately 71,000 working age residents (or even adjusted down to the employment rate of 55,000 Chorley residents in work), Chorley cannot offer full employment to its residents, as shown by the current level of 41,000 workplace based jobs. Out-commuting (as identified in Section 2) is therefore necessary and can be advantageous to support the economic success of the borough's residents by offering the required scale and breadth of opportunities that contribute to the borough's high residence based employment rate. This emphasises the importance of connections to other local authority areas to ensure residents have access to both the scale and variety (as illustrated by differences in employment structure between Chorley residence and workplace based figures considered later in this section) of employment opportunities they require.

3.6 Despite the shortfall in the scale of locally based employment, Chorley businesses rely on some workers travelling in from other local authority areas. Based on data from the 2011 census, overall commuting results in a net outflow of -12,042, with 27,055 residents commuting outside of the borough against 15,013 Chorley based workers commuting in. Chorley draws its incoming workforce predominantly from the other Central Lancashire authorities and the northern most Greater Manchester authorities, reflecting strong transport links to these areas.

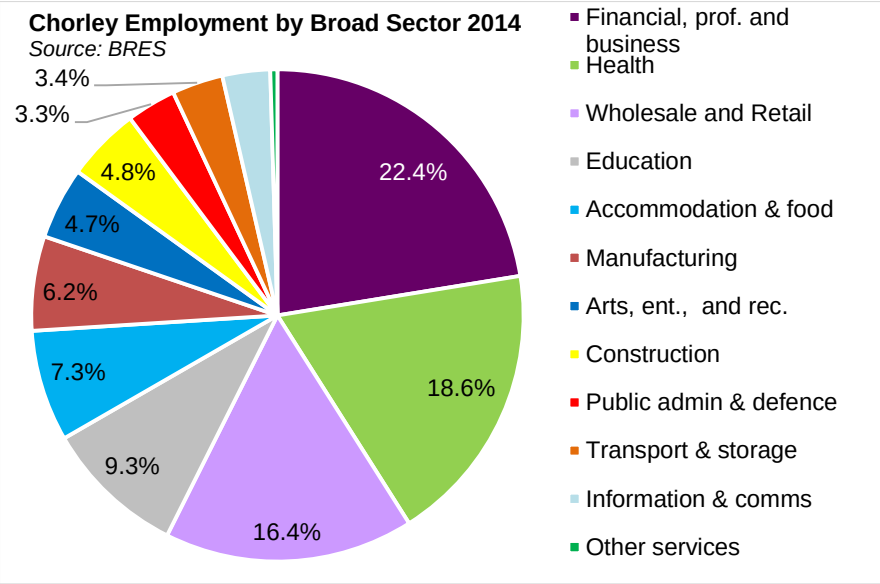


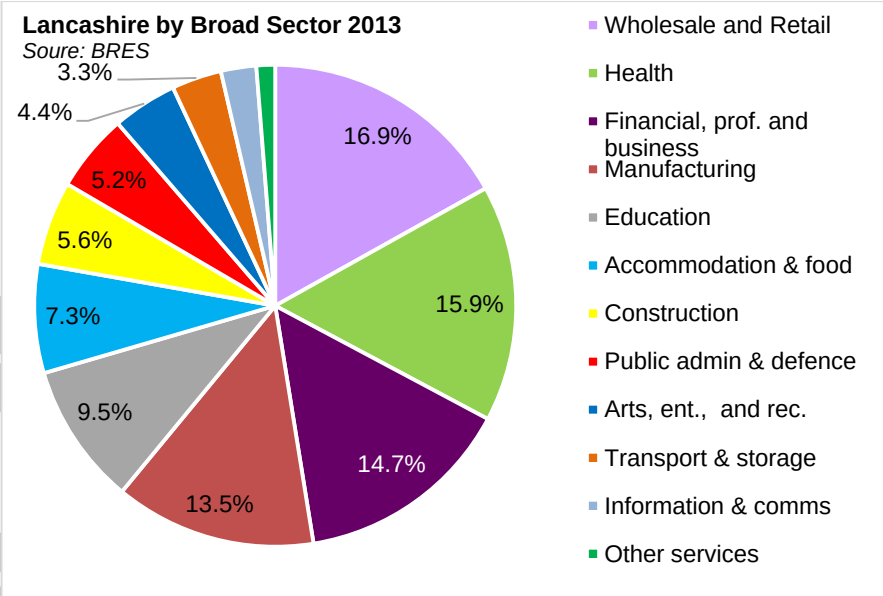
Source: Census 2011

Sectoral Structure of Employment

Broad Sectors

3.7 Chorley's largest employment sector is the financial, professional and business services, with almost a quarter (22%) of employment in these, reflecting the presence of employers such as Fairpoint Group Plc, First Investments and CSC. Almost a fifth (19%) of employment was in the health and social care sectors, with a further 9% in education and 3% in public admin and defence demonstrating the significant public sector, despite losses in recent years. Wholesale and retail trades also contribute a large share of employment at 16%.





3.8 As shown by comparing Chorley's statistics to the figure below, there are clear differences in the largest employment sectors in Chorley compared to Lancashire. Chorley has a significantly higher percentage of employment in financial, professional and business services sectors, with this being only the third largest in Lancashire. Chorley also has a much lower proportion of employment in manufacturing, with the sector in Lancashire accounting for more than double that in Chorley. These sectors illustrate Chorley's employment specialisms in relation to the rest of Lancashire.

3.9 Between 2009 and 2014, significant sectors that experienced the largest proportionate increases in employment were education, health and transport and storage, the latter of which increased by 39% compared to just a 1% increase in Lancashire.

3.10 Many sectors in the private sector experienced losses at a greater rate than Lancashire, such as arts, entertainment and recreation, construction, professional, scientific and technical and financial insurance. Business administration and support was the largest net decline in Chorley between 2009 and 2014 (-615), whereas the sector grew Such changes will have altered the skills required by employers with initiatives to support people to assess their skills and re-train where necessary to reflect changing employment structures important to provide Chorley's employers with a supply of skilled workers.

Employment Change 2009-2014			
	Change 2009-2014	% Change	Lancashire %
Education	683	22.3%	6.9%
Health	520	7.4%	9.0%
Transport & Storage	381	39.0%	0.8%
Motor trades	192	19.2%	7.1%
Information & communications	46	3.8%	5.7%
Property	12	2.7%	-5.3%
Retail	9	0.2%	-3.0%
Agriculture	3	8.1%	-33.8%
Accommodation & food	-72	-2.4%	2.8%
Mining and quarrying	-78	-34.4%	9.5%
Manufacturing	-143	-5.4%	-9.1%
Wholesale	-147	-9.3%	0.7%
Financial & Insurance	-191	-30.1%	-17.7%
Professional, scientific and technical.	-242	-9.4%	15.6%
Construction	-302	-13.4%	-4.0%
Public administration and defence	-427	-24.5%	-12.3%
Arts, entertainment & rec.	-544	-22.1%	-14.7%
Business admin. & support	-615	-9.5%	14.1%
Total	-915	-2.2%	0.1%
Source: BRES 2014			

3.11 Looking at longer term trends, Annual Business Inquiry data shows that between 1998 and 2008 the biggest employment increases were in professional, financial and business services (+4,615 jobs) and the public administration, health and education (+3,899 jobs) sectors. At the same time, the manufacturing sector declined significantly, which has continued up to the most recent available data and mirrors national trends. This shows that declining jobs in public administration is a more recent factor whereas the decline of manufacturing has continued. As with the more recent trends, this will have had implications for skills requirements.

Sub-Sector Strengths

3.12 The table below shows the Location Quotient for the 10 largest employment sub-sectors in Chorley by 2 digit SIC code. A location quotient indicates the relative concentration of employment in one location compared to the national average – a location quotient of more than one indicates a higher concentration of employment, one means an equal concentration and less than one a lower concentration.

3.13 The most significant sub-sectors in terms of employment number and concentration are services to buildings and landscape activities with 4,553 employees and a location quotient of 4.9, and retail trade with 4,001 employers and a location quotient of 1.0. Human health and social work when combined make up 5,595 jobs, and are particularly large sub sectors.

Chorley Largest Sub-sectors		
2 Digit SIC Code	**Number**	**LQ**
Services to buildings and landscape	4,553	4.9
Retail trade	4,001	1.0
Education	3,752	1.0
Human health activities	2,865	1.0
Social work activities	2,730	2.2
Food and beverage service activities	2,500	1.1
Residential care activities	1,919	1.9
Wholesale trade	1,431	0.9
Public administration and defence	1,317	0.8
Repair of motor vehicles	1,193	1.6
Source: BRES, 2013		

3.14 Looking at the employment base by 4 digit SIC code gives a more detailed breakdown of employment specialisms in an area. The ten highest employment concentrations in Chorley are listed below (of sub-sectors with over 50 employees). Combined facilities support activities is the most notable sector in terms of size and concentration, with the next largest sectors being washing and (dry-) cleaning of textile and fur products, finishing of textiles and wholesale of sugar and chocolate and sugar confectionary, which all had around 200 employees. Other highly concentrated industries had low levels of employment.

Chorley Largest Location Quotients		
4 Digit SIC Code	**Number**	**LQ**
Combined facilities support activities	3,448	17.3
Repair of communication equipment	91	16.5
Finishing of textiles	186	15.3
Manufacture of electrical and electronic equipment for motor vehicles	61	15.1
Wholesale of sugar and chocolate and sugar confectionery	178	13.9
Repair of fabricated metal products	95	10.7
Sawmilling and planing of wood	77	8.7
Manufacture of lifting and handling equipment	157	6.3
Washing and (dry-)cleaning of textile and fur products	258	6.1
Research and experimental development on biotechnology	65	5.6
Source: BRES, 2014		

3.15 Residential care activities experienced the largest net growth (+817) between 2009 and 2014, reflecting Chorley's strengths in health and social care. Scientific research and development and warehousing have also grown significantly from very low base levels of employment in the borough.

3.16 Whilst being the largest employment sub-sector, services to buildings and landscape activities has experienced the largest net decline in jobs (-757). Public administration and defence also declined significantly between 2009 and 2014, reflecting wider economic trends. The sectoral changes will mean requirements for vocational qualifications in the health and education sectors, such as large numbers of accredited staff in social care. The continued losses in public administration and defence may mean finding employment in other sectors, and sectors that have grown may not be suitable to replace these in the borough.

Chorley Net Growth and Decline (2 digit)		
Top 5 Net Growth	Number	Change 2009-2014
Residential care activities	1,919	827
Education	3,752	683
Scientific research and development	318	294
Warehousing and support activities for transportation	246	214
Wholesale and retail trade and repair of motor vehicles and motorcycles	1,193	192
Top 5 Net Decline		
Services to buildings and landscape activities	4,553	-757
Food and beverage service activities	1,317	-427
Other personal service activities	2,865	-408
Public administration and defence	724	-354
Activities of head offices; management consultancy activities	607	-268
Source: BRES, 2014		

Public and Private Sector Breakdown

3.17 Around 18% of employment in Chorley is in the public sector compared to 20% in Lancashire. Data from the most recent annual population survey of residents shows that 19% (10,600 people) work in the public sector in Chorley and 81% (45,200 people) work in the private sector. This demonstrates that Chorley residents have to commute out of the borough for both public and private positions.

3.18 The reduction in workplace employment in Chorley has been due to a significant decline (-21% or 1,994 jobs) in public sector employment over this period. Although private sector employment growth was recorded (3% or 1,080 jobs), it was insufficient to counter the public sector losses.

Public/Private Sector Employment 2009-2014				
	2009	**2014**	**Actual Change**	**% Change**
Public sector	9,343	7,349	-1,994	-21%
Private sector	32,005	33,085	1,080	3%
Total	41,349	40,434	-915	-2%

Source: BRES 2014

3.19 The intensity of public sector job losses in Chorley has been much greater than across Lancashire. Between 2009 and 2014, Lancashire reported a net loss of 13,564 jobs in the public sector, which means Chorley accounted for 15% of these, despite accounting for only 7% of the county's overall employment in 2014 and 7% of Lancashire's public sector employment in 2009. At 3%, the private sector grew at the same rate as Lancashire between 2009 and 2014.

3.20 At a time of continued austerity measures, public sector employment will continue to decline. Further growth in the private sector will be required if Chorley is to re-bound to and/or exceed previous employment levels and the former public sector workforce will need to respond to private sector skills requirements. Greater diversification of the employment offer will also make it less susceptible to future economic shocks.

3.21 Recent private sector growth trends do however provide a positive position for Chorley to build upon to re-balance its economy. Consultations with a sample of employers suggest that new businesses have been attracted into Chorley for reasons including the skills base of local residents, the ability to draw on the skills of a wider workforce catchment area and good transport links. The offer of quality sites and premises has also supported growth, for example attracting Parcelforce to Buckshaw Village and ensuring Utiligroup remained in the borough at their new site on Euxton Lane.

Contribution to Lancashire's Priority Sectors

3.22 The priority growth sectors outlined in the Lancashire SEP are advanced manufacturing, creative and digital, energy, financial and professional services, health and social care and the visitor economy. Representation is shown below.

Chorley Contribution to Priority Sectors 2014

Area	Chorley	Lancashire	%
Manufacturing	2,509	84,286	3.0%
Creative and Digital	1,559	18,827	8.3%
Energy	2,804	52,851	5.3%
Financial and Professional Services	5,307	81,347	6.5%
Health and Social Care	7,514	99,080	7.6%
Visitor Economy	3,577	55,228	6.5%
Total Employment	40,434	623,503	6.5%

Source: BRES 2014

3.23 Relative to Lancashire wide trends, Chorley is over-represented in two priority sectors – health and social care and creative and digital. The health and social care sector is currently Chorley's second largest employment sector, and is expected to contribute a significant proportion of future growth. Currently 7,514 people are employed in health and social care, which is 7.6% of the Lancashire total. There are also 180 businesses in health and social care (7.5% of Lancashire's) meaning that Chorley is overrepresented in this sector when compared to Lancashire. Significant employers include Synergy Health, Creative Support and Four Seasons Healthcare. Building on the strength of the sector and local skills base, there are plans for a digital health park in Chorley, with facilities to provide offices suitable for companies looking at how new technology can be used in healthcare.

3.24 Although the creative and digital sector accounts for a relatively small proportion of employment in both Chorley and Lancashire, with 1,559 people employed in the sector, Chorley accounts for 8.3% of Lancashire's creative and digital employment. Chorley also has an above average share of the business base, with 315 businesses (10%).

3.25 Whilst manufacturing continues to be a priority area for the Lancashire LEP, building on a traditionally large employment base in the sector, Chorley has been consistently underrepresented in this sector. In 2014 Chorley accounted for 3% of Lancashire's manufacturing employment with 2,509 people in the sector, and 6.9% of the business base (245 businesses).

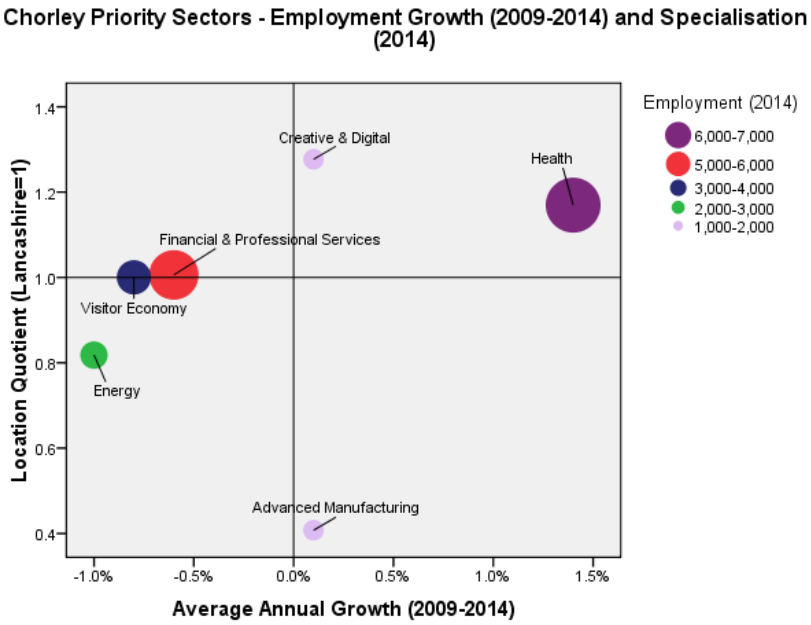
3.26 The energy sector in Chorley accounts for 5.3% of Lancashire's employment with 2,804 jobs, meaning it is slightly underrepresented in terms of employment. Chorley has 575 businesses in the energy sector, so has a slightly higher proportion than its overall share in Lancashire with 9%. Chorley is home to some notable organisations in the energy sector, such as energy software developer Utilisoft.

3.27 The financial, professional and business services sectors are Chorley's most significant areas of employment. Financial and professional services identified as a LEP priority growth sector which Chorley can make a substantial contribution to. With 5,307 jobs, Chorley accounts for 6.5% of Lancashire's financial and professional services employment base and 9.0% of the business base (1,085). Chorley's slightly lower proportion of employment may be due to the

dominance of Preston as the county's financial and professional services sector, however it does have a higher proportion of businesses. Major employers include Fairpoint, Synexus and the Chorley Building Society.

3.28 Whilst much of Lancashire's visitor economy is centred on Blackpool, Chorley's share of Lancashire's visitor economy employment is still equal to its overall share of employment at 6.5% or over 3,500 people.

3.29 The figure below shows the priority sectors in Chorley by annual growth and their concentration relative to Lancashire. The health and social care sector, as well as being Chorley's largest priority sector, is also highly concentrated and has experienced the largest amount of growth since 2009. The creative and digital sector is the most highly specialised sector and has experienced low levels of growth, but is less significant in size.

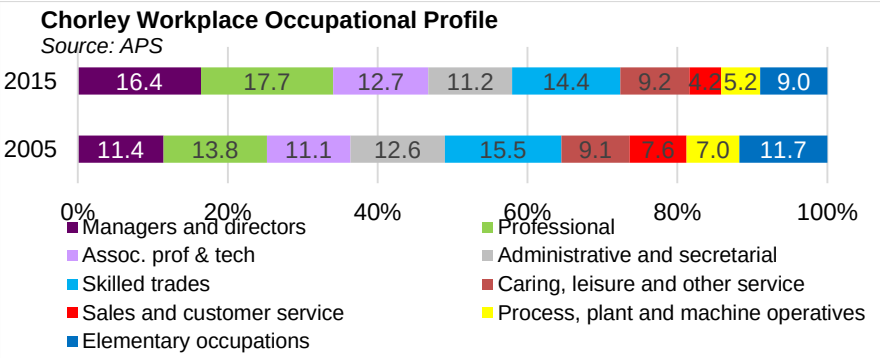


Occupational Structure of Employment

3.30 The workplace occupational profile in Chorley has seen the largest increases in managers and directors (5 percentage points), professional occupations (4 percentage points) and associate professional and technical occupations (1.5 percentage points) between 2005 and 2015. This has been countered by declines in sales and customer service occupations (3 percentage points), elementary occupations (3 percentage points) and process, plant and machine operatives (2 percentage points).

3.31 Chorley's workplace occupational profile differs from its resident occupational profile particularly in terms of the proportion of associate professional and technical occupations and to a lesser extent professional occupations, with these two being more present amongst residents. As shown in travel to work patterns, this deficit is likely to be caused by many people working in these occupations commuting outside of the borough to work, as there are not enough opportunities in Chorley. Chorley is home to 29,800 residents in managerial and director, professional and associate professional and technical occupations but offers only 14,800 jobs in these categories – a shortfall of 15,000. There are 6,600 Chorley residents employed as managers, directors and senior officials and 6,600 jobs available in the borough, so there is the provision for top occupations but limited choice for those looking for work. The biggest shortfall is amongst professional and associate professional occupations, with 23,200 residents employed compared to 12,200 jobs in the borough.

3.32 Retaining more of these skilled residents to work in Chorley based businesses could help to address some of the skills challenges faced by employers, outlined later in this section.



Characteristics of the Business Base

Total Business Stock

3.33 Data from the 2014 UK Business Count shows there were 3,725 businesses in Chorley. This represents a slight increase from 2010 levels, by around a half a percentage point. In 2014, Chorley accounted for 8% of all businesses in Lancashire against shares of 7% of employment and 8% of working age population.

Total Businesses			
Area	**2010**	**2014**	**Change**
Chorley	3,705	3,725	+0.5%
Central Lancashire	11,725	11,665	-0.5%
Lancashire	45,735	45,680	-0.1%
North West	204,990	216,665	+5.7%
England	1,797,910	1,950,030	+8.5%
Source: UK Business Counts 2014			

3.34 Records from the Annual Business Inquiry show that this follows a period of significant growth in the number of businesses which increased by 919 between 1998 and 2008, followed by a sharp decline. The small increase observed recently represents the beginnings of recovery in the business base. Whilst Chorley is performing better than its neighbours in Central Lancashire and Lancashire where the number of businesses declined, it is still some way behind the increases observed in the North West and England over the same time period.

Business Size Profile

3.35 Chorley follows a similar pattern to Lancashire and the rest of the UK in that its business base mainly comprises small and micro businesses. Between 2010 and 2014 the proportion of micro businesses in Chorley and Lancashire decreased by around a percentage point, which was countered by an increase in the proportion of small businesses.

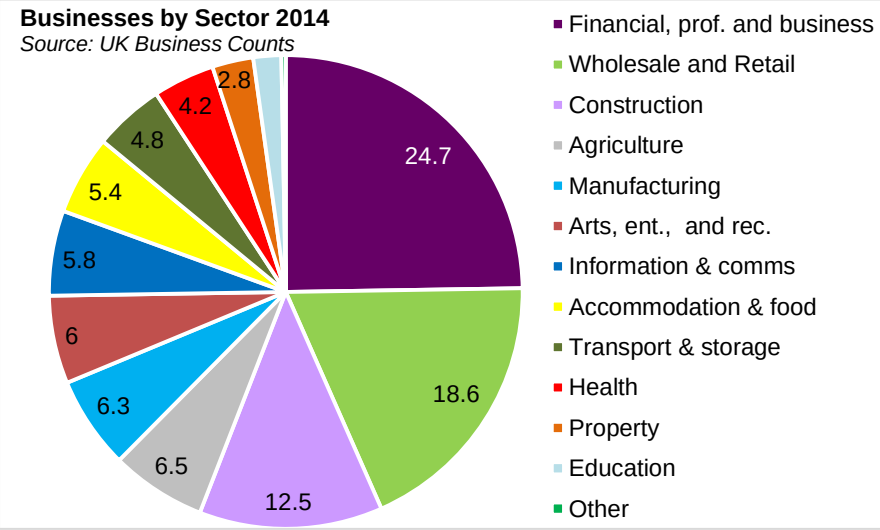
Business Size					
	Chorley			Lancashire	
	2014 Number	**2010 %**	**2014 %**	**2010%**	**2014%**
Micro (0 to 9)	3,325	90.6	89.3	88.1	87.0
Small (10 to 49)	345	7.8	9.3	9.9	10.9
Medium-sized (50 to 249)	45	1.2	1.2	1.7	1.8
Large (250+)	10	0.4	0.3	0.4	0.4
Total	3,725	100.0	100.0	100.0	100.0
Source: UK Business Counts 2014					

3.36 Only 55 Chorley businesses employed 50 or more staff in 2014 compared to 3,670 employing 49 or fewer. This will have implications for skills provision as medium and large businesses more commonly have training provision available in-house or have established relationships with skills providers whereas small and micro businesses can find it more challenging to access and

fund training that responds to their specific needs. The UKCES Survey (2013) found that the larger the establishment the more likely they are to anticipate an upskilling need over the next 12 months, rising from two-thirds (65%) of those with fewer than five staff to 90% of those with at least 250 employees.

Sectoral Profile of Businesses

3.37 Around a quarter (24.7%) of businesses in Chorley were in the financial, professional and business service in 2014. Just under a fifth (18.6%) were in the wholesale and retail sectors, with 12.5% being in construction.



3.38 Between 2010 and 2014, the largest proportional increases in businesses were in the education sector (+40%), information and communications (+19%), agriculture, forestry and fishing (+15%) and transport and storage (+13%). The largest proportionate decreases experienced over this time were in arts, entertainment and recreation (-15%), motor trades (-10%), and business administration and support (-8%).

Number of Businesses by Sector

	2010	2014	Actual Change	% Change
Professional, scientific & technical	540	570	30	6%
Construction	495	465	-30	-6%
Retail	340	340	0	0%
Business administration & support	305	280	-25	-8%
Manufacturing	245	235	-10	-4%
Agriculture, forestry & fishing	200	230	30	15%
Arts, entertainment & recreation	265	225	-40	-15%
Information & communication	180	215	35	19%
Accommodation & food services	210	200	-10	-5%
Wholesale	175	180	5	3%
Transport & storage	160	180	20	13%
Motor trades	195	175	-20	-10%
Health	145	155	10	7%
Property	110	105	-5	-5%
Financial & insurance	70	70	0	0%
Education	50	70	20	40%
Mining, quarrying & utilities	0	10	10	-

Public administration & defence	10	10	0	0%
Total	3,705	3,725	20	1

Source: BRES, 2013

Business Density

3.39 In 2014 Chorley had 55.7 business per 1,000 working age population representing a small decline against 2010 figures. Chorley reports a higher density of businesses than local and regional comparators, reflecting the higher concentration of micro businesses, but continues to be behind the national average and the gap grew between 2010 and 2014. If Chorley recorded the national average business density in 2014, it would be home to 230 more businesses than the recorded level.

Business Densities

Area	2010	2014	Change
Chorley	56.4	55.7	-0.7
Central Lancashire	53.0	52.9	-0.1
Lancashire	51.9	52.4	0.5
North West	47.5	50.3	2.8
England	55.3	59.1	3.8

Source: UK Business Counts and Mid-Year Population Estimates 2014

Workplace Training Provision

Approaches Taken

3.40 Workplace training is widely recognised as a key means to improve skills and maintain and improve competitiveness. Data on workplace training provision is available at LEP level in the 2013 UK Employer Skills Survey so is used as a proxy for Chorley. Across Lancashire, the proportion of businesses over staff training in the 12 months before the survey was equivalent to the national average with a higher proportion of staff benefiting from training and on average receiving a higher number of training days. Increasing training activity has been shown in the UKCES (2013) as the most common employer response to tackle skills gaps among their workforce.

Workplace Training Provision

	Lancashire	England
% of establishments training staff over the last 12 months	66%	66%
% of establishments providing off-the-job training in the last 12 months	48%	50%
% of establishments providing on-the-job training in the last 12 months	52%	52%
Number trained as % of total staff	62.2	60.6
Training days per trainee	6.7	6.4
Training days per staff	4.2	3.9

Source: UKCES, 2013

3.41 A number of employers consulted during the development of this framework have embraced apprenticeships to help build required skills from within. Although this approach has been successful overall, employers did on occasion refer to challenges in identifying appropriate candidates and securing training provision that directly responded to their needs.

3.42 Consultations undertaken as part of this commission suggest that relationships between employers and training providers are mixed. Whilst some employers have established relationships and are satisfied with the service they received, others (particularly smaller businesses without in-house training capabilities and/or dedicated HR functions) are uncertain who can respond to their skills needs. Whilst some training needs can be easily satisfied, in many cases it

will take time for relationships to build and for supply and demand to work effectively together.

Recognised Skills Needs

3.43 The UK Employer Skills Survey provides information on the skills needs of local employers. Skills gaps within the existing workforce were found to be more prominent in Lancashire (the lowest level at which data is available) than nationally (minus London), with 17% of employers reporting that they have a skills gap within their organisation compared to 15% nationally.

3.44 The most common cause of skills gaps in Lancashire, as reported by employers, is staff training being only partially complete (63% of employers with skills gaps) and a high number of employers also reported that staff being new to the role causes skills gaps. Other causes include staff lacking motivation, performance not improving following training and staff not receiving the appropriate training.

3.45 Consultations (albeit with a limited sample of Chorley based businesses) identified challenges in:

- Securing experienced, skilled staff with a large catchment area often required to identify suitable candidates, particularly for senior and management positions.
- Competing on the basis of pay, access and the range of opportunities with employers based in larger employment centres such as Manchester and Liverpool.
- Overcoming out-dated and inaccurate perceptions of employment in some parts of the economy which can impact on career choices.
- Recruiting engineers across a range of disciplines including automotive and telecommunications. This reflects the acknowledged national shortage of engineers due to skills shortages and an ageing workforce.
- Investing in staff training (particularly in small and medium sized businesses) when there are concerns that staff may be poached by competitors, due to skills shortages.
- Building relationships with training providers to understand existing provision and where necessary influence provision to respond to business needs, within required timescales.
- Staff turnover, particularly in customer service and sales roles.

3.46 Consulted employers appear to be embracing apprenticeships as a way to build skills at entry level in response to specific business needs, with continued training to then support workers to progress. In-house training programmes (often delivered by managers and more experienced staff rather than external trainers, particularly in small businesses) is also supporting skills development across other elements of the workforce.

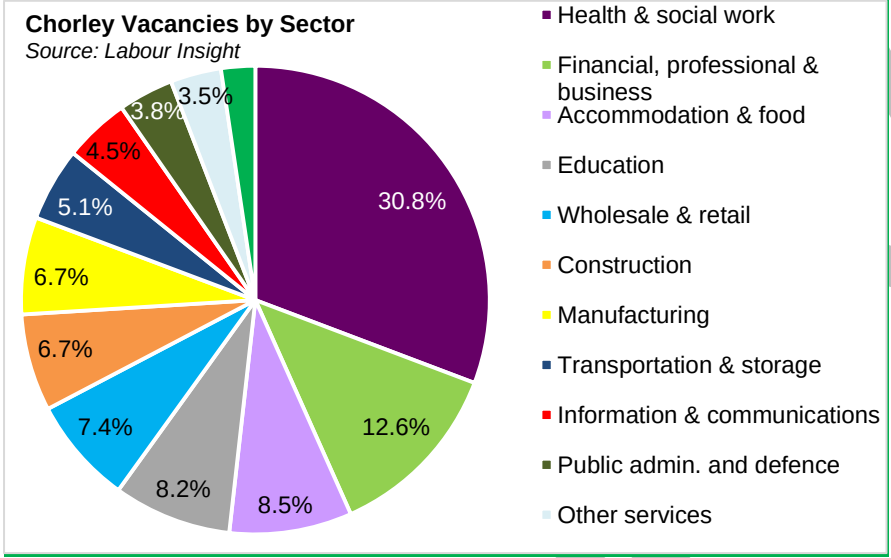
Employment Vacancies

3.47 Across the Lancashire LEP, a lower proportion of employers reported having at least one vacancy at the time of the survey (12%) than was the case nationally (14%). The highest proportion of vacancies were in associate professional, professional and caring, leisure and other services occupations, accounting for almost 60% of all vacancies in Lancashire (+11% points on the nationally average). Given Chorley's employment structure, these challenges are likely to apply locally.

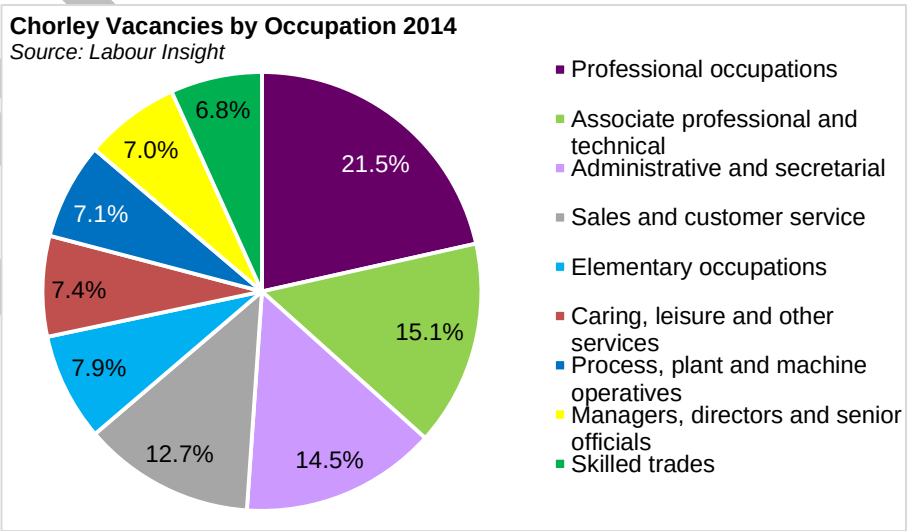
3.48 Of all establishments with vacancies, 31% had a vacancy which they classified as 'hard to fill', compared to 34% nationally. These vacancies were predominantly in highly skilled occupations, with 66% of hard to fill vacancies in associate professional, skilled trade and professional occupations. The main cause of hard to fill vacancies reported by employers in Lancashire was a low number of applicants with the required skills, which 45% of employers reported as a cause for these. This suggests that the skills held by highly skilled Chorley residents will be in high demand across Lancashire, supporting the reported levels of out-commuting in Section 2. Other common causes include a lack of work experience (31%), lack of applicants with the required attitude and motivation (28%), a lack of qualifications and not enough interest in the type of job (27% each).

3.49 Across Lancashire, technical, practical and job specific skills were most commonly reported as hard to obtain by employers. Further, planning and organisation skills, oral communication skills and customer handling skills were cited by a high proportion of employers as being difficult to obtain from applicants.

3.50 In 2014 over 3,000 vacancies in Chorley were captured by Labour Insight.[6] Almost a third of all recorded vacancies were in the health and social care sector. A full breakdown of vacancies by sector is provided below.



3.51 The occupations with the most vacancies were in professional, associate professional and administrative and secretarial occupations, reflecting Chorley's significant financial, professional and business services sectors.



3.52 Labour insight data is also available for education requirements of vacancies. Of the 622 vacancies which identified a required qualification level, two thirds of these asked for GCSEs or NVQ level 2, 94 vacancies for a bachelor's degree or diploma, and 87 asked for A-levels or NVQ level 3.

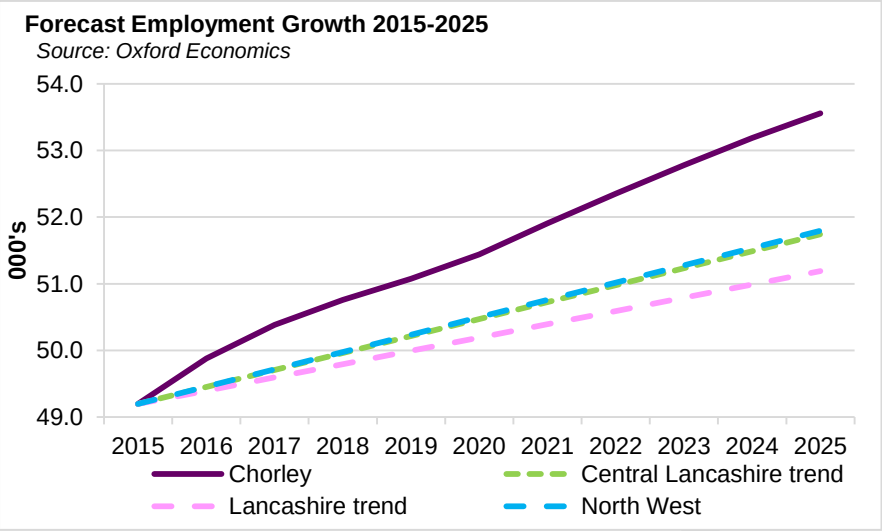
[6] Labour Insight is an online labour market information system that gathers data on the job vacancies advertised online across the UK

Preparing for Forecast Growth

Total Change

3.53 Forecasts produced by Oxford Economics suggest that Chorley's economic recovery will continue, with a net increase of 4,400 jobs between 2015 and 2025 – a 9% growth rate. Chorley is not alone in forecasting growth, as illustrated by the chart below, however it is forecast to out-perform local comparators, increasing its contribution to the Lancashire economy.

3.54 Lancashire is forecast to gain 30,000 jobs between 2015 and 2025 – a growth rate of 4%. Chorley is therefore expected to account for 15% of Lancashire's net employment growth, despite accounting for only 7% of employment at present. If growth materialises as forecast, Chorley's contribution to total employment in Lancashire will be slightly higher by 2025, with around half a percentage point increase.



3.55 Whilst the chart above presents a policy off scenario, a series of initiatives (such as City Deal in neighbouring South Ribble and Preston) and build out of the Enterprise Zones presents an opportunity for Lancashire to out-perform current forecasts. This will be necessary to allow the LEP to realise its economic growth ambitions outlined in Section 1 of this framework.

3.56 With the North West economy forecast to grow by 195,000 jobs between 2015 and 2025 at a time when the working age population within the local authority is forecast to grow by just 1,700, employers in Chorley (as in all parts of the region) will experience higher levels of competition to secure and retain the scale and nature of workforce they need.

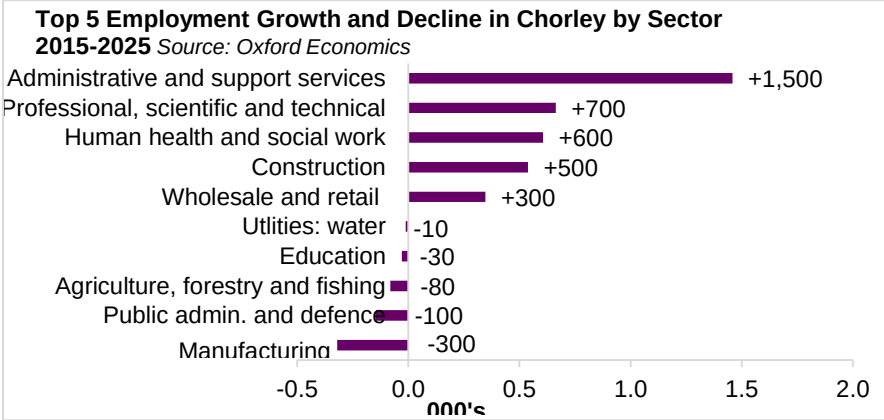
3.57 Despite challenges, Chorley has plans in place to secure both employment and population growth. Much of Chorley's future housing and employment growth is planned to be at Buckshaw Village, which is served by a train station, has already built out 4,000 homes and is intended to account for over a quarter of the sites outlined in Chorley's local plan, as well as 28ha of employment land.

3.58 Planning consent was also awarded in August 2015 to create a Digital Health Park for Chorley. Plans for the 24.7 acre site, opposite Chorley and South Ribble Hospital, will deliver 125 new homes, a care home, a retail unit and pub, and opportunities for industrial and commercial uses. The site will also house Chorley's proposed hub for businesses in the digital health sector, which will integrate new technology and healthcare to improve patient care and wellbeing. It is expected that approximately 700 new jobs could be created across site, contributing to Chorley's strong and growing health sector, as well as creative and digital, requiring highly qualified employees and showing the ability to support Lancashire's priority sectors.

Forecast Change by Sector

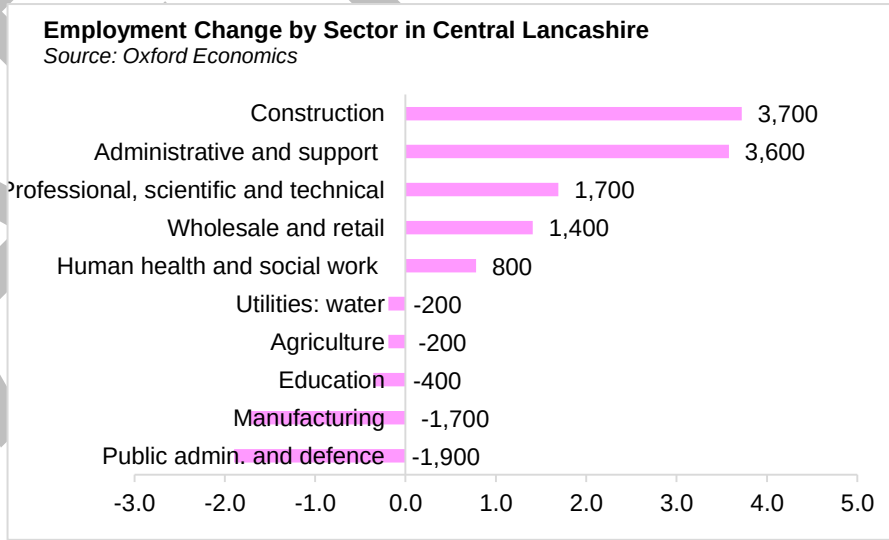
3.59 The private sector is forecast to play an important role in securing growth. This may take the form of growth within the current business base but also the attraction of new employers into the borough. Around a third of Chorley's net employment gain (1,500) is expected to be in the Administrative and Support services sector, with a further 700 in the Professional, scientific and technical services sector and 600 in health and social work. This builds on a substantial financial, professional and business services sector in Chorley, particularly when compared to the Lancashire average. Growth in administrative and support services and professional, scientific and technical indicate that these sectors are beginning to grow despite many job losses between 2009 and 2014.

3.60 The largest declines in employment are expected in manufacturing (-300 jobs) and public administration and defence (-100). Declining employment in these industries mirrors forecasts for Lancashire as a whole and the rest of the UK.

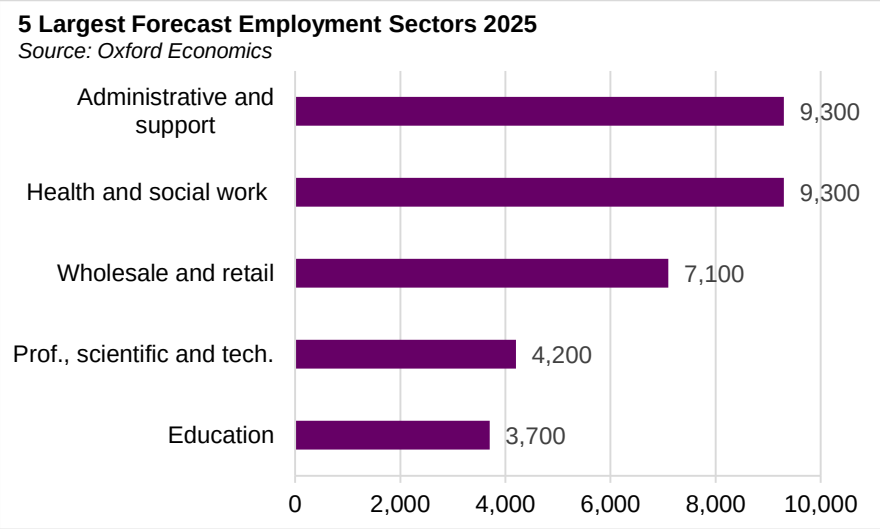


3.61 The largest employment growth in Central Lancashire is expected to be in construction, with an additional 3,700 jobs, followed by administrative and support services with 3,600 jobs, of which Chorley accounts for 42%. The sectors expected to experience the most significant declines in Central Lancashire are Public administration and defence with -1,900 jobs and manufacturing with -1,700 jobs.

3.62 Oxford Economics figures for 2015 show that Chorley accounts for 24% of employment in Central Lancashire. The chart below shows the sectoral make up of employment change at the Central Lancashire level. This shows that Chorley is expected to contribute over 40% of Lancashire's employment growth in administrative and support services and professional, scientific and technical services. Chorley is also expected to account for 75% of the county's growth in health and social care, a reflection on the strength of this sector in the borough. Despite having significant losses in manufacturing and the public sector in recent years, further losses are expected at a lesser degree, with Chorley forecast to account for only 5% of public administration and defence and 18% of manufacturing losses in Central Lancashire.



3.63 In 2025, forecasts suggest that the Administrative and Support and Health and Social Work sectors will continue to dominate the Chorley economy, with around 9,300 jobs in each. Wholesale and retail is expected to be the third largest sector with 7,100 jobs, followed by Professional, Scientific and Technical with 4,200 and Education with 3,700 making up the five largest employment sectors expected by 2025.

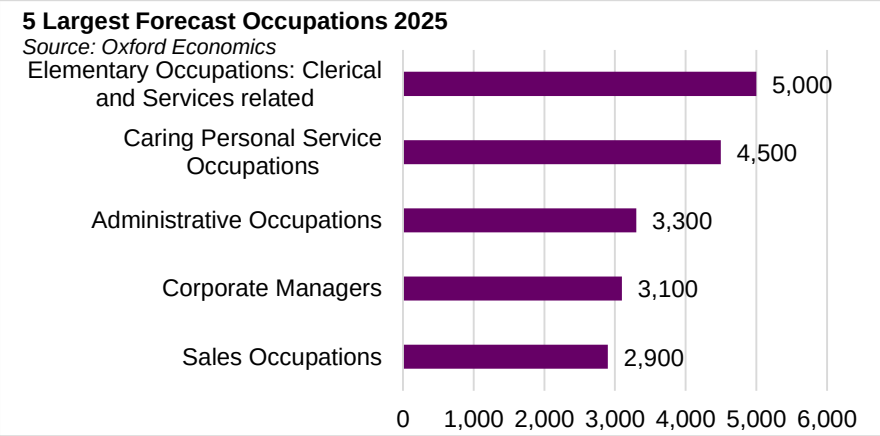


Forecast Occupational Change[7]

3.64 Forecast changes in sectoral structure also have implications for occupational demands. Reflecting strong growth forecasts in the administrative and support sector, the occupation expected to experience the most growth in Chorley are elementary occupations (clerical and services related) with a net increase of over 500 jobs. The next highest are caring personal service occupations (290), skilled construction and building trades (270), corporate managers (240) and business and public service associate professionals. This reflects Chorley's sectoral strengths in services to buildings and personal care, as well as having a growing number of professional occupations.

[7] Please note, forecast occupational change is resident rather than workplace based due to the focus of forecasting.

3.65 Taking account of both the dominance of occupations at present and forecast change, the figure below shows the five largest occupational groups forecast by 2025.



Forecast Qualification Requirements[8]

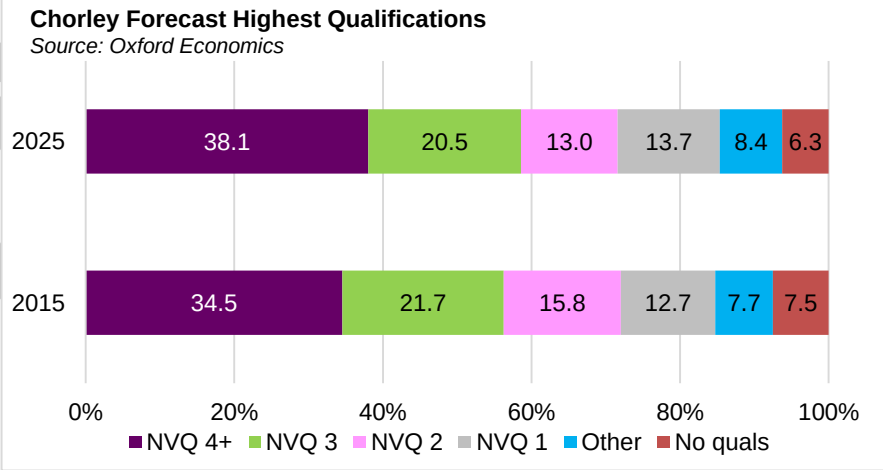
3.66 The proportion of the population with Level 4 qualifications and higher is expected to increase by 2,800 people between 2015 and 2025 in Chorley. This is accompanied by a slight decline in those possessing Level 2 and 3 qualifications only. Those with Level 1 and other qualifications are expected to increase by around a percentage point each, indicating a polarisation of the workforce, with greater proportions at either end of the scale. Those with no qualifications is expected to decline by 300, however this still leaves 6,300 people in the borough who will need to be supported to move on from having no qualifications.

3.67 Planning training provision from an early stage and to engage both young people and the existing workforce will be important to ensure that employers have access to the level and nature of qualifications they need to satisfy business requirements. Satisfying Level 4+ qualification requirements may require a phased programme of provision to allow workers to build up their skills.

[8] Please note, the forecast change in qualification requirements is resident rather than workplace based reflecting restrictions in data availability.

3.68 The sectors forecast to experience the greatest change in their skills profiles are health and social care and education. The number of people requiring level 3 and 4 qualifications in health and social care is expected to increase by 1,700 people (76%) for level 4 and 1,200 people (92%) for level 3 between 2015 and 2025. In education, the number of people requiring level 4 qualifications is forecast to increase by 1,000 (73%). The next most significant increase is level 4 qualifications for professional, scientific and technical occupations, with an increase of 900 (61%). Other notable skills requirements by sector are 600 more people needing level 1qualifications in wholesale and retail (49%) and 300 in transport and storage (112% increase from 2015).

3.69 Similar patterns can be observed in the forecast occupational structure, with occupations requiring higher skills. Managers and directors (+600 or 27.4%), associate professional and technical occupations (+600 or 20%), administrative and secretarial (400 or 31%) and caring, leisure and other service occupations (+400 or 27%) all require significant increases in people with level 4 qualifications.

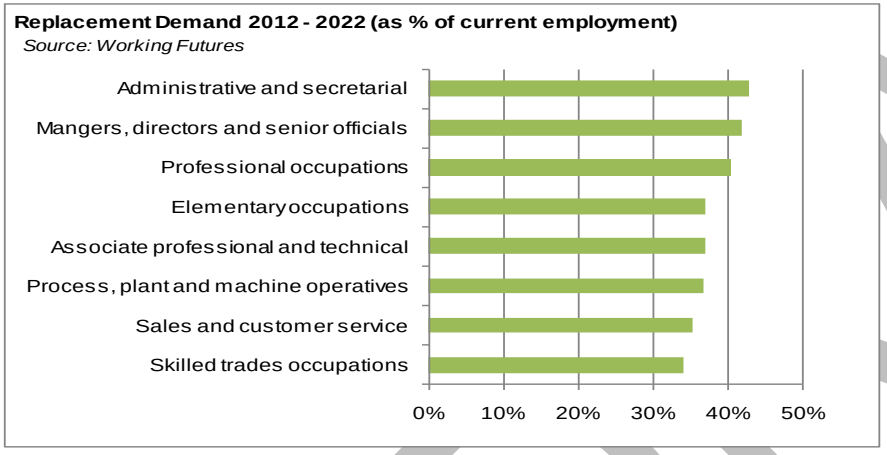


Planning for Replacement Demand

3.70 Replacement demand typically runs at circa 4% per annum, as employees retire, leave the workforce for other reasons and/or move to other jobs.

This can vary by sector, with some sectors affected by staff turnover driven by low wages and/or terms of service. The highest levels of replacement demand are in white collar jobs, including those requiring high and medium level skills. This includes administrative and secretarial managers and directors and professional occupations. While the overall replacement demand rates for process, plant and machine operatives, sales and customer service occupations, and skilled trade occupations are lower at 3% per annum, numbers are still significant.

3.71 The ageing workforce outlined in Section 2 will have implications for future labour demands as employers seek to replace retiring workers, as well as accommodating turnover across all age groups. The loss of older workers is expected to exacerbate existing challenges around the supply of skilled workers, particularly in technical disciplines such as engineering. Anticipated levels of replacement demand by occupation at a national level are shown below.



3.72 The table below applies the forecasts above to show the level of residence based forecast replacement demand alongside residence based employment growth over the next 10 years[9]. This shows that replacement demand is a significant source of employment opportunities, and in numbers terms, much more important than net employment growth. Accommodating both the scale and nature of requirements will be a challenge for individuals, employers and the skills system with both increased awareness and planning needed to prepare for uplifts and turnover in the workforce.

Chorley Occupation Demand 2015-2025

	Employment Growth/Decline		Replacement Demand	
	Total Req.	**Est. Annual Req.**	**Total Req.**	**Est. Annual Req.**
Managers & directors	453	45	1,434	143
Professional occupations	455	45	2,930	293
Associate prof. and tech.	394	39	1,394	139
Admin. & secretarial	212	21	1,479	148
Skilled trades	474	47	1,645	165
Caring, leisure + other	441	44	1,889	189
Sales & customer serv.	201	20	619	62
Proc.,plant & mach. Ops	173	17	677	68
Elementary occupations	520	52	1,820	182
All occupations	3,323[10]	332	13,887	1,389

Source: Oxford Economics; ekosgen estimates based on Working Futures

[9] Due to data restrictions, this analysis can only be completed for Chorley residence rather than Chorley workplaces.

[10] Please note, this figure differs from the net employment change referenced earlier in this section. The earlier figure relates to workplace requirements while the total shown here is residence based due to restrictions in the availability of data broken down by occupation.

Conclusions

3.73 Like much of the UK, Chorley has experienced change in the total scale and structure of its employment base. It has however shown resilience relative to Lancashire as a whole with growth in the private sector starting to compensate for the loss of public sector employment.

3.74 Over the next ten years, Chorley is forecast to experience a net addition of 4,400 jobs (+9%) at a time when the working age population is forecast to increase by just 1,700 people. Factoring in replacement demand on top of this, suggests total demand may be in the region of 18,000 workers over 10 years with the strongest demand forecast for professional occupations. Planning for labour turnover and satisfying the resulting scale and breadth of employer demands will therefore become increasingly challenging, requiring consideration of the role of older workers and those currently out of employment, as well as potential linkages to surrounding areas (although given the ageing population across the UK this is unlikely to provide a solution).

3.75 The detail of forecasts also suggests significant uplifts in demand for NVQ 4+ level qualifications and a need to grow the workforce in administrative and support services (as well as other sectors to a lesser extent) to satisfy demand. Ensuring individuals and training providers are alert to changing requirements and equipped to respond to them will be a priority, working with partners across Lancashire in cases where common challenges have been identified and support is available (for example to support the growth of priority sectors).

3.76 Despite strong trends and forecasts, development of this framework has suggested that there is still a need to build awareness of local employment opportunities to allow employers to secure the number of employees and skills they require. This is likely to require more open discussions about expected workforce requirements as early as possible and greater engagement between employers of all sizes and partners including schools, FE colleges, private training providers, Chorley Council and JobCentre Plus to allow people to be effectively matched with opportunities that suit their interests and employer requirements. While some initial work has been undertaken to progress this agenda (for example through Chorley Works and the JobCentre Plus Employer and Partnership Advisor role) more needs to be done to achieve alignment.

3.77 In a tight labour market, reflected by working residents exceeding the number of local employment opportunities, an ageing population and low levels of unemployment, it may be necessary for employers to revise their perceptions to secure a sufficient scale workforce. This may include changing perceptions of older workers (which JobCentre Plus has referred to anecdotal evidence of with some employers now approaching them to secure older workers due to the strength of their customer service skills), recruiting long term unemployed residents and training more workers on the job.

4 Challenges and Opportunities

4.1 Consultation findings alongside baseline statistics and economic forecasts raise a series of priorities to be addressed through the Chorley Skills Framework and the wider activities of partners. The primary challenges and priorities identified are summarised below which have then informed the actions that follow in Section 5.

Mismatches in Supply and Demand

4.2 The review has identified a series of mismatches between the local supply of labour and employers' demands, both at present and anticipated in future. The primary points to note are:

- The forecast workforce requirement in 2025 exceeds the forecast uplift in the number of working age residents[11] in Chorley by 2,700.
- Replacement demand (typically running at 4% which based on the Chorley employment base in 2014 represents approximately 1,600 jobs per year) will further exacerbate the challenge of satisfying total employer demand and providing the required mix of skills.
- Skills requirements are increasing with an estimated additional 2,800 people required to be qualified to NVQ4+ by 2025 with the health and care sector accounting for the largest additional requirement.
- The structure of the economy continues to change, including falling levels of public sector employment, requiring workers to be flexible in the development and application of their skills.
- There are already challenges to recruitment in some areas, including engineering and management, which are expected to grow over time.
- Strong employment growth is forecast in elementary, caring and skilled construction occupations at a time when the resident occupation structure suggests representation of these categories will reduce.
- With limited numbers of people looking for work, the pool of unemployed focuses on people who can be more difficult to place (e.g. older workers and people with health issues) but can make a valuable contribution, subject to overcoming employer perceptions.
- Many of the challenges above mirror those being experienced across Lancashire and nationally meaning that the ability to draw in workers from adjoining areas is unlikely to be sufficient to address the challenges.

The Role of Transport and Housing in Workforce Development

4.3 The underlying issue of an ageing workforce requires a long term solution for both Chorley and Lancashire. Its importance is already reflected in local skills recruitment issues and a two way flow of commuters, as local employers draw their skilled labour force from a wider geography.

4.4 There are three elements to ensuring that Chorley has the workforce available to support company growth and new inward investment. These are:

- Encouraging employers to recruit locally wherever possible, particularly young people.
- Making Chorley more accessible by road and rail to allow companies to recruit over a wider geography where necessary.
- Increasing the working age population through new housing development.

4.5 In essence, investment in transport and housing will play an important role in supporting employment and economic growth in Chorley over the next ten and twenty years.

4.6 The development of a high level of housing completions over a sustained period will enable Chorley to increase its local workforce and encourage those already working locally as in commuters, to live locally.

[11] Due to data restrictions, a band of 15-64 is used as a proxy for change in working age population. Changes to the pension age will mean that more people will be expected to fall into the working age band over time.

Chorley Skills Priorities

4.7 Addressing these and wider challenges identified through the supply and demand side assignment results in the identification of a number of priorities to steer activity in Chorley. The key points identified are summarised below.

Build Understanding of Employer Skills Requirements

4.8 Whilst important work has been progressed, there is recognition that employer engagement needs to be maintained and built upon to inform an effective skills system. To underpin delivery of all of the priorities below, there is a need to understand skills needs arising from employment growth, replacement demand and changing working practices (for example driven by technological advancements) and align employer needs and skills provision/employee skills in order to underpin all other elements of the framework.

4.9 On the flip side, employers need to build a better understanding of current skills provision (through sources including colleges and private training providers and linked funding opportunities). This will allow gaps in provision to be identified and demand for new provision to be tested and scoped by providers.

Support Residents Respond to Changing Skills Needs

4.10 In the context of a changing economic structure and increasing skills needs across all sectors and occupations, Chorley residents need to continue to develop their skills and apply them to changing requirements. For many people, both within and out of work, this will be a daunting prospect which will require support from employers and support providers to allow people to fully engage in skills development and tailor their learning to current and emerging needs. Levels of both replacement demand and employment growth do however suggest that opportunities will be plentiful for those who are willing and able to adapt their skills.

Focus on Local Priority Sectors

4.11 Chorley has a number of sectoral strengths to build on with growth forecasts suggesting strong opportunities in professional, scientific and technical and health to build on existing assets. Approaches need to be developed in response to local drivers to ensure Chorley maintains its local advantages whilst also supporting growth in Lancashire's priority sectors where appropriate, for example to build on existing strengths in financial and professional services and health and social care, as well as a small presence but high proportionate representation in Lancashire's creative and digital sector.

Recognise Links to Surrounding Areas

4.12 Data and consultation findings demonstrate that Chorley is not a self-contained economy. Both in- and out-commuting support the economic success of Chorley's businesses and residents, providing access to a wide range of skills and employment opportunities, subject to effective transport links.

4.13 Chorley's location presents opportunities for the workforce to access employment elsewhere in Lancashire, Greater Manchester and Merseyside, providing wider opportunities for access to employment and progression. Geography also offers potential business/supply chain opportunities (e.g. to support construction in surrounding local authorities). In contrast, if Chorley wishes to increase the proportion of residents working in the borough, growth in higher level occupations will be required, based on current patterns of out-commuting.

4.14 Future opportunities include linking to skills and workforce supply initiatives for City Deal and the Lancashire Enterprise Zone during both construction and operational phases, allowing both Chorley's residents to gain knowledge of and access opportunities in surrounding areas and businesses to build supply chains. For example, the recently produced Skills and Employment Strategy and Implementation Plan for Preston, South Ribble and Lancashire City Deal identifies an average annual requirement for over 4,000 construction workers between 2014/15 and 2018/19 rising to 6,300 workers per annum during the second half of the programme.

4.15 Forecasts also suggest that the growing Greater Manchester (employment growth of 110,000 2014-24) and Liverpool City Region (target to close the 90,000 jobs deficit) markets will have high demand for people qualified to Level 4+ (a strength of Chorley's resident base) with recognised skills gaps including leadership and management skills (which a growing proportion of residents in manager and director occupations suggest that Chorley residents could help to fill).

4.16 In addition, there is potential to accommodate 20,000 jobs over 10 years on unlocked sites, including opportunities associated with reversing decline in the manufacturing sector (a gain of 1,500 jobs) and growing employment in the professional, scientific and technical sector (+3,600). Occupations forecast to experience the highest growth across all sectors are professional (3,600) and associate professional and technical (4,000) roles with evidence of rising demand for high level qualifications across the economy. Supporting Chorley residents and businesses to prepare for such opportunities will be a priority.

Support Private Sector Jobs Growth

4.17 Austerity measures and wider economic drivers are resulting in a re-balancing of employment from the public towards the private sector. Chorley already has a strong private sector employment base with recent growth marginally higher than the Lancashire average providing a base to build on. Chorley's strong rate of self-employment also demonstrates that enterprise will play an important role in supporting private sector jobs growth from the grass roots level.

4.18 Promoting the area as a strong location for new business investment (on the basis of factors including links to other economic centres, a skilled workforce, breadth of local skills provision, opportunities to use local supply chains) will play a further role in supporting this agenda, alongside growth of the existing business base.

4.19 The strengths of the Chorley offer has already been recognised by a number of incoming businesses in recent years, including Parcelforce and ServiceSport, as well as relocating businesses looking to grow their Chorley base, such as Utiligroup. Working with incoming businesses (as Chorley Council already has a track record of delivering) to understand workforce requirements and secure commitment to offering employment opportunities to local people during both construction (where appropriate) and operational phases will be important considerations.

Opportunities for Older Workers

4.20 In the context of an ageing workforce and the need to capture experience and skills within the workforce, older workers have an important role to play. This resource also provides the opportunity to support and train younger employees to address skills gaps.

4.21 Anecdotal evidence from JobCentre Plus suggests that employer interest in recruiting older workers in Chorley is growing, in recognition of the experience they offer and often the quality of customer service skills. In some instances (for example associated with the decline of the manufacturing industry) there are requirements for upskilling and retraining to allow older workers (as well those in younger age groups affected by redundancy) to meet employer skills needs. Challenging perceptions of people of all ages with health issues does however remain an issue. Ensuring that everyone can make a contribution will be important if Chorley is to deliver to its potential.

Equip Young People with the Skills Employers Need

4.22 Securing young people with the required attitudes and employability skills is a challenge across the UK. Part of the challenge is around increasing awareness of opportunities and employer expectations, in part due to limitations in the amount of resource that can be committed to information, advice and guidance. Word of mouth and the influence of friends and family can play a role in career decisions so all partners need to be alert to the reality of employment opportunities in Chorley at present and anticipated in future. Solutions may include the promotion of both vocational and academic training routes to access and progress in employment as well as greater opportunities to secure first hand work experience.

Think Chorley

4.23 A considerable number of people live in Chorley and work elsewhere. This is effectively a hidden pool of talent which could be recruited by local companies. Many commuters may prefer to work locally where possible, particularly where travel costs are high and/or where family commitments make local employment attractive.

4.24 There is a need to continue to work with local employers to find mechanisms for recruiting locally where possible, and to reduce high levels of dependence upon in-commuting. This is important for both private and public sector organisations (such as health services).

Encourage Employers to Invest in Skills Development

4.25 Attracting and retaining skilled and experienced staff is a challenge for many businesses. This includes the need to plan for the loss of workers as they approach retirement and how best to build skills within the existing workforce.

4.26 Many businesses are already building skills from within for entry level posts. This includes through the take up of Apprenticeships and internal training approaches. There are however perceived challenges, particularly to small businesses, of increasing training provision including that they will lose trained staff to other companies, they do not have strong relationships with training providers in order to identify appropriate provision and in some cases there is no dedicated HR function to commit time to the agenda and costs can be prohibitive.

Contribution to Lancashire's Strategic Priorities

4.27 The evidence base and the local priorities outlined above demonstrate a strong fit with strategic objectives at the Lancashire level. There are also a series of challenges that are common across Lancashire where interventions can more appropriately be developed, funded and delivered at that level with partners in Chorley to effectively position themselves for support.

4.28 The following high level opportunities for Chorley to respond to wider policy objectives and therefore position itself for support through Lancashire wide initiatives are evident:

Strategic Priority	Opportunity for Chorley
SEP	
Grow employment by 50,000	Forecasts suggest that Chorley will out-perform the Lancashire average making an important contribution to employment growth and strengthening the scale and breadth of the local economy
Expand employment in priority sectors	Chorley's existing employment structure and growth forecasts suggest that the area will have an important role to play in the ongoing development of the health and social care and financial and professional services sectors and, to a lesser extent, the creative and digital sector. Chorley Council services should complement Lancashire wide business support services to make support available to all businesses and secure inward investment to support Chorley to achieve its growth forecasts
Lancashire ESIF - ESF	
Delivering the skills for growth	Chorley already has a relatively high skilled population with strong school performance suggesting that the skills profile will continue to build, including to support the growth of the priority sectors
Supporting disadvantaged groups	Although disadvantaged groups are relatively small in number in Chorley, there remain opportunities to support those who are outside the labour force, including those who are distant from it, to engage and be accepted by employers in support of both inclusion and growth objectives

4.29 In addition, the Preston and South Ribble City Deal is based on a significant construction programme which will present employment opportunities for Chorley residents as well as business opportunities for Chorley's construction businesses and supply chains.

5 Skills Strategy and Actions

Strategic Objectives

5.1 Three strategic objectives have been identified to sit at the core of the Chorley Skills Framework. They have been identified to respond to both opportunities and challenges identified through the consultation programme and ensure that Chorley's residents and businesses are positioned to benefit from growth. In broad terms, the objectives reflect activity to be taken forward by a) businesses, b) residents and c) the public sector.

Strategic objective 1: Continue to build and develop effective working relationships between employers, training providers and other service providers to ensure a responsive skills system that recognises business requirements

Continuing to build relationships between core partners in delivery of the skills agenda will be important to realising Chorley's aspirations. This will include:

- Formalising arrangements for the consideration of skills issues in Chorley in a way that brings together a range of interests.
- Supporting businesses and training providers to work together to explore what works well and areas for improvement within the skills system.
- Building relationships between employers and schools to improve awareness of local employment opportunities, learning routes into employment and career progression opportunities beyond this.
- Ensuring that sector and Lancashire wide initiatives address the skills and recruitment challenges facing Chorley businesses and are effectively promoted and marketed to local companies.

Strategic objective 2: Ensure that Chorley residents of all ages have the skills and qualifications to access and progress in employment

In a changing and growing economy, it is important that Chorley's residents remain informed of skills requirements and can access the support they need to respond. Achieving this will require:

- Increasing awareness amongst all residents, including school students and adults, of the range of employment opportunities available in Chorley (by sector and occupation) to challenge outdated perceptions where necessary, and support appropriate skills development.
- Building on the skills of the current workforce to support workers to progress and new entrants to learn, particularly in areas of recruitment challenge and where there is an ageing workforce.
- Supporting those affected by redundancy and other barriers to employment to develop the skills needed for new employment opportunities, often in different sectors to where they have worked to date.

Strategic objective 3: Ensure local expenditure is used to support training, skills development and employment opportunities for local residents

A growing economy presents an important opportunity to place skills considerations and development at its core. A range of approaches should be taken to ensure that skills are incorporated in new investment proposals, through both areas within the Council's direct control and opportunities to inform private sector plans, including:

- Promoting and developing opportunities from Chorley Council and health service activities to secure employment and skills opportunities for local residents.
- Increasing the focus on employment and skills requirements through the planning system.
- Engaging incoming businesses to explore both the scale and breadth of their workforce requirements from an early stage.
- Providing the strategic context for employment and skills actions to be realised.

Action Plan

5.2 The actions overleaf recognise both Chorley specific opportunities and challenges and consider how the borough can align with wider skills actions, including those outlined in the recently produced Lancashire Skills and Employment Strategic Framework 2016-2021 (with references to actions included overleaf), Sector Skills Plans for Lancashire's priority sectors and the Employment and Skills Strategy for the adjoining Preston and South Ribble City Deal area.

5.3 In many instances, Chorley's skills ambitions will be secured through delivery of Lancashire wide initiatives. Positioning Chorley to be represented in programmes and negotiating for LEP wide initiatives to capture monitoring data by local authority (e.g. number of Chorley residents participating in Apprenticeships and the number of Chorley businesses offering them) will be important to secure change and allow progress to be monitored by the Chorley Skills Board.

Strategic Objective 1: Continue to build and develop effective working relationships between employers, training providers and other service providers to ensure a responsive skills system that recognises business requirement				
Action	**Lead Partner**	**Supporting Partners**	**Lancashire Skills and Employment Strategic Framework Fit**	**Timing**
Establish the Chorley Skills Board as soon as possible to provide local leadership in the skills agenda, cutting across the public and private sectors	Chorley Council Employment, Skills and Business Support Section	Representatives of local employers, training providers, schools, FE, HE	N/A	Year 1
Have an annual Chorley Skills Board meeting that looks back on achievements and forward to priorities for the coming year to ensure a strategic focus	Chorley Council Employment, Skills and Business Support Section	Local employers, training providers, schools, JobCentre Plus	FW3a	Year 2
Work with local training providers, including FE and HE, to shape the curriculum in response to growth/high replacement demand needs in: • Health and social care • Administrative and support roles • Professional, scientific and technical • Construction/engineering • Wholesale and retail	Chorley Council Employment, Skills and Business Support Section	Employers, training providers, FE colleges and HE providers	FW3a	Year 1
Through the scheduled business rates mail out, invite businesses of all sizes in Chorley to complete an online survey to set out their skills challenges as well as future employment opportunities	Chorley Council Employment, Skills and Business Support Section	N/A	N/A	Year 2
Ensure employers play an active role in future information, advice and guidance (IAG) activity – see IAG action under Strategic Objective 2	Chorley Council Employment, Skills and Business Support Section	Local employers, schools, FE providers	FW2b	Year 1
Identify an Ambassador for the Chorley Skills Board to link in to the Lancashire Skills Board	Chorley Skills Board	-	N/A	Year 1
Support HR and skills planning in Chorley based businesses (particularly micros) through business advisers (start up and existing) to: • identify skills and employment needs; and • effectively link to existing support services (e.g. Boost Your Business seminars) and training providers to support the delivery of skills plans	Chorley Council Employment, Skills and Business Support Section	Local employers, training providers, Lancashire Skills Hub	FW3a, 4a and 5a	Year 1

Strategic Objective 2: Ensure that Chorley residents of all ages have the skills and qualifications to access and progress in employment				
Action	**Lead Partner**	**Supporting Partners**	**Lancashire Skills and Employment Strategic Framework Fit**	**Timing**
Create a video and app that outlines Chorley's growth forecasts (and City Deal forecasts) by sector, occupation and skills level plus feedback from employers to support residents to position themselves for emerging employment opportunities, including reference to services available to support skills development. Material to be tailored for: • Young people • Older/retired workers • The unemployed/those facing barriers to work	Chorley Council Employment, Skills and Business Support Section	All partners to play a role in publicising/promotion, e.g. high schools, colleges, JobCentre Plus, training providers	N/A	Year 1
Ensure the Chorley Skills Board is represented on Lancashire-wide Sector Development Groups (particularly for health and social care and financial and professional services) and in the planning of ESF/wider investment priorities	Chorley Skills Board	Lancashire Skills Hub, Chorley Council Employment, Skills and Business Support Section	FW5a and SPW4a	Year 1
Establish a good practice model for careers information, advice and guidance (IAG), to include effective employer engagement by: • Mapping out current provision across secondary schools • Identifying good practice that can be built upon • Developing new activity to plug gaps (including through Chorley specific and Lancashire wide initiatives)	Chorley Council Employment, Skills and Business Support Section	Local secondary schools, employers, National Careers Service	FW2a and 2b	Year 1
Actively promote apprenticeships in administration, engineering, construction and financial and professional services linked subjects	Training providers	Chorley Council, local employers	SPW1a and 1b	Year 1
Continue the Employment Taskforce to respond to redundancy situations	Central Lancashire Employment Taskforce	Training providers, local employers	IW1b	Year 1
Build on Chorley Works and the Vulnerable Families Employment Scheme to support those with mental health barriers and ex-offenders to progress towards and access employment	Chorley Council Employment, Skills and Business Support Section	Training providers, JobCentre Plus	IW1d	Year 2
Prepare case studies and testimonials from Chorley businesses and individuals employed within these businesses in areas of recognised skills shortages (e.g. engineering) to raise awareness of opportunities and career development routes and thereby build knowledge and aspirations	Chorley Council Employment, Skills and Business Support Section	Local employers and employees	FW1a	Years 2 and 3

Strategic Objective 3: Ensure local expenditure is used to support training, skills development and employment opportunities for local residents				
Action	**Lead Partner**	**Supporting Partners**	**Lancashire Skills and Employment Strategic Framework Fit**	**Timing**
Monitor employment and skills achievements under the Council's social value policy	Chorley Council Procurement Team	Chorley Council Employment, Skills and Business Support Section	IW1e	Year 2
Discuss with NHS local services how recruitment policies could be adapted to increase local recruitment	Chorley Council Employment, Skills and Business Support Section	NHS	N/A	Year 2
Require developments approved through the planning system to prepare an Employment and Skills Plan as part of their Section 106 obligations to integrate skills in delivery and secure local benefits, with targets to be determined in accordance with agreed benchmark levels	Chorley Council Planning Team	Chorley Council Employment, Skills and Business Support Section, local training providers, developers	SPW1a	Years 2 and 3
Continue to promote the Chorley Employment Charter, work trials and sector based skills academies to boost local employment	Chorley Council Employment, Skills and Business Support Section (Chorley Employment Charter) and JobCentre Plus (work trials and academies)	Local employers, training providers	IW3a	Year 1
Revisit the Economic Development Strategy to support the attraction of businesses offering employment opportunities in occupations currently reporting high levels of out-commuting	Chorley Council Employment, Skills and Business Support Section	-	N/A	Year 2/3