



Skills Manifesto

Skills policy recommendations from
the wind and marine energy industries

The continued success of wind and marine energy is dependent on the sector's ability to attract skilled workers to resource existing and future projects. In 2013, research commissioned by RenewableUK and Energy & Utility Skills estimated that the sector directly employs around 18,500 full-time equivalent workers, with an additional 16,000 jobs supported indirectly. This is forecast to grow to up to 55,000 direct jobs and 50,000 indirect jobs by 2023. This threefold projected growth represents a huge opportunity to harness the enthusiasm that members of the public, and young people in particular, have for environmental issues and renewable energy.

To secure this opportunity, Government and industry must act to ensure that the employment needs of the sector are met effectively. The industry predicts a surge in demand for skilled workers over the coming years and governmental strategy requires coherent strengthening to address this challenge.

Government and industry must work together to develop a UK-based workforce or risk soaring recruitment and training costs resulting in increased cost to the consumer and a significant lost opportunity for UK plc at a time when the industry is seeking to reduce costs.

1 A long-term vision for the sector's deployment to incentivise growth

The industry's ability to invest in long-term strategic skills initiatives requires confidence in Government's commitment to the future of the sector.

Whilst the UK is a world leader in setting ambitious carbon reduction targets, we lack a clear post-2020 headline goal for renewable and low carbon technologies. The failure to include a decarbonisation target for 2030 in the Energy Bill is a missed opportunity to give the industry the confidence it needs to make the necessary investments in long-term solutions to skills shortages. Government uncertainty fosters doubt among investors, hindering research, development and expenditure on skills.

The industry needs firm commitment if it is to deliver the enormous economic and social benefits it is capable of. Many of the skills and training interventions needed, such as apprenticeships and outreach programmes, will require a substantial amount of incubation to deliver the right personnel at the right time. In short, the industry needs vision from Government, clear guidance, and support to provide confidence in investors to allow the UK to take advantage of the employment potential offered by renewable energy.

2

A national Government-led skills strategy

The Government should take a lead on skills initiatives by implementing a national, Government-led strategy to anticipate future requirements and opportunities rather than relying on a 'ready' workforce on demand. An underpinning national skills strategy is necessary for this.

Companies look to Government to provide strong leadership on energy policy, and on the skills agenda. The industry must guide the development of a national skills strategy as there are many areas on which companies have no control and multiple employer efforts can lead to fragmentation and duplication. Employer-led activity is not sufficient on its own as the majority of employers within the sector are not in a position to be able to consider long-term, strategic investment in skills for the benefit of the wider industry - research shows that more than 80% of employers in the wind and marine renewable energy sectors have fewer than 250 employees. In today's economic climate there is not the commercial capability to invest in training and development in skills unless there is a firm and tangible need within

the company and a clear and early return on investment. The industry therefore looks to Government to share responsibility to support growth to meet national goals and deliver a national skills strategy that can address the skills challenges faced. This should incorporate a strategy for careers advice to ensure awareness of the career opportunities across different sectors, including renewables, to meet the country's current and future skills needs.

A clear skills strategy would allow the Government to take a lead on the co-ordination of skills bodies to minimise duplication and ensure a clear message on skills. Support is needed through policy to connect all levels of the education system, skills development and beyond – only a coherent national strategy led by government can truly deliver this.

3

Funding centrally channelled to meet needs

The Government should ensure skills funding is co-ordinated, planned, and based on evidence of need to ensure transparency. Where bid-led funding is considered, decisions to award should be supported by evidence of overall industry need and should ensure minimum duplication while maximising opportunity to all organisations.

Whilst government financial support for skills is welcomed, the system of 'bidding' for tranches of funding requires significant employer resource to bid, with greater uncertainty of outcome, and risks awards being selected on presentation rather than merit alone. This risks funding being dominated by larger organisations more able to call on a wealth of resources for proposals. Instead, adequate funding should be made available on a planned and evidenced needs basis, so that long-term solutions emerge for the areas of the industry most in need, while minimising fragmentation and duplication of skills initiatives.

RenewableUK is supportive of the Employer Ownership of Skills Pilot as a welcome initiative for enabling employer input into skills development. However, Government should take leadership in providing planned and consistent funding to enable long-term commitment to skills development for the benefit of the industry. This should also be made available to skills bodies for their important work on the skills agenda, as outlined in the Government's Offshore Wind Industrial Strategy.

4

Encouraging study in key areas through financial incentives

A reduced fee structure and financial contribution to academic institutions in recognition of the increased costs involved in providing key courses. This would reflect UK skills demand to help incentivise course uptake and help develop a UK-based workforce. This will help to ensure specialist skills and capability in niche areas of development are in place to meet the UK's skills needs.

Current recruitment challenges indicate that there is a dearth of STEM (Science, Technology, Engineering, Maths) qualified technicians and graduates, as well as key engineering and project management candidates, resulting in increased recruitment activity and investment in internal development. This means businesses must place greater emphasis on the process of training new entrants, converting the skillsets of traditional engineering candidates to renewables, and converting onshore to offshore skillsets.

This ultimately leads to increased consumer costs. If we are to see the growth the industry has the potential to achieve, we need to have a ready pool of experts in fields as diverse as, for example, ecology, diving, and barge operation. The demand for these skillsets will never rival the demand for mechanical or electrical engineers. However, cumulatively they represent a critical mass of skills needs, significant enough to slow growth across the industry, a trend we are already seeing in some areas. A coordinated, strategic approach is needed to provide financial incentives for both students and academic institutions for the provision and take up of courses key for cross-sector growth, to ensure industry is not held up by lack of capability in crucial areas of development.

5

A flexible approach to visa restrictions

Where national shortages of skilled employees exist, UK employers need the flexibility to import labour.

Visa restrictions are preventing companies employing skilled workers and thereby hindering investment – other sectors are known to be experiencing the same problem. There is a need for recognition that imported labour will bring expertise and employers need the flexibility to be able to move their workforce from project to project. Government should continue to ensure work permits for non-EU nationals are not over-restricted to ease the flow of expertise from overseas.

Furthermore, greater consistency is needed across Shortage Occupation Lists to reflect broader skills needs and shortages in the growing renewables industry.

6

A consistent UK approach to funding

Funding for skills initiatives should be consistent across national borders.

The increasing autonomy of the devolved nations means skills funding is increasingly inconsistent and restricted by borders. Whilst this approach may work in industries with more traditional locational patterns, the renewables industry and its supply chain cuts across these borders.

This divided approach to skills funding is unnecessarily complicated in an already complex landscape. With funding scarce, particularly given current economic conditions, this approach can only lead to greater fragmentation, duplication of effort and ultimately acts as a barrier to productivity.

7

Attracting women into STEM subjects and careers

Perceptions of engineering and related STEM (Science, Technology, Engineering, Maths) subjects and career pathways need to be changed. Government and industry should work to attract women to the workforce for the continued success of the industry.

RenewableUK's Working for a Green Britain and Northern Ireland (2013-2023) report shows that 20% of the current UK wind and marine energy workforce are women. While this compares well to the proportion of women in other aligned industries such as oil and gas, we still have a long way to go in achieving workforce equality. Government and industry must work hard to celebrate excellence and achievement in women.

We need to inspire the next generation of women to study STEM subjects and take on those highly skilled roles to ensure that the industry can take advantage of the widest possible talent pool. We can do this by ensuring women's professional development is fully supported and by making sure women are encouraged to realise their potential as scientists, engineers and leaders.

8

Clarity on the wider anticipated skills supply

The Government should clarify and communicate future workforce resource to provide a picture of the wider cross-sector skills supply currently being nurtured.

As an industry we can provide projections for future workforce demand; however we are unable to measure the wider workforce potential that is being nurtured beyond the renewables industry. Without knowledge of the numbers currently being trained as mechanical engineers, for example, we have an incomplete visibility of supply impeding workforce planning and the formulation of skills strategy across the industry.

The Government should clarify and communicate workforce potential with data from the education sector, professional institutions, and Government departments, such as the Ministry of Defence, to provide a picture of the wider cross-sector skills supply currently being nurtured in both Further and Higher Education, and professional development, as well as those in aligned industries with specialist skillsets, such as the armed forces. With this, the industry would be able to target skills gaps based on knowledge of existing and future skills bases in other sectors, in order to make informed choices on skills needs for the industry.

RenewableUK's mission, and that of the industry, as represented by the RenewableUK Skills and Employment Strategy Group, is to ensure that a pool of skilled and experienced recruits for the wind, wave and tidal industries will be available to meet the sector's current and future employment needs.

The industry's collaborative response on the skills agenda demonstrates the strong sense of urgency towards addressing skills challenges. However, it is vital that there is full Government support in order to fully realise the skills agenda and meet the demand for skilled workers. We therefore make the following recommendations:

- 1** A long-term vision for the sector's deployment to incentivise growth
- 2** A national Government-led skills strategy
- 3** Funding centrally channelled to meet needs
- 4** Encouraging study in key areas through financial incentives
- 5** A flexible approach to visa restrictions
- 6** A consistent UK approach to funding
- 7** Attracting women into STEM subjects and careers
- 8** Clarity on the wider anticipated skills supply

RenewableUK

Our vision is for renewable energy to play a leading role in powering the UK. RenewableUK is the UK's leading renewable energy trade association, specialising in onshore wind, offshore wind, and wave & tidal energy. Formed in 1978, we have a large established corporate membership, ranging from small independent companies to large international corporations and manufacturers. Acting as a central point of information and a united, representative voice for our membership, we conduct research, find solutions, organise events, facilitate business development, advocate and promote wind and marine renewables to government, industry, the media and the public.

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Our Work on Skills

The RenewableUK Skills and Employment Strategy Group aims to identify and address issues on the skills agenda, providing the means for a collaborative and concerted skills strategy for the industry and providing direct input into RenewableUK's policy work. Membership of the group includes industry employers, academia, training providers, and recruitment specialists.

RenewableUK's work on the skills agenda includes:

- Skills and Employment Strategy Group (SESG)
- Renewables Training Network (RTN)
- Working for a Green Britain and Northern Ireland employment research
- Human Resources Network
- Renewables Sector Salary Survey
- Job/course listings and careers information
- Annual RenewableUK Careers Fair
- Educational resources

Information about our skills and employment activities can be found online at: www.renewableuk.com/en/our-work/skills-and-employment/