



Merseyside Maritime Workforce Development Plan

Final Plan

July 2005

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Foreword

To be written by the Chair of Mersey Maritime

1 Summary

1.1 Introduction

The maritime sector on Greater Merseyside is estimated to contribute as much as £2 billion per year to the economy. According to research undertaken by the Mersey Partnership in February 2005, there are now 920 maritime related companies employing 14,000 people in the Greater Merseyside area.

Port activity is buoyant, maritime commerce is growing, and the sector's base in physical trade makes it a robust economic prospect for the future. The maritime sector in Merseyside is deep with tremendous potential to deepen.

Recent growth places greater emphasis on the need for a suitably trained and available workforce. A survey of companies revealed that nearly a third currently have positions that are difficult to recruit. The main recruitment issue for the future is gaining the individuals with the right skills and experience. Nearly half the companies surveyed anticipate the number of vacancies will increase over the next five years.

The main impact of skill shortages on businesses is less growth. Strong leadership and robust partnerships are needed to prevent skills shortages constraining growth, therefore three core objectives underpin this plan:

- ❖ Develop skills in the current workforce.
- ❖ Invest in the future workforce.
- ❖ Work in partnership.

1.2 Develop Skills in the Current Workforce

1. Leadership: This is the communication of values and priorities. Awareness of the training needs of the workforce must be communicated and highlighted. There is also need to champion the maritime sector, and its various component parts, to outside audiences. Champions should stand in the vanguard of their sectors - effective communicators and exemplars who can get the message across about skills, training and other issues. The following actions will facilitate leadership development:

- ❖ Formulate a central message and agree its means of communication.
- ❖ Identify activities in other stakeholders that can be harnessed to an overall leadership strategy.
- ❖ Identify and recruit senior figures to champion their own sub-sector.

2. Management: A key factor for the success of any organisation, from company to cluster, is the quality of its management. There are three significant areas of training need:

- ❖ People management skills.
- ❖ Project management skills.
- ❖ Financial appraisal skills.

Management training provides the manager with the ability to anticipate and deal effectively with the changing business environment and to promote growth and profitability. Providing this requires planning and commitment.

A major issue is that the maritime industries have traditionally given greater weight to professional competence and experience rather than management capabilities in themselves. There is little evidence of any long term planning for management training. Management training often takes third place in the order of priority if it features at all.

Key actions to facilitate improvements are:

- ❖ Address perceptions about management training. Good management is the only path to sustaining and growing the maritime sector in Greater Merseyside.
- ❖ Improve provision of management training by tailoring existing provision to be more sector specific.
- ❖ Improve the means of delivering management training through the use of flexible learning and similar techniques.

3. Technical / Occupational Skills: The maritime sector requires a broad range of skills at the technical and occupational level:

- ❖ For **maritime commerce** skills, a combination of new technology and cost pressures means that opportunities to undertake traditional learning roles at sea or on shore are much reduced. Skill shortages are inhibiting the growth of the sector.
- ❖ With **seafarer** skills, there is a national shortage of Ships' Officers. In response to local shortages of Ratings, local training provision, which has been approved by the MCA, has been set up and performs a vital role in supplying shipping companies with suitably qualified staff.
- ❖ The **cargo handling** role is critical and has a major impact on both upstream and downstream operations. Stevedoring employers have in many cases been relying on legacy skills acquired by their workforce prior to 1989. The response of some larger stevedoring employers has been to set up in-house training programmes. Employers see the need for effective supervision of cargo operations as a high priority.
- ❖ In **marine engineering**, there are shortages of shipwrights, pipe fitters trained to marine engineering standards, marine electricians and coded welders (i.e. trained to the standards of the Ship Classification Societies),

riggers and aluminium workers. Niche firms have a number of specialist training requirements that they find difficult to meet. The shortage of these skills poses a threat to the industry. It is made up of a large number of small specialist contractors rather than the integrated undertakings that existed before, and few if any are large enough to support apprenticeship schemes.

In both marine engineering and maritime commerce, employers are wishing to set up apprenticeship programmes, but consider that they can only do so with public support.

Technical / occupational training requires active and continuing institutional support. Key actions are:

- ❖ Establishing a Further Education based programme.
- ❖ Give special support to training for seafarer skills and cargo handling skills.
- ❖ Consider alternative approaches to the establishment of marine engineering apprenticeship places, possibly through a consortium of firms or partnership arrangements.
- ❖ Develop initiatives to facilitate release of staff from small companies for training.
- ❖ Develop outreach initiatives to take information on training into the workplace.

4. Core Skills: Firms across the sector have serious concerns about the quality of literacy, numeracy and communication skills. Shortcomings in core skills have caused a variety of problems. Values and attitudes of younger employees are also a subject of comment by employers. There is an unwillingness to travel away from the area or even any distance within Greater Merseyside. Key actions to address these issues are:

- ❖ Reiterate the issues to education authorities.
- ❖ The problem of core skills requires a joint approach and employers should consider the range of training solutions.
- ❖ There is scope for the development of sector-specific core skills training.
- ❖ Improve public understanding of the way the industry works and its impact on the local economy.

1.3 Invest in the Future Workforce

There are three sub-objectives that are designed to support this:

- ❖ **Promote careers and jobs in maritime** on Merseyside by improving perceptions of the maritime industry nationally, improving the perceptions of Merseyside's maritime industry within the national industry, and convincing people in Merseyside and its environs that the maritime sector is interesting and offers good jobs and careers.

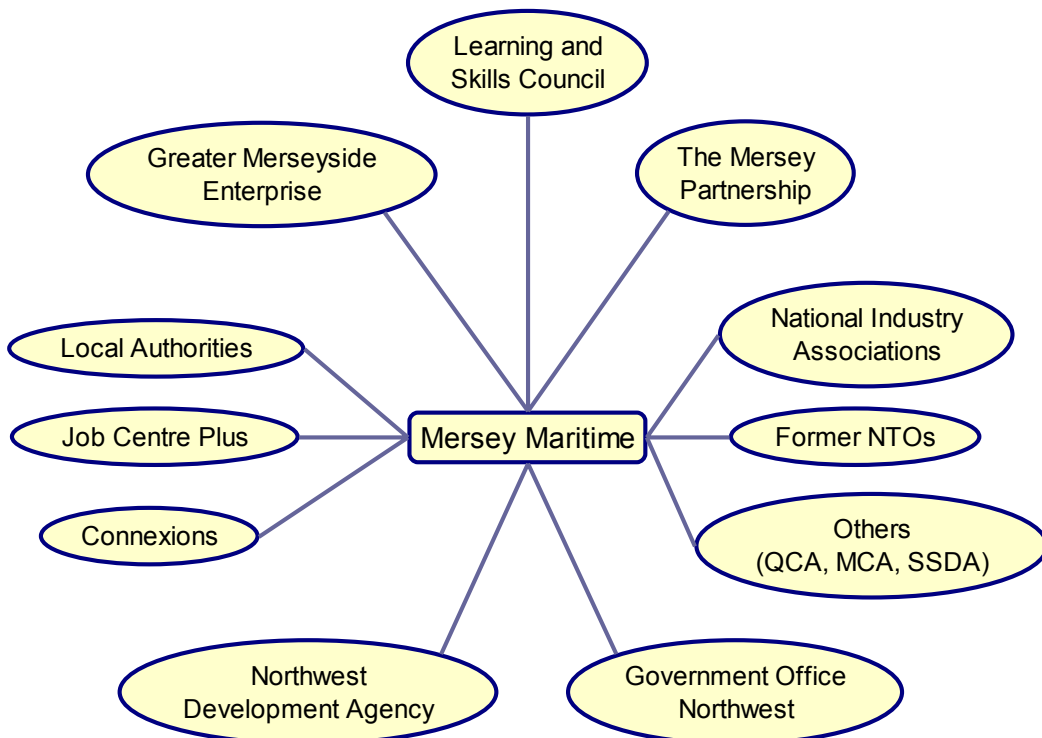
- ❖ **Attract bright young people** into the industry through various initiatives aimed at working maritime into the schools curriculum, getting young people working in the industry into schools to offer role models, encouraging businesses to engage with schools, and encouraging teachers to engage with the industry.
- ❖ **Improve access to training** by targeting the barriers that are particularly influential with small enterprises.

1.4 Work with Partners

An organisation must be charged with implementing the plan and accept ownership of it. It will need to be very skilled at partnership working with other stakeholders. Some survey respondents suggested the usefulness of a recruitment agency specific to the maritime sector.

Mersey Maritime is possibly in a unique position in that it has the franchise, the industry links, the will, and could develop the capability to take on the maritime skills agenda. Mersey Maritime could develop as the main strategic enabler or broker for addressing skills issues. The key stakeholders that it would have to engage with are illustrated below.

Mersey Maritime would need to identify specific priorities to achieve in its relationships with each of these.



2 Introduction

The Learning and Skills Council for Greater Merseyside is working in partnership with Mersey Maritime to address skills needs for the maritime sector on Greater Merseyside. They appointed Fisher Associates, working in association with Ci Research, to prepare a Workforce Development Plan (WDP) to facilitate this.

The plan is intended to provide direction for who could do what and how over the short to medium term. It is not prescriptive. It sets out issues so that actions can be jointly developed between the stakeholders.

It has been prepared on the basis of a programme of work that included:

- ❖ Baseline assessment of issues based on existing information.¹
- ❖ Market research in the form of workshops, face-to-face interviews, and telephone interviews.²
- ❖ Interaction and discussion with the client group.

After setting the scene in the following section, the plan is structured around three fundamental objectives:

- ❖ **Develop skills in the current workforce.**
- ❖ **Invest in the future workforce.**
- ❖ **Work in partnership.**

This is a doing document, and the plan proposes many issues for action which will support these objectives.

We gratefully acknowledge the participation of some 120 businesses and the client team for their support in preparation of the plan.

¹ Available as a separate report.

² A separate report summarising the findings of 95 telephone interviews is also available.

3 Maritime on Merseyside

3.1 Introduction

The Mersey Ports comprise one of the UK's largest port conurbations, and are characterised by the presence of a full range of maritime companies. In addition to ports, shipping and marine engineering businesses, sector related activity also includes logistics and distribution, haulage, professional services, and education and training.

The maritime sector on Greater Merseyside is estimated to contribute as much as £2 billion per year to the economy. Port activity is buoyant, maritime commerce is growing, and the sector's base in physical trade makes it a robust economic prospect for the future.

3.2 Employment, Skills and Training

According to research undertaken by the Mersey Partnership in February 2005 there are now 920 companies employing 14,000 people in the Greater Merseyside area. The port and related sector makes a significant contribution to employment in Greater Merseyside.

The LSC Merseyside area is reported by StAR to dominate port sector employment in the Northwest by employing the largest proportion of employees regionally within each sub-sector, and accounting for 62% of all employment in the sector in the Northwest.

With reference to standard categories of employment, the main occupations in the sector include Ships' Officers, Seafarers, Transport and Distribution Clerks, Stevedores, Dockers and Slingers, Metal Working Production, Maintenance Fitting, Electricians and Electrical Fitters.

Recent growth places greater emphasis on the need for a suitably trained and available workforce. Lack of a skilled workforce is seen industry-wide as the greatest barrier to productivity. The average age of the workforce is also seen as worryingly high in port and maritime related occupations, and there is a concern that this could lead to skill shortages in the future.

We conducted a telephone survey that attracted the participation of 95 companies to assess skills and training issues. The key findings of this were:

- ❖ Nearly a third (32%) currently have positions that are difficult to recruit, the main reason being a low number of applicants with the required skills, and a low number of applicants in general. Other main reasons include not having enough people interested in the type of job and a lack of qualifications. The

main recruitment issue for the future is gaining the individuals with the right skills and experience.

- ❖ The main skills lacking in potential employees are technical / practical skills, communication skills, general IT skills and customer handling skills. The main impact on the business of skill shortages is considered to be under staffing and less business growth. Companies anticipate that hard to fill positions in the future will continue to be mainly technical.
- ❖ Nearly half the companies anticipate the number of vacancies will increase over the next five years.
- ❖ Around half (56%) try to meet learning and training needs of their workforce by in house training, and 45% try to meet these needs through external training courses. Just under half (49%) have received funding / subsidised support for training, from various government sources. The majority (87%) have found such organisations effective, with many commenting on the high level of support such organisations have given their business. When asked what other support they would have found useful, some respondents suggested the possibility of a recruitment agency specific to the maritime sector.
- ❖ Over three quarters (79%) have arranged training for their employees in the last 12 months. Such training was mainly for managers, administration, skilled trade and professional occupations. The majority have used external organisations to help train staff (89%), most of these being mainly private training providers. Just under a third (32%) collaborate with other companies to provide training for their employees.

3.3 Prospects

Maritime is a growth sector worldwide, and this is certainly the case in Greater Merseyside. After record-breaking tonnages in recent years, two significant international shipping companies have also relocated to the area, and increased their workforce with the result that 300 new jobs were created. The maritime sector in Merseyside is deep with tremendous potential to deepen:

- ❖ **In port services:** Facilities on the river and in the docks host a significant portion of the UK's trade with Ireland, North America and West Africa. Increases in world trade, driven largely by growth in China, mean that there is a growing market. Worldwide port traffic is currently growing at twice the rate of world GDP. There is potential for expansion of most facilities in the coming years, with unitised volumes likely to double every 10 to 15 years.

UK factors such as port congestion in the south, road congestion and anticipated road pricing, and regulatory constraints such as on drivers' hours, mean that there is potential for Mersey Ports to gain national market share. The policy environment is highly supportive, with the Northern Way proposing an increase in market share of northern ports.

- ❖ **In logistics:** The dock estates and the areas that back on to these host numerous businesses that “hang off the back of” the port environment. These are engaged in a wide range of logistics activities for all manner of goods such as bulk chemicals and foodstuffs, forest products, cars, clothing, consumer goods etc. Increasing capture of value added logistics services in respect of the cargoes already handled is an opportunity.
- ❖ **In marine engineering:** Shiprepair and conversion is alive and well with a strong tier of supporting contractors and suppliers. The market for this will grow in line with that for port services.
- ❖ **In maritime services:** It is little realised that Liverpool remains a centre for maritime commerce with significant potential to grow. Shipping companies, shipping agents, maritime lawyers and other sectors are vibrant and have yielded inward investment in the last couple of years. Cost pressures affecting other centres for maritime commerce create opportunities due to the lower cost base in Liverpool.
- ❖ **In marine leisure:** The Northwest attracts a tiny share of national activity. The formation of Sail NW gives a regional context that offers the prospect for Merseyside to expand its presence significantly.
- ❖ **In cruise:** The new terminal for the city centre has been many years coming, but is close to being reality. This will have a catalytic effect on the Irish Sea Cruise Ground as a whole. Its influence will extend back into the City’s hospitality sector, and the ships that will certainly use it will become an iconic symbol of the city’s maritime vibrancy.

Other factors support growth potential of maritime in Greater Merseyside:

- ❖ Support for the sector by the regional / local public sector helps co-ordination at a strategic level, improving the holistic competitiveness of the sector.
- ❖ The build up to Liverpool European Capital of Culture 2008 is placing Liverpool in a positive light, and reinforcing renaissance of the city.

This potential can only be grasped if there is a sufficiently skilled workforce. The importance of this is evidenced by specific targeting of skills issues in the maritime sector elsewhere, for example in Humberside and the Haven Ports. Thus skills issues are being revisited in the light of changing circumstances:

- ❖ Employer demand is shaped by developing training needs, which are based around new technologies, business models and changes in social values.
- ❖ Provision has been affected by, amongst other things, failure to keep pace with change in the business world, and factors such as poor incentives for trainers leading to a shortage of instructors.

It is vital that the skills agenda for the maritime sector in Merseyside is addressed with renewed vigour and rigour. **Strong leadership and robust partnerships are needed to prevent skills shortages constraining growth.**

4 Develop Skills in the Current Workforce

4.1 Leadership

4.1.1 Needs

Leadership is the communication of values and priorities. Its purpose is to give impetus and direction toward desired goals and outcomes. It is an essential component of managing change and introducing new thinking.

The interview programme revealed that there is no common awareness of either training needs or the provision and support that can meet these needs. The result is that there are isolated pockets of good practice interspersed with companies that know what should be done but are unaware of the resources available to them, and those that simply seek to poach the skills they need from other employers.

The training and development requirements of the workforce need to be communicated and highlighted in order to promote awareness of their benefits to the sector. At present this role is undertaken by Mersey Maritime as the representative body for the whole sector, which has taken the lead with initiatives such as an Apprenticeship Scheme in International Trade and Logistics. However, the sector is large and diverse and therefore presents the problem of providing sufficient focus on the needs of each component part without diluting the message.

This is evidenced by the fact that despite the activities of Mersey Maritime there is still a widespread lack of awareness in individual companies of the training support that is available and the benefits it can bring. There is also little evidence of cohesion in most sub-sectors or of an awareness of the common issues that need to be addressed, apart from a general appreciation of the need to raise the profile of the sector as a whole.

In addition to the need to communicate awareness within the sector, there is also the **need to champion the maritime sector, and its various component parts, to outside audiences.** The strongest common theme identified in the research has been the poor public perception, or lack of perception at all, of Greater Merseyside's maritime sector. This poor profile has two negative effects on the sector:

- ❖ It does not present an attractive career option, particularly for school leavers.
- ❖ It does not engender a sense of purposefulness and direction.

The need is for sector champions who can articulate and communicate the value and importance of the maritime industries for Greater Merseyside.

Apart from the example of Mersey Maritime, a model that can serve as a platform to promote maritime awareness is the Liverpool branch of the Institute of Chartered Shipbrokers. This brings together shipping professionals from a range of maritime services companies and is actively engaged in the promotion of standards of service to shipping and the provision of training and education. It has a message to communicate.

Other organisations and professional bodies with similar concerns for standards are active in the locale, and together could represent an organisational infrastructure that could be developed into sector champions. This would require formulation of a coherent strategy and messages to be communicated both within the maritime sector and to the broader public.

Leadership is not however an institutional response; it requires effective communicators and exemplars to get the message across. This is a role best undertaken by senior figures in the industry that command respect and give their personal weight to issues and priorities for the sector.

4.1.2 Issues for Action

The maritime sector in Greater Merseyside is diverse and active, with differing although inter-related issues pursued by its component sub-sectors. Getting concerted action from such disparate constituents requires careful planning and considerable effort, but can produce very positive rewards. A leadership strategy presents the potential to develop and communicate a coherent message and, more importantly, get people to hear that message and change their actions accordingly. **The following points can be considered in respect of a leadership strategy for the maritime sector:**

- ❖ Formulate a central message and agree its means of communication in terms of both “who” and “how”.
- ❖ Categorise the sector in terms of its major components that would each benefit from a single voice, e.g.
 - ❖ Shipping and shipping services
 - ❖ Ports and port services
 - ❖ Marine engineering, including shipbuilding and shiprepair
 - ❖ Warehousing and logistics
 - ❖ Professional services
- ❖ Examine the trade and professional bodies active in Greater Merseyside to identify activities that can be harnessed to an overall leadership strategy.
- ❖ Identify and recruit senior figures who can champion their own particular sub-sector and communicate with those within it.
- ❖ Provide continuing support for these champions.

4.2 Management

4.2.1 Needs

A key factor for the success of any organisation, from company to cluster, is the quality of its management. Management skills are essential in order to deploy staff and resources to best effect to meet client needs in a complex and competitive environment. The prime indicators of skills gaps in management are a high staff turnover and the inability to service the specialised requirements of customers, both of which have been evident in the Greater Merseyside maritime sector.

The interview programme highlighted three significant areas of training need:

- ❖ People management skills.
- ❖ Project management skills.
- ❖ Financial appraisal skills.

Some of these training needs were being addressed through the use of tailored training programmes in larger companies or by means of sponsored education. **People management** skills were seen as particularly important in the shipping services sector, where some companies had experienced an annual staff turnover rate approaching 40%, and the training priorities had been in respect of communications, supervisory skills and employment related procedures, particularly in the light of the amount of employment law that now applies in the workplace.

Project management was seen as a major training priority in shiprepair and related activities, where it was noted that there was a paucity of relevant training programmes for that industrial sector. There was evidence that the inability to find relevant training resulted in no training being undertaken, with adverse consequences on the business. Others had found a solution in sponsorship for a qualification in Business Studies, which, while this suited those concerned, is not necessarily appropriate in all cases.

The need for **financial appraisal** skills was seen as a priority in the more capital-intensive parts of the sector, particularly in port and terminal operations. The training emphasis here was in respect of financial appreciation rather than the financial skills themselves and reflected the change in the business from the previous focus on operations to the present focus on profit.

It is interesting that skills in strategy and marketing did not feature as major issues.

While respondents to the telephone questionnaire indicated that managers were the most frequent recipients of training, there was **no evidence from the interview programme of any long term planning for management training** to develop the range of competencies required for effective management. Training was seen as a solution to an immediate problem rather than a continuing process with the aim of improving overall company performance.

A major issue is that the maritime industries have traditionally given greater weight to professional competence and experience rather than management capabilities in themselves. This culture derives from the complexity of the sector with its wide variety of operational and intermediary activities. Also relevant is the fact that shipping is a regulated activity with strict requirements for staff to be appropriately certificated. These certificates, particularly that of Master Mariner, have been accepted and are sought after by many of the businesses in the broader maritime sector and the assumption has been that competency in seamanship includes competency in management, which is not necessarily the case. This culture is further reinforced by the safety requirements associated with shipping and cargo operations, which themselves have a heavy training overhead. As a result, **management training more often than not takes third place in the order of priority if it features at all.**

4.2.2 Issues for Action

Management training has two main functions:

- ❖ It is used to address the shortcomings with a particular manager or within an organisation.
- ❖ It provides the manager with the ability to anticipate and deal effectively with the changing business environment and to promote growth and profitability.

The first, which is essentially remedial training, is more easily identified, while **the second requires more planning and commitment but can yield greater rewards.** It is therefore necessary to consider the perception of as well as the provision of management training, and the following points are for consideration:

- ❖ **The perception of the requirement for management training:** As discussed earlier, management training often takes a lower priority than professional and safety training and as a consequence is undervalued. **Good management is however the only path to sustaining and growing the maritime sector in Greater Merseyside.** This becomes a leadership issue and should be considered as part of the message that sector champions and others should put across.
- ❖ **The provision of management training:** Liverpool and the surrounding area are well served with management courses, particularly in generic form, and has the capacity to develop tailored training if required. The presence of three

Universities and an active FE sector are distinct assets. But the question has to be asked as to whether the current provision is best suited to the needs of the maritime sector and whether more sector-specific training should be offered. **There are advantages in sector-specific training.** It can allow greater mobility within the sector and that it can be seen as more relevant, and therefore more attractive, to participants and can lead to a greater uptake of training.

- ❖ **The means of delivering management training:** This is an issue in all sectors, but is of particular relevance to the maritime sector given the requirement for extensive unsocial hours working and levels of business activity that can fluctuate with little warning. Patterns of work in the maritime sector are greatly influenced by factors such as tides, weather conditions and irregular cargo flows and can disrupt training that is attendance-based or otherwise regularly scheduled. To overcome these problems **the use of flexible learning and similar techniques should be considered.**

4.3 Technical / Occupational Skills

4.3.1 Needs

The maritime sector requires a broad range of skills at the technical and occupational level that can be generally categorised as:

- ❖ Maritime commerce intermediary skills (ships' agency, freight forwarding).
- ❖ Seafarer skills (ships' officers and ratings).
- ❖ Cargo operating skills (stevedoring, warehousing).
- ❖ Marine engineering skills (shipwrights, fabricators, riggers etc).

This is not exhaustive but does represent the main operating skills of the major component parts of the sector. Each is subject to separate constraints in their availability.

Maritime commerce intermediary skills provide the linkages between the various stages of the logistics chain in the transit of goods from the shipper to the consignee, which will include land transport, storage and distribution, as well as deep sea and short sea shipping. At a professional level these skills are defined by the standards of bodies such as the Institute of Chartered Shipbrokers and the Chartered Institute of Logistics and Transport but at a more general level they were traditionally learned by experience in offices that had junior positions from which staff could progress through the ranks.

A combination of new technology and cost pressures means that opportunities to undertake these roles are much reduced, depriving new entrants to the sector the chance to learn the fundamentals of their trade. This lack of training has caused important skill shortages in recent times as maritime commerce has expanded in Greater Merseyside.

The cost to companies of these skill shortages has in cases been significant and includes increased hiring costs as employers compete for scarce resources and, more significantly, the cost of errors by inexperienced staff. Larger, and some smaller, employers have addressed the problem by introducing training programmes in recent months, either based on mentoring coupled with careful job design or apprenticeship programmes leading to NVQs in International Trade and Logistics. However, these are in the minority and a large number of employers are still attempting to solve their problems by poaching from other employers. This **skill shortage is inhibiting the growth of the sector.**

The standards for **seafarer skills** are set by the Maritime and Coastguard Agency (MCA) and conform to international conventions. All seafarers serving on vessels are obliged to have appropriate and current certification as a legal requirement. **There is a national shortage of Ships' Officers**, to which Liverpool is not immune, and the Pilotage Service increasingly has to recruit from outside the area. The supply of ships' ratings is more a local consideration and there have been particular shortages of properly certificated ratings until recently, and their availability is critical to shipping operations; without a full complement of certificated crew a vessel simply cannot sail. **In response to shortages of ratings, local training provision, which has been approved by the MCA, has been set up and performs a vital role in supplying shipping companies with suitably qualified staff.** This training has the support of public funding which is essential for its continued operation.

The skills standards for **cargo operations**, principally stevedoring and warehousing, are represented by NVQs for the respective occupations, but the problems for these occupations are not in respect of standards but in respect of local training provision, particularly with regard to stevedoring.

Until 1989 stevedoring training was provided by the National Dock Labour Board as part of its regulatory function, but since it was wound up in that year the provision of training has been undertaken by those few companies prepared to supply it, none of which are based in Liverpool. **Stevedoring employers have in many cases been relying on legacy skills acquired by their workforce prior to 1989**, which are now being lost to the industry as these people retire.

The response of some larger stevedoring employers has been to set up in-house training programmes to equip new entrants with the required competencies. This training is available to third parties. While these programmes satisfy Health and Safety and Cargo Care requirements, they fall short of the standards set for a Stevedoring Apprenticeship Scheme.

Other employers, not large enough to support an internal training function, have bought in training from elsewhere in the UK. The numbers involved are significant but not large, as cargo handling technology allows considerable tonnages to be handled by a small number of operatives. **The cargo handling role is however critical and has a major impact on both upstream and downstream operations.**

In-house stevedoring training has had public funding support, although this was suspended for a period this year, while bought-in training has not been supported in this manner.

A related training issue concerns stevedoring supervisors, for which national standards are being developed and are expected to be in place this year. The need for effective supervision of cargo operations is seen by employers as a high priority and a local proposal was developed in 2004 to provide training for supervisors, but could not be progressed as public funding could not be obtained before occupational standards had been established.

Marine engineering encompasses a number of specialist occupations required for both shipbuilding and shiprepair. Marine engineering in Liverpool suffers from intense competition, particularly from Eastern Europe, and operates on very tight margins. It also suffers from the legacy of the cessation of shipbuilding in Liverpool. The shipbuilding industry had supported apprenticeship schemes that trained sufficient numbers of craft workers to meet the industry's needs. These schemes collapsed with the decline of the industry and have not been replaced and there are now shortages of shipwrights, pipe fitters trained to marine engineering standards, marine electricians and coded welders (i.e. trained to the standards of the Ship Classification Societies), riggers and aluminium workers. The shortage of these skills poses a threat to the future of the industry in Liverpool.

The employers are very aware of this problem, but are not in a position to re-establish apprenticeship schemes. This is due to the fact that the industry is made up of a large number of small specialist contractors rather than the integrated undertakings that existed before, and few if any are large enough to support an apprenticeship scheme.

Moreover, shiprepair and to some extent ship conversion have replaced shipbuilding as the main marine engineering activity. This experiences wider fluctuations in demand, presenting problems in providing the necessary continuity and range of work experience for trainees or apprentices. Nonetheless employers do put effort into maintaining skills standards but find that this fluctuating demand can frustrate training activities when delegates have to be withdrawn at short notice from courses for operational reasons. This is a problem for many small firms elsewhere in the maritime sector and is not confined to marine engineering.

The marine engineering sector extends from shipbuilding and shiprepair to include a large number of niche and specialist firms such as building pollution control vessels and fitting out passenger accommodation. These niche firms have a number of specialist training requirements, such as training to meet US standards for passenger vessels operating in US waters, which they find difficult to meet.

In both marine engineering and maritime commerce, employers are wishing to set up apprenticeship programmes, but consider that they can only do so with public support.

4.3.2 Issues for Action

There has been useful progress in recent months in technical and vocational training for the maritime sector workforce, although training in craft skills in marine engineering remains a major cause for concern. The training initiatives established so far, particularly for seafarer and cargo handling skills, rely on support from public funds and are vulnerable to any changes in the funding regime.

It is evident that [training at this level across the sector requires active and continuing institutional support](#) and the following issues can be considered in respect of that support:

- ❖ In order to meet the need to supply maritime commerce skills to the sector, there is scope to consider [establishing a Further Education based programme](#) in addition to the work based programmes that are already running. This could be a means of supplying skills to small firms otherwise unable to carry a training overhead and also help meet the demand of the sector. Such a course should have a significant work experience content to further equip students for employment, and there are indications that employers would be willing to take on students for work experience.
- ❖ [Training for seafarer skills and cargo handling skills needs special support](#) given that, while the overall numbers involved are not large, these activities are essential to the sustainability of the whole maritime sector. Both occupations are in businesses that have tight profit margins and unsocial working hours, presenting both financial and management problems for employers in providing training. A consistent policy of public support is required to ensure that training provision can be maintained.
- ❖ Marine engineering has requirements for craft and related skills but no longer has the capacity to operate apprentice training schemes. This requires the [consideration of alternative approaches to the establishment of apprenticeship places, possibly through a consortium of firms or partnership arrangements](#). There would be a necessary requirement for public sector support, or at least direction, to sustain any programme.
- ❖ A significant number of firms, particularly small enterprises, have difficulties in releasing staff for training due to the costs of lost working time or the need to meet customer requirements or both. This represents a vicious circle that impedes the development of small firms in that without the training they have difficulty growing to the size when they could more easily release staff for training. [External initiatives should be developed to facilitate release of staff](#).
- ❖ It is apparent that there are many firms that are not aware of the training provision and training support that is available in Greater Merseyside, or of the benefits that they can gain from training their workforce. This issue could be addressed through [outreach initiatives](#), which would take the information into the workplace. This process would also identify training needs that are not being volunteered by employers at present.

4.4 Core Skills

4.4.1 Needs

The core skills required for the maritime sector are numeracy, literacy, communication skills, basic knowledge of business processes, IT capability and attitudinal behaviour, i.e. the values that are brought to the workplace.

The school education system should provide numeracy, literacy, communication and IT capabilities. Knowledge of business processes should be acquired in the early stages of employment. Attitudinal behaviour, which includes motivation, attention to detail and application to the task, is the most difficult to measure and to change. It is however one of the key qualities required of employees.

Firms across the sector have serious concerns about the quality of the literacy, numeracy and communication skills and are critical of the levels of these skills that school leavers possess. Those companies that have operations elsewhere in the UK and the Republic of Ireland have commented that the level of basic skills is lower in the Liverpool area than elsewhere, although salary costs are also lower.

The shortcomings in core skills have caused a variety of problems, including incomplete records of transactions, missing links in audit trails, the wrong calculation of rates and charges and loss of customer confidence. There was little criticism of the IT capabilities of school leavers, although more mature employees had problems in this area.

The employer response to these problems has included training programmes in office procedures and communications, induction training and mentoring programmes for younger staff and the provision of IT training for more mature staff. The availability of suitable IT training in Greater Merseyside was seen as satisfactory.

The values and attitudes of younger employees was also a subject of comment by employers. The issues cited included attention to detail, absenteeism and what was described as "work ethic". The main response by employers was close supervision and a strict approach to timekeeping, with larger employers using induction training to communicate the standards expected from young employees. Both approaches proved effective.

Employers also cited an unwillingness to travel away from the area or even any distance within Greater Merseyside. This latter issue was put down to regional cultural factors. Some positive attributes were also ascribed to regional cultural factors, such as customer friendliness and, importantly, an ability to close deals with clients on advantageous terms.

4.4.2 Issues for Action

Core skills fall into two broad categories; those that should be provided by the school education system and those that need to be put in place by the employer at an early stage in employment. In Greater Merseyside the employers are critical, with apparent justification, of the quality of school education and [this issue must be reiterated to the education authorities](#).

However, [the problem of core skills requires a joint approach and employers should consider the range of training solutions](#), in the form of induction training and core skills programmes, as well as fostering relations with local schools and colleges.

As the problem of core skills is common across the maritime sector, [there is scope for the development of sector-specific core skills training](#), based on the identification of best practice, which can also incorporate induction training for the maritime industries. This can serve to overcome another general complaint of employers, being that there is [little public understanding of the way the industry works and its impact on the local economy](#).

5 Invest in the Future Workforce

There are three sub-objectives that are designed to support this:

- ❖ Promote careers and jobs in maritime on Merseyside.
- ❖ Attract bright young people into the industry.
- ❖ Improve access to training.

5.1 Promote Careers and Jobs in Maritime

Based upon the numerous comments related to image of the industry and recruitment, we need to view this issue on several levels.

Improving perceptions of the maritime industry nationally: An organisation called Sea Vision has this as its goal, and has formed a specific careers group. Mersey Maritime is already engaged with these initiatives.

Improving the perceptions of Merseyside's maritime industry within the national industry: Promotion of maritime on Merseyside is one of the core activities undertaken by Mersey Maritime. These activities have had a positive impact over the last two years. Maritime in Merseyside is now seen as relatively dynamic, and "having its act together". This good work needs to continue afresh to ensure that the initial momentum is not lost.

Convincing people in Merseyside and its environs that the maritime sector is interesting and offers good jobs and careers: This issue has been addressed at the margins in Merseyside, for example with presence at Skills City type events. There is a need to undertake this type of activity, but in an effective manner. The key activities to be progressed include:

- ❖ Forming close relationships and developing joint initiatives with JobCentre Plus, Jet Centres and Connexions.
- ❖ Developing high impact, well organised, properly funded "Maritime Skill City" events that get the right people through the door. The objective must be to engage in depth with a few rather than skim the surface of hundreds.

5.2 Attract Bright Young People

Knowledge that we remain a maritime nation, and that there is a range of rewarding careers in the sector, is low throughout the UK. Consequently numbers of young people applying for vacant positions - across the sector - are low. The sector needs to interest and attract bright young people to avoid future labour and skills shortages.

This issue is recognised as a core project by the Maritime NW Sector Skills & Productivity Alliance, a partnership chaired by Mersey Maritime. It is proposing to progress five key initiatives in support of this.

- ❖ **The Maritime NW Schools Challenge:** An exciting curriculum-related project, operating every year with scope for imagination and variety, and for high profile publicity. Effective integration into the curriculum is key. This is addressing the following issues:
 - ❖ Maritime is poorly integrated or represented in the curriculum.
 - ❖ Many existing initiatives fail to win room in a crowded school day because priority goes to what is curriculum-related.
 - ❖ Many existing initiatives do not capture the imagination of young people.
- ❖ **Ambassadors programme:** Bringing young people from within the maritime sector into schools. This aims to:
 - ❖ Challenge stereotypes within the maritime sectors.
 - ❖ Provide industry role models.
 - ❖ Communicate effectively the range of job opportunities at all levels.
- ❖ **Structured pupil work experience programme:** Develop a structured work experience programme to build links between schools and industry, and support industry in developing the capacity to host pupils on a structured work experience programme.
- ❖ **Industry experience for teachers:** This aims to expose teachers to the industry and maritime commerce. It aims to:
 - ❖ Raise teacher awareness of the maritime industry.
 - ❖ Support industry in developing the capacity to host teachers on structured industry experience programmes.
 - ❖ Communicate opportunities to Education Business Partnerships.
- ❖ **Careers information:** Too few advisers to young people understand the full range of maritime career opportunities. Sectors with significant numbers of craft and hand skills – such as maritime – consequently suffer because too few young people consider them as suitable careers. A maritime sector fact sheet will aid local delivery of careers material by relevant people.

5.3 Improve Access to Training

There are barriers to accessing training that need to be broken down. These particularly affect small enterprises, which might not be sure what they need, do not know what to ask for or where they can get it, are confused by the delivery options, believe that they cannot afford it, or then find it is impossible to release someone to be trained. It is going to take excellence in communication and information provision, combined with innovation in developing flexible delivery schemes, and funding to overcome these.

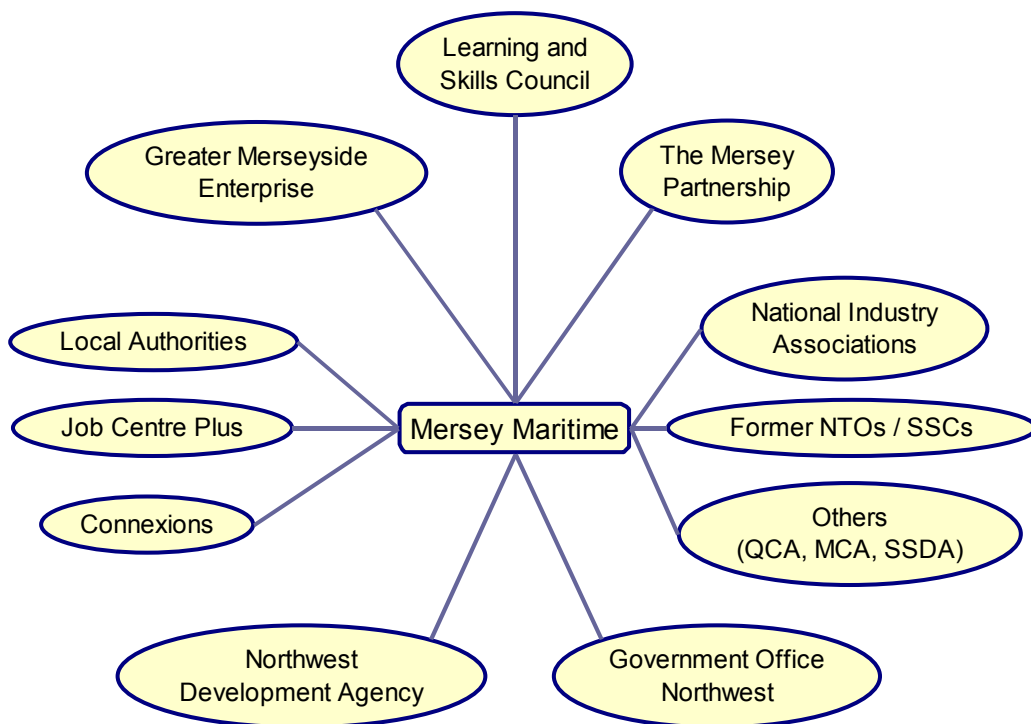
6 Work with Partners

The issues for action, identified in the previous sections of the plan, are not trifling matters. Making headway with most of these will require patience and tenacity in equal measures.

Mersey Maritime is possibly in a unique position in that it has the franchise, the industry links, the will, and could develop the capability to take on the maritime skills agenda. Working on this basis, it would need to develop a close relationship with the LSC and other partners. Mersey Maritime would develop as the main strategic enabler or broker for addressing skills issues.

The key stakeholders that it must engage with are illustrated in Figure 1.

Figure 1: Key Stakeholders



The key contribution that each of these stakeholders makes is highlighted in Figure 2 overleaf, whereas Figure 3 provides a more specific summary of the roles that key stakeholders have on the basis of a direct interaction or possible interaction with Mersey Maritime. NB It is recognised that organisations have broader remits than described.

In terms of activities to be prioritised by Mersey Maritime in its development of relations with regional and sub-regional partners, Figure 4 identifies focal points that will support delivery of the WDP.

Figure 2: Key Roles

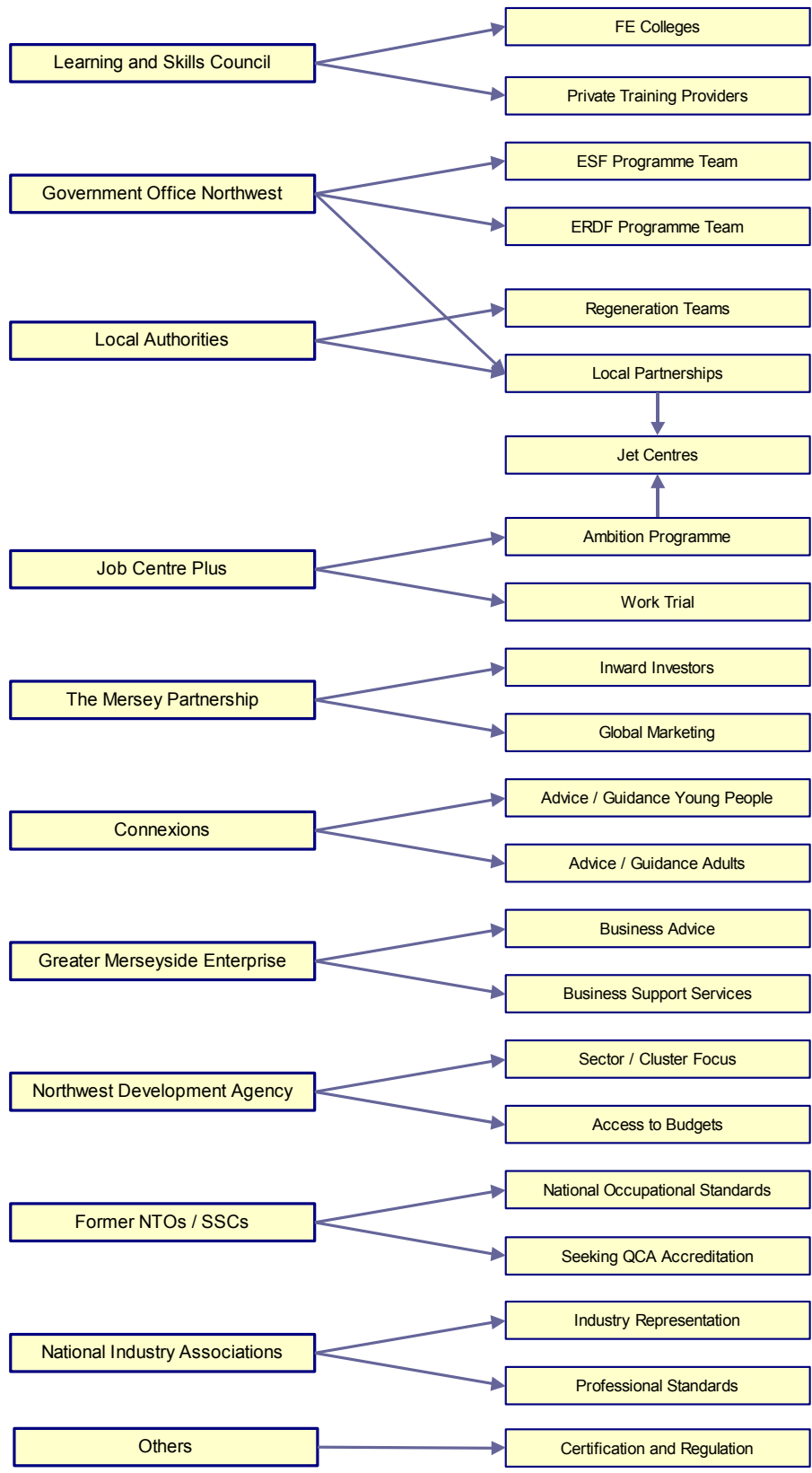


Figure 3: Summary of Stakeholder Roles

Organisation	Role
LSC	To ensure that appropriate and high quality provision is available to provide individuals and employers with the appropriate skills required for the sector.
GONW	To ensure that Government policy effectively reflects local needs and, on Merseyside, to be instrumental in the management of the EU Objective 1 funding programme.
Local Authorities	To provide a range of services to individuals and employers that ensure Merseyside offers the premium conditions for sustainable economic growth and employment.
JobCentre Plus	To work with individuals and employers to secure appropriate employment opportunities for those individuals who are currently out of work.
The Mersey Partnership	To attract and support new investors and existing, growing companies to secure long term and sustainable economic growth for the area.
Connexions	To provide information advice and guidance to young people with regard to opportunities in education, training and employment. On Merseyside this is supplemented by the delivery of information, advice and guidance to adults.
Greater Merseyside Enterprise	To provide support and information to businesses in the region and to assist in the development of the workforce through Investors in People.
North West Development Agency	To provide strategic leadership and operational activity to support the regeneration of Merseyside and to develop frameworks for skills and employment across the region.
Former NTOs / Sector Skills Councils	Merchant Navy Training Board, Port Safety & Skills, and SSCs have a key role in ensuring that priorities for skills on Greater Merseyside are factored into their national remit, and Mersey Maritime must engage with them to achieve this.
National Industry Associations	Chartered Institute of Shipbrokers, Shipbuilding and Shiprepairers Association, and British Marine Federation are involved in setting professional standards and providing relevant courses.
Others	Organisations such as the Marine & Coastguard Agency, the Qualifications Curriculum Authority, and the Sector Skills Development Agency have important accreditation and regulatory functions.

Figure 4: Priority “Local” Stakeholder Activities

Organisation	Key activity
LSC	Working with the FE sector and private providers to ensure that the skills delivered are appropriate to the needs of employers. This can be achieved through both the contractual and quality assurance processes.
GONW	<p>Ensuring the ESF and ERDF funds are accessed appropriately to support the sector in its development, including supporting the provision of training that is currently unavailable and supporting the delivery of physical resources where appropriate.</p> <p>GONW may also facilitate access to local partnerships in order to provide direct access to local communities in ways that may not be open to other agencies.</p>
Connexions	Ensuring that young people and adults are aware of the opportunities available in the maritime sector, how such opportunities may be accessed and what training and education is available to support working in the sector.
Greater Merseyside Enterprise	Ensuring that maritime companies are offered appropriate advice and support and linked to the opportunities that may be accessed through Mersey Maritime.
North West Development Agency	<p>Ensuring that the activities of Mersey Maritime and the proposed actions of the WDP are embedded in regional cluster / sector strategies.</p> <p>NWDA may also provide access to new and emerging Government and EU funding streams.</p>
The Mersey Partnership	<p>Ensuring that inward investors are aware of the strength of the maritime sector as a key selling point for Merseyside.</p> <p>To market Merseyside globally as a destination for maritime companies (such as insurance / finance, engineering) to relocate to or to expand their UK activity.</p>

Local Authorities	<p>Ensuring that regeneration and development activity is sympathetic to the needs of the existing and growing maritime sector.</p> <p>Providing access to local partnerships and the Jobs, Education and Training (JET) Centres that provide access to long term unemployed individuals seeking education, training and employment work.</p>
JobCentre Plus	<p>Ensuring that maritime employers access new and emerging support programmes such as Ambition and Work Trial that will facilitate recruitment and retention of appropriate staff for the sector.</p>